



Triodos Renewables Europe Fund

Audited annual report 2012

Triodos  Investment Management

Energy and Climate

For a transition from a carbon-based economy to a sustainable economy, it is essential to reduce energy demand, to use energy as efficiently as possible and to invest massively in renewable energy systems, while switching to low carbon fuels.

Triodos SICAV II - Triodos Renewables Europe Fund Audited annual report 2012

Société d'Investissement à Capital Variable organised under the laws of the Grand Duchy of Luxembourg. The value of the investments may fluctuate. Past performance is no guarantee of future results.

No subscription can be accepted on the basis of financial reports. Subscriptions are only valid if they are made on the basis of the latest published prospectus accompanied by the latest annual report and the most recent semi-annual report, if published thereafter. The prospectus and simplified prospectus (financiële bijsluiter) are available free of charge at the registered office of Triodos SICAV II in Luxembourg and from Triodos Bank: www.triodos.nl.

Triodos Investment Management is a 100% subsidiary of Triodos Bank. Triodos Investment Management is the Investment Manager of Triodos Renewables Europe Fund and manages the assets on a day-to-day basis.

Key figures

(amounts in euros)	2012	2011	2010	2009	2008
Total net asset value (end of reporting period)	65,689,152	49,814,037	49,716,537	31,584,322	24,335,736
Number of R-shares outstanding (end of reporting period)	1,991,524	1,463,349	1,582,896	978,862	769,243
Number of I-shares outstanding (end of reporting period)	110,983	79,650	86,307	110,142	110,142
Income	3,282,705	937,614	1,403,584	1,253,352	849,723
Expenses	1,971,266	1,497,229	1,615,454	940,798	776,419
Net operating gain/loss	1,311,439	-559,615	-211,870	312,554	73,304
Realised and unrealised gains/ losses on investments	-3,276,321	4,276,330	1,218,523	971,200	570,451
Net result	-1,964,882	3,716,715	1,006,653	1,283,754	643,755
Total Expense Ratio per R-share*	3.33%	3.24%	3.61%	3.15%	3.52%
Ongoing charges per R-Share**	3.35%	3.27%	n.a.	n.a.	n.a.
Total Expense Ratio per I-share*	2.76%	2.70%	2.95%	2.67%	n.a.
Ongoing charges per I-Share**	2.76%	2.69%	n.a.	n.a.	n.a.

Net asset value (NAV) per share***

(amounts in euros)	27.12.2012	29.12.2011	30.12.2010	31.12.2009	29.12.2008
R-share	31.10	32.05	29.69	28.90	27.62
I-share	32.24	33.04	30.43	29.45	27.98

Return based on NAV per share***

	1 year return	3 year return p.a.	5 year return p.a.	Return p.a. since inception
R-share	-2.96%	2.48%	3.03%	3.46%
I-share	-2.42%	3.06%	3.60%	4.04%

Source: RBC Investor Services and Triodos Investment Management

* The Total Expense Ratio (TER) reflects the total expenses divided by the average net asset value. For the calculation of the average net asset value, the net asset value as at the end of the previous reporting period and the net asset values as at the end of each quarter of the reporting period are taken into account. The TER per I-share was not calculated in the year 2008.

** A new cost calculation ratio was adopted as of July 2012. As a result, the 'ongoing charges' will eventually replace the TER. Almost similar to the TER, the ongoing charges reflect the total expenses divided by the average net asset value. The difference to the TER is that, for the calculation of the average net asset value, each computation and publication of the net asset value is taken into account. More information on TER and ongoing charges can be found on page 30 of this report.

*** Net asset value per share and annual return calculations are based on the share prices published on the last trading date (Thursday) of the year.

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Introduction

Energy is an indispensable asset. After food, water, medicines and shelter, energy has become a necessity of modern life, and access to it enables economic development.

Despite the benefits, current energy consumption patterns have a profoundly negative environmental impact. Concerns have been expressed for many years about the local impact of fossil fuel production and the air pollution caused by high levels of energy consumption, especially in densely populated areas. Over the last 20 years, evidence of a much more complex, all-encompassing environmental impact of our energy consumption has become apparent: climate change. Increasing evidence – be it scientific or unusually extreme weather conditions – have served as a wakeup call and led to demands for a drastic change in our energy production and consumption. What is required is a transition from our current carbon-based energy system to a society powered by renewable energy sources.

Renewable energy is the way forward. Wind and solar energy, hydropower, geothermal power and energy from biomass are the modern alternatives to oil, natural gas and coal: no more polluting and damaging extraction methods or emissions of substances that pollute the environment and cause global warming. The alternative is clean, endless sources of energy that do no harm to the environment.

Mission

Triodos SICAV II - Triodos Renewables Europe Fund (Triodos Renewables Europe Fund) has been designed to offer investors the opportunity to actively contribute to the growth of renewable energy production in Europe. It invests in small to medium-sized European producers of green power, primarily wind farms and solar energy power plants.

Triodos Renewables Europe Fund is an initiative of Triodos Bank NV. Long before climate change gained mass media attention, Triodos Bank was interested in energy production and consumption, and its impact on people and planet earth. It has been an active investor and financier of clean energy initiatives in Europe and developing countries for more than 25 years. Triodos Renewables Europe Fund acknowledges that although renewable energy is the way forward, reducing energy demand and increasing the efficiency of energy conversion from fossil fuels will be of equal importance in the next few decades.

Report of the Board of Directors

Triodos SICAV II – Triodos Renewables Europe Fund's net assets increased to EUR 65.7 million at the end of 2012 (2011: EUR 49.8 million). As at 31 December 2012, 71.3% of Triodos Renewables Europe Fund's net assets was invested (2011: 100%). At year-end, Triodos Renewables Europe Fund had 42 investments outstanding in 22 different projects. Triodos Renewables Europe Fund invests directly in renewable energy projects by means of equity participations, shareholder loans and/or subordinated loans. The total green power generation capacity of the projects in which the fund has invested is 214 MW. Altogether, these projects generated approximately 418,000 MWh in 2012, providing 119,323 households with clean energy, which equates to a reduction in CO₂ emissions of approximately 160,000 tonnes a year. Since inception of the fund in 2006, the R-Share Class has generated an average annual return of 3.5%. Its performance for 2012 was -3.0% (2011: 8.3%). The institutional share class has produced an average annual return of 4.0% since inception of the fund. Its performance for 2012 was -2.4% (2011: 9.0%)*.

Market developments

The renewable energy market in Europe remains full of potential. From a cost perspective, renewable energy technologies, especially onshore wind and solar photovoltaic ("PV"), are becoming increasingly competitive with fossil fuels. In addition, governments have set ambitious targets for renewable energy production for 2020 and beyond, which will require significant investments in the coming years. On the downside, European policy makers have been scaling back subsidies and other support mechanisms in the past few years. Considering the significant decline in the cost of clean energy, such reduced stimuli are considered justified. In case of heavily debt-burdened countries, fiscal austerity is part of the equation and

* Share price performance/(average) annual return calculations are based on the share prices published on the last trading date (Thursday) of the year.

governments have discovered the renewable energy sector as a potential source of tax revenues.

Renewable energy projects that are currently operational remain dependent on the subsidy schemes that were assigned to them in the past. Triodos Renewables Europe Fund is characterised by a project portfolio that is fully operational. Its current exposure to market electricity prices is relatively low and limited to its investments in the Dutch and Belgian markets, where market electricity price movements have a certain impact on the project revenues.

119 thousand households

provided with
clean energy

As the market competitiveness of renewable energy production facilities continues to grow, new investment projects are expected to become less dependent on subsidies and more exposed to market electricity prices. Consequently, as it expands its portfolio to include new investments, the fund is likely to become more exposed to market movements. While this will increase the volatility of the fund's financial performance, it will also decrease its exposure to country and regulatory risks associated with the renewable energy market. The correlation with market energy price movements will ultimately contribute to the fund's ability to keep pace with inflationary developments: a positive outcome from an investor's point of view.

Turning to the target markets of Triodos Renewables Europe Fund, some country-specific sector developments have been observed.

In the Netherlands, despite some political uncertainty and reduced support for green funds, the

government has recently re-confirmed its ambition to increase the market share of the renewable energy sector. An update of the Dutch renewable energy support scheme is likely to appear in 2013.

Belgium's renewable energy sector has traditionally been supported by the federal and regional governments through schemes based on green certificates, whose monetary value represents the environmental value of the renewable energy generated. An announcement was made during the year that these schemes would be reduced, which will specifically have an impact on larger-sized rooftop projects. As a consequence, the utility scale solar PV market in the Flemish region was brought to a temporary standstill.

The French government has announced plans to cut the nuclear share in power generation from 78% to 50% by 2025 and has also proposed ambitious CO₂ reduction targets on a European level. It has recently selected 520 MW of large rooftop PV projects under its tender for feed-in tariffs.

In Germany, minimum government-guaranteed power prices for solar energy have been further phased out. The renewable energy sector represents a large market share in Germany but consumers are facing high electricity prices and there are challenges related to the grid (which has not been designed to make optimal use of renewable and conventional energy). This may be a prelude to an overall revision of the way in which Germany



WINDPARK MIDLUM, GERMANY

Windpark Midlum, in the municipality of Midlum, Lower Saxony, has been operational since 1999. The wind farm consists of 70 Enercon E-40 turbines.



supports its clean energy sector and an amendment of the Renewable Energy Act.

Spain, while in essence an attractive solar market due to its high irradiation levels, remains characterised by an above average risk profile due to its precarious financial situation and political climate. The Spanish government announced a new tax on energy production in July 2012, applicable as of 1 January 2013, which will affect revenues from both the conventional as the renewable energy sectors. Additionally, in February 2013 a Royal Decree was published establishing Feed-In-Tariffs for the renewable energy sector which are no longer fully adjusted in line with the Consumer Price Index. This new decree is the third government intervention leading to a downward revaluation of Spanish assets in the fund's portfolio since the start of 2011.

EUR 65.7 million

assets under
management

The United Kingdom has a renewable energy market that is both compelling and complex: compelling, since it represents ample opportunities in solar as well as wind energy; complex, since it is characterised by sophisticated subsidy schemes as well as significant exposure to market electricity prices. The government sees the development and deployment of more renewable energy as one of the key measures in addressing the climate change and it targets to source 15% of the country's energy from renewables by 2020. Supported by country-specific expertise and a network already present within the

Triodos group, the fund is well positioned to enter this market in 2013.

Triodos Renewables Europe Fund has good contacts with experienced project developers in all of its target markets, which provide access to interesting investment opportunities. No new additions to the Spanish project portfolio are considered for the time being.

Investments

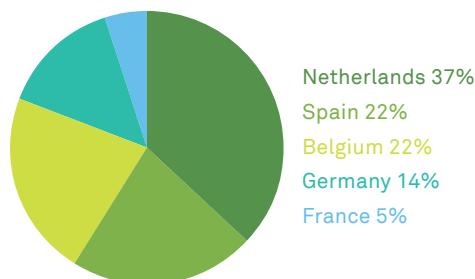
Triodos Renewables Europe Fund, being fully invested at year-end 2011, had little room to initiate investments at the beginning of 2012. Aided by a sizeable increase of entrusted funds, the fund's liquidity position strengthened in the course of the year, enabling the fund to pursue on new additions to the portfolio. In the last quarter of 2012, the fund was exclusively engaged in three investment opportunities: two solar transactions in Belgium and one wind farm investment in the United Kingdom. As investment processes typically take four to six months, no portfolio additions materialised during 2012. The three transactions are expected to close in the first quarter of 2013.

Nonetheless, there was ample activity in the existing investment portfolio as the fund team and its partners focused on efficiency optimisation and project performance. Together with long-standing partner, project co-shareholder and manager E-Connection, significant capacity was added to the Dutch wind farm portfolio. As such, Roggeplaat witnessed a swift and cost-efficient repowering of its site, where 12 smaller Enercon E33J 400kW turbines were replaced by four new Enercon E82 3.2 MW turbines. Wind farm Roggeplaat is located on the Eastern Scheldt storm surge barrier (Oosterscheldekering) in Zeeland, one of the windiest locations in the Netherlands, and the four new turbines are expected to produce three times more renewable energy than the former 12 turbines. In two other Dutch wind farms, Neeltje Jans and Roompotsluis, total additional capacity of 9 MW (3 Vestas V90 turbines) became operational ahead of

schedule and well within budget in the summer of 2012. The replacement turbines in Roggeplaat and the new turbines in Neeltje Jans and Roompotsluis are expected to produce enough to provide approximately 18,700 households with green energy.

Outside the Netherlands, the fund also benefits from working with partners with whom a successful track record has been built up. These partnerships are characterised by alignment of interests, efficient processes and cost advantages. In the German project Midlum, the fund works closely with the manager to repower the existing wind farm that has been operational since 1999. New turbine technology will ensure that the production capacity can be doubled using only one third of the number of turbines. This repowering at its own expense also offers the fund an opportunity to achieve higher returns. Besides wind production, the project also contributes to local biodiversity as it has created nine hectares of new natural landscape.

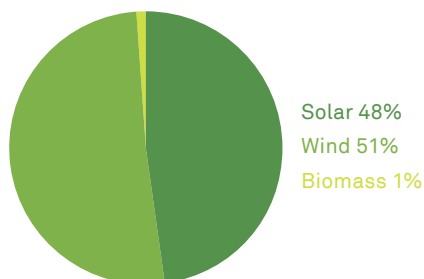
Country allocation (% of value of investments), December 31, 2012



Source: Triodos Investment Management

The fund's portfolio remains well-diversified from a geographical point of view and the risk of adverse regulatory changes affecting portfolio companies is spread (since cash flows generated by the projects are largely based on subsidies or feed-in tariffs paid by national governments). Due to the decrease in valuation of the Spanish portfolio, the exposure to Spain decreased from 29% at the end of December 2011 to 22% at the end of December 2012.

Sector allocation (% of value of investments), December 31, 2012



Source: Triodos Investment Management

By 31 December 2012, the percentage invested in biomass amounted to only 1% due to further provisions being made for the biomass part of the portfolio. Solar projects (ground-mounted as well as solar roof systems) account for 48% of the portfolio. Compared with wind and biomass, solar energy provides the most stable cash flows on an annual basis. The cash flows from wind energy projects are slightly less predictable because of greater fluctuations in the amount of wind per year. Nonetheless, in the long run, wind revenues are expected to be in line with long term projections.

Triodos Renewables Europe Fund made some amendments to its valuation method in 2012, with the objective of making the fund's share prices less sensitive to short-term interest rate fluctuations and more reflective of the underlying project portfolio's medium to long-term return expectations. At the same time, each individual portfolio investment was reviewed, incorporating recent project and country-specific developments in their valuation, which led to changes in the discount rates applied and expected cash flows derived from the portfolio projects.

All in all, the fund's weighted average portfolio discount rate increased from 9.2% at the end of 2011 to 9.6% at the end of 2012.

Results

Financial results

Triodos Renewables Europe Fund closed its financial year with a net operating gain of EUR 1.3 million. EUR 3.2 million was generated from dividends, interest and repayments, which reflects the maturity of its portfolio (with projects that have all reached the operational phase) and the generally good performance of its investments.

The bottom line result was negative (EUR -2.0 million), mainly due to a downward revaluation of the Spanish investment portfolio. In addition, a final provision was made for the fund's biomass portfolio.

The revaluation of the fund's Spanish assets was triggered by the Spanish government's plans for a new tax on energy production as announced in July 2012 (see also sections on Market Developments and Investments above).

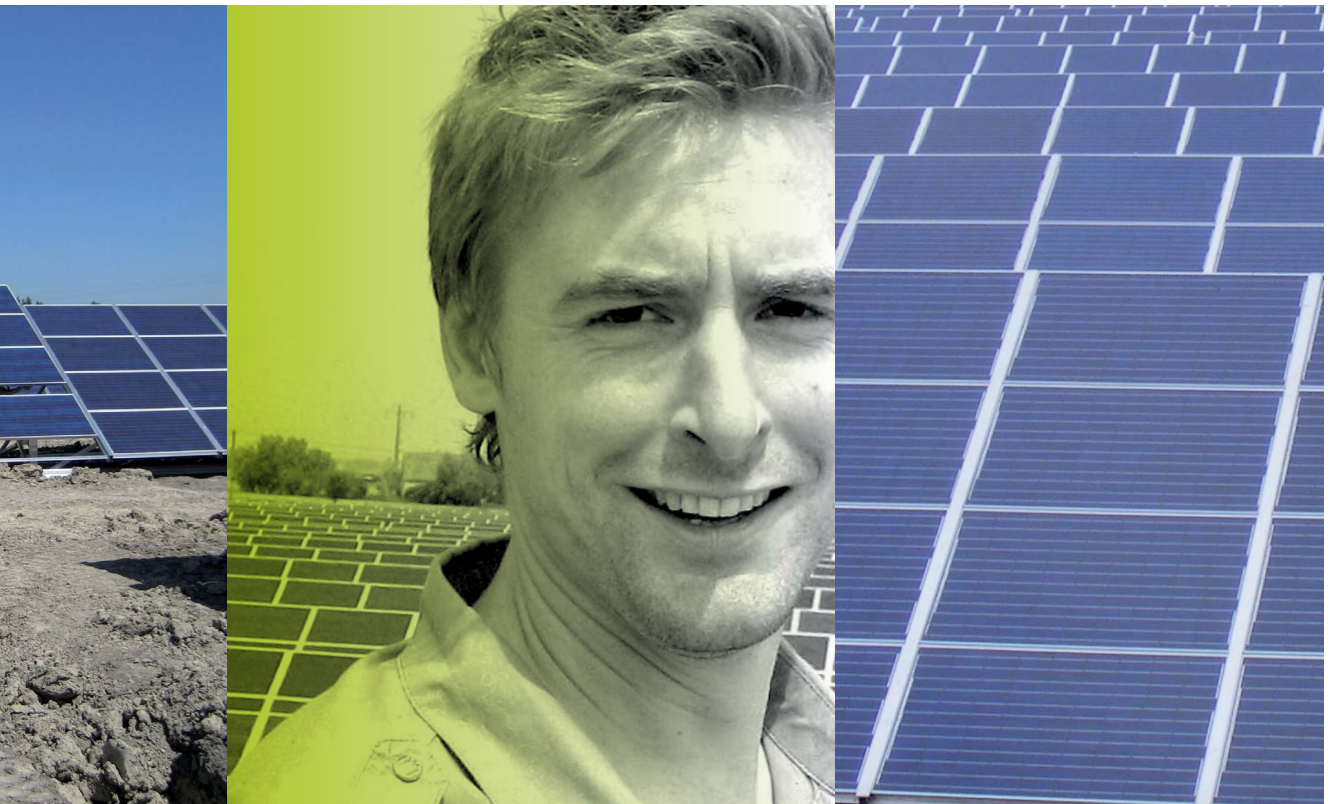
Return

The revaluation of the Spanish portfolio investments described above resulted in a negative share price performance for Triodos Renewables Europe Fund in 2012. The one-off negative impact on the valuation of the assets located in Spain was taken in July when plans for a new tax on energy were announced.



SOLAR PLANT GFS VEURNE, BELGIUM

Solar plant GFS Veurne, in the municipality of Veurne, Flanders, consists of 12,780 solar panels with a combined capacity of 2.6MWp. It was developed by Greenfever and started operations in July 2009.



Return based on net asset value (NAV) per share*

Share class	1 year return p.a.	3 year return p.a.	5 year return p.a.	Average p.a. since inception
R-Share	-3.0%	2.5%	3.0%	3.5%
I-Share	-2.4%	3.1%	3.6%	4.0%

* Annual return calculations are based on the share prices published on the last trading date (Thursday) of the year.

Source: RBC Investor Services and Triodos Investment Management

Taking the Spanish investments out of the equation, the fund's portfolio performed well and generated a net return in line with the fund's target return of 5% to 7%.

Liquidity

The fund's liquidity position significantly increased in the course of the year: while the fund had been fully invested at year-end 2011, its liquidity percentage stood at 29.5% of net asset value by the end of 2012. The substantial increase was due to net inflows of investor money as well as to reimbursements, interests and dividends received from portfolio investments. With a target investment level of 85% to 90%, Triodos Renewables Europe Fund is well positioned to seize new investment opportunities.

Costs

The main element in the Triodos Renewables Europe Fund cost base is the remuneration it pays for investment services, support services and distribution activities. The Investment Manager, Triodos Investment Management, takes care of acquisition, analysis, preparation of the proposal for the Investment Committee, decision-making and documentation of investments as well as close monitoring of the portfolio companies. As Triodos Renewables Europe Fund provides risk capital for non-listed, smaller project companies, the process of analysis up to closing of transactions is time-consuming and intensive. Furthermore, close monitoring is required after the investment has been made.

Triodos Renewables Europe Fund's Total Expense Ratio (TER), which includes the management fee, amounted to 3.33% for R-Shares and 2.76% for I-Shares in 2012 (3.24% and 2.70% respectively in 2011). A new cost ratio was adopted as of July 2012. As a result, the 'ongoing charges' will eventually replace the Total Expense Ratio or TER. Almost similar to the TER, the ongoing charges amounted to 3.35% (2011: 3.27%) for R-Shares and 2.76% (2011: 2.69%) for I-Shares for the twelve months ending on 31 December 2012.

More detailed information on management fees, TER and ongoing charges can be found on pages 28 and 30.

Risk

Investments in Triodos Renewables Europe Fund are subject to several risks, which are described in detail in the fund prospectus. Some of the risks are highlighted below.

Project risk

A long-term risk is that the amount of electricity that is produced is subject to various factors such as wind speed, rainfall and sunlight. Added to that, there is a technology risk (e.g. actual performance of turbines and solar panels) which could have an impact on the amount of electricity produced. Where the fund invests in projects that are not yet operational, it is also exposed to a construction risk at project level. The performance of the project also depends on the quality of the plant management. This risk is mitigated by working with experienced

developers and by using knowledgeable advisors to determine the expected electricity production and plant performance.

Market risk

Another risk is potential volatility in income from the electricity that is produced. In cases where a project is partly or entirely dependent on market electricity prices and is not fully eligible for fixed feed-in tariffs and subsidies, the expected income and valuation of projects could fluctuate along with changes in market electricity prices. This risk is partly mitigated by diversification across regions and technologies.

Country risk

There is a risk with regard to the stability of expected income where national feed-in tariffs and subsidies apply. Generally speaking, subsidy schemes may be curtailed faster than market prices for installations, which could temporarily restrict new investment opportunities with an acceptable return. The value of the investments may also be affected by other uncertainties in the form of abrupt changes in domestic policies with regard to tax and other legislation and regulations.

This type of risk materialised three times in Spain in two years' time: in early 2011, unexpected restrictions on subsidy schemes were implemented with retroactive effect; in the third quarter of 2012, the government announced plans for a new tax on energy production, including renewable energy production; in February 2013, a Royal Decree was published establishing Feed-In-Tariffs for the renewable energy sector which are no longer fully adjusted in line with the Consumer Price Index.

Triodos Renewables Europe Fund mitigates regulatory risks by means of geographical and technological diversification.

Interest rate risk

The performance of Triodos Renewables Europe Fund is susceptible to capital markets' interest rates. This is due to the valuation method, which

calculates the net present value of expected cash flows incorporating the one-year rolling average market interest rate in its discount factor. In principle, rising interest rates will have a negative impact and falling interest rates will have a positive impact on the valuation of underlying investments. The positive impact of decreasing interest rates is however capped as the valuation method maintains a minimum discount rate.

Liquidity risk

Triodos Renewables Europe Fund invests in assets that are not listed on a stock exchange and that are relatively illiquid. In view of the fund's open end structure (enabling subscription and redemption of shares on a weekly basis) this could potentially lead to a situation in which the fund needs to temporarily close for redemptions. There is also a risk that the fund may be unable to obtain sufficient resources to fulfil its financial obligations. This risk is mitigated by aiming to keep a sufficient percentage of its assets in cash or cash equivalents. Additionally, the fund is allowed to borrow up to 40% of its net assets.

Events after the balance sheet date

The new 6% tax rate on conventional and renewable energy in Spain became effective on 1 January 2013. Its impact on the value of the Spanish assets in the Triodos Renewables Europe Fund portfolio was fully incorporated in the fund's net asset value and share prices in the course of 2012.

In February 2013, the Spanish government published a new royal decree which establishes, amongst other measures, the exclusion of the energy, food and tax components in the index applied in the formula for calculating next years' Feed-In-Tariffs and will enter into force from January 1st, 2013, retroactively. This decree is the third government intervention leading to a downward revaluation of the Spanish portfolio of the fund since 2011. The markdown brought the allocation to Spain down from 15.3% to 13.6% of the fund's net asset value.

In February 2013, Triodos Renewables Europe Fund invested in Fenpower, an operational wind farm in England. Fenpower is the fund's first investment in the United Kingdom.

Also in February 2013, the fund's subordinated loan to German biomass project ECH was reimbursed, bringing the fund's allocation to the biomass industry to zero.

In March 2013, the fund also acquired 95% of the shares in ground mounted solar project GFS Veurne in the region Flanders. The fund has been financing GFS Veurne through a subordinated loan since the start of its operations in 2009.

During the first quarter of 2013, the fund also committed to financing a subordinated loan to Silvius Sun, a portfolio of already operational roof-mounted solar projects in Belgium. The investment opportunity arose through the fund's contacts with Solar Access, an international developer and operator of solar power projects based in the Netherlands.

Outlook

Triodos Renewables Europe Fund maintains a positive long-term outlook on the sector and anticipates several investment opportunities for the fund.

Despite the impact of some of the measures taken as a consequence of the crisis in Europe, the market in which Triodos Renewables Europe Fund operates has significant potential, given Europe's long-term goal of increasing the share of renewable energy production. In addition, further technological innovation and economies of scale will continue to bring down the costs of such installations and will eventually result in renewable energy projects competing with fossil fuel energy production facilities. The fund is well positioned to grow its portfolio due to its market niche (medium-sized investments), its flexibility (both equity and subordinated loans) and visibility and its foothold in the target markets (with longstanding partnerships).

The fund's primary focus continues to be on wind and solar projects and the fund targets to further diversify its portfolio into stronger markets.

Triodos Renewables Europe Fund's historically grown portfolio remains largely dependent on the subsidy schemes assigned to its projects; its exposure to market electricity prices is currently limited. New portfolio investments are expected to be less dependent on fiscal support and thus more exposed to market electricity prices. While this is expected to increase the volatility of the fund's financial performance, it will also reduce the market's dependence on subsidy schemes. Further geographical diversification will also further mitigate country risk.

In view of the substantial increase in entrusted funds primarily in the second half of 2012, the fund team was able to actively start negotiations on a number of investment opportunities in wind and solar energy. The fund expects to add three to four new investments to its portfolio in the first half of 2013.

Triodos Renewables Europe Fund continues to aim for an average annual return of 5 to 7% over the medium to long term.

Luxembourg, March 28, 2013

The Board of Directors of Triodos SICAV II

Pierre Aeby (Chairman)
Marilou van Golstein Brouwers
Patrick Goodman
Olivier Marquet
Garry Pieters (as of April 25, 2012)
Alexander Schwedeler

General information

Structure

Triodos Renewables Europe Fund was launched in June 2006 as a sub-fund of Triodos SICAV II, the first Luxemburg investment company to be launched by Triodos Bank. The fund has an open end fund structure and is not quoted on any stock market. Triodos Renewables Europe Fund has Euro share classes for retail and institutional investors.

Triodos Renewables Europe Fund is managed by Triodos Investment Management BV, which is a wholly-owned subsidiary of Triodos Bank NV.

Triodos S II LuxCo S.à r.l. was incorporated under the laws of Luxembourg in February 2011. It is a resident of Luxembourg and a wholly-owned subsidiary of Triodos SICAV II. The entity acts as a holding and financing company for a selection of investments made by Triodos Renewables Europe Fund.

The Annual General Meeting of Shareholders takes place in the city of Luxembourg, at a place specified in the notice of the meeting, each year on the last Wednesday in April. If such day is not a business day then the meeting will be held on the next business day. Notice of any General Meeting of Shareholders will be mailed to each registered Shareholder at least eight days prior to the meeting and will be published to the extent required by Luxembourg law in the Mémorial. Triodos SICAV II publishes an integrated detailed audited report annually in Luxembourg. Triodos SICAV II also publishes an integrated detailed semi-annual report in Luxembourg. Separate reports for each sub-fund of Triodos SICAV II are published by Triodos Investment Management. Copies may be obtained free of charge from the registered office of Triodos SICAV II and can be downloaded from Triodos Bank: www.triodos.com and www.triodos.nl.

Investment policy

Triodos Investment Management BV has identified market opportunities for Triodos Renewables Europe Fund as a result of the increasing attention being paid to renewable energy production and the

need for it as well as the urgency to diminish the negative impact of conventional energy production on our global environment.

The fund does not invest in renewable energy technology or technology providers, but predominantly in the actual production of green electricity: “green kilowatt hours”. Investments will be made in small and medium-sized renewable energy production facilities. These renewable energy production facilities derive sustainable energy from natural resources such as wind, sun, biomass and flowing water. The main focus of the fund will be on investments in wind farms, solar photovoltaics and solar thermal installations, clean biomass installations and small hydro projects. These small and medium-sized installations are typically privately owned and/or operated by a special purpose company.

Triodos Renewables Europe Fund will primarily (95%) invest in ‘project companies’ that operate existing renewable energy power plants or newly developed plants / installations. The fund invests at the start of the construction period (“financial close”) or in a later phase of the projects. The investments constitute well-developed projects (e.g. those using proven technologies, with solid project contracts, adequate insurance cover, qualified management of the project and availability of irrevocable required permits and licenses, a power purchase agreement, a grid connection, solid cash flow projection and project financing in place to the satisfaction of the fund).

Fiscal aspects

According to the law in force and current practice, Triodos Renewables Europe Fund is not subject to any Luxembourg tax on income and capital gains. Dividends paid by the fund are not subject to any Luxembourg withholding tax. However, the fund is subject to a subscription tax (taxe d’abonnement) at an annual rate of 0.05% p.a. This rate may be decreased to 0.01% p.a. for certain classes of shares which are restricted to institutional investors

as specified in the prospectus. This tax is calculated and payable quarterly on the basis of the net asset value of Triodos Renewables Europe Fund at the end of each quarter. In addition, the issue of shares in the fund is not subject to any registration duties or other taxes in Luxembourg. Some dividend and interest income from the fund's portfolio may be subject to withholding taxes at variable rates in the countries of origin.

As holders of shares in Triodos Renewables Europe Fund, shareholders do not have to pay any income and capital gains tax, any withholding tax, or any other form of tax in the Grand Duchy of Luxembourg (except with regard to (I) shareholders domiciled, resident or having a permanent establishment in Luxembourg, (II) some non-residents of Luxembourg who own 10% or more of the capital of the fund and who sell all or part of their shares within six months of their acquisition and (III) in some limited cases, some categories of former residents of Luxembourg if they own 10% or more of the capital of Triodos SICAV II). The above information is based on the law in force and current practice and is subject to change.

Sustainability reporting

Triodos Renewables Europe Fund is managed by Triodos Investment Management BV, which is a wholly-owned subsidiary of Triodos Bank NV.

All investment funds report separately on their financial performance in an annual report. The co-workers involved in the management of these funds are employed by Triodos Bank. All social policy aspects, including the remuneration policy, are described in Triodos Bank's annual report.

The 2012 Annual Report of Triodos Bank is an integral sustainability report produced in line with the Global Reporting Initiative (GRI) sustainability reporting guidelines. These guidelines provide an internationally consistent format for information about a company's performance, particularly with regard to social and environmental issues. For reporting in 2012, Triodos Bank used the third

generation of GRI guidelines published in October 2006 and the GRI Financial Services Sector Supplements published in 2008. More about the GRI and its reporting guidelines can be found at www.globalreporting.org.

Further information on the social and environmental performance of Triodos Bank and its investment funds can be found in the Annual Report of Triodos Bank.

Triodos Investment Management BV is a member of the Stichting Klachteninstituut Financiële Dienstverlening (KiFiD).

Climate-neutral operations

Triodos Bank takes responsibility for its CO₂ emissions. The bank's environmental policy includes a three-step approach: firstly, to reduce energy consumption as much as possible, secondly, what cannot be saved is sourced from renewable energy providers, and thirdly, residual emissions (from gas consumption, paper usage, business travel and commuting) are compensated for by buying CO₂ credits. 50% of CO₂ emissions were compensated by emission reduction projects, in line with the Gold Standard. The other 50% is accounted for by Verified Carbon Standard (VCS) sustainable forestry projects. The use of volatile organic compounds and compounds that destroy the ozone layer are avoided.

Summary of annual accounts 2012

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Statement of net assets as at December 31, 2012

(amounts in EUR)	Notes	December 31, 2012	December 31, 2011	December 31, 2010
Assets				
Fixed assets				
Investment in financial assets	2	46,811,362	50,048,687	42,235,904
Historic cost: EUR 42,445,902 as at December 31, 2012 (December 2011: EUR 42,364,754)				
Formation expenses	3	–	–	99,151
Current assets				
Cash and cash equivalents		19,400,627	2,661,082	7,812,252
Interest receivable	2	40,255	16,171	81,523
Subscriptions receivable		26,692	116,915	175,212
Other current assets		87,291	87,291	87,291
Total assets		66,366,227	52,930,146	50,491,333
Liabilities				
Liabilities due within one year				
Loan		–	2,500,000	–
Investment management, distribution and service fees payable	6	391,444	362,154	323,817
Redemptions payable		87,530	99,569	146,838
Accounts payable and accrued expenses	9	198,101	154,386	304,141
Total liabilities		677,075	3,116,109	774,796
Net assets		65,689,152	49,814,037	49,716,537

The accompanying notes form an integral part of these financial statements.

Statement of operations for the year ended December 31, 2012

(amounts in EUR)	Notes	2012	2011	2010
Income:				
Dividend income	2	1,537,790	339,447	457,219
Interest on loans	2	1,435,124	432,319	606,912
Bank interest		65,935	41,569	209,307
Other income	7	243,856	124,279	130,146
Total income		<u>3,282,705</u>	<u>937,614</u>	<u>1,403,584</u>
Expenses				
Amortisation of formation expenses and restructuring costs	3	–	149,151	150,359
Investment management, distribution and service fees	6	1,460,358	1,153,871	1,110,320
Administrative and custodian fees	5	122,128	100,892	76,023
Transaction fees		–	–	15,046
Audit and reporting expenses		61,504	62,022	39,356
Subscription tax	4	29,104	22,953	21,981
Interest paid		–	83	–
Other tax		1,911	2,259	–
Other expenses	8	296,261	5,998	202,369
Total expenses		<u>1,971,266</u>	<u>1,497,229</u>	<u>1,615,454</u>
Net operating gain/(loss)		1,311,439	(559,615)	(211,870)
Realised gains on investments		42,152	–	–
Change in net unrealised appreciation/ (depreciation) on investments		(3,318,473)	4,276,330	1,218,523
Net increase/(decrease) in net assets resulting from operations		<u>(1,964,882)</u>	<u>3,716,715</u>	<u>1,006,653</u>

The accompanying notes form an integral part of these financial statements.

Statement of changes in net assets for the year ended December 31, 2012

(amounts in EUR)	2012	2011	2010
Operations			
Net operating gain/(loss)	1,311,439	(559,615)	(211,870)
Realised gains on investments	42,152	–	–
Change in net unrealised appreciation/ (depreciation) on investments	(3,318,473)	4,276,330	1,218,523
Net increase/(decrease) in net assets resulting from operations	<u>(1,964,882)</u>	<u>3,716,715</u>	<u>1,006,653</u>
Capital Transactions			
Capital subscriptions			
R Share Class	22,181,739	10,753,363	20,218,289
I Share Class	1,042,077	98,552	–
Total subscriptions	<u>23,223,816</u>	<u>10,851,915</u>	<u>20,218,289</u>
Capital redemptions			
R Share Class	(5,368,555)	(14,158,430)	(2,351,740)
I Share Class	(15,264)	(312,700)	(740,987)
Total redemptions	<u>(5,383,819)</u>	<u>(14,471,130)</u>	<u>(3,092,727)</u>
Net increase/(decrease) in net assets resulting from capital transactions	<u>17,839,997</u>	<u>(3,619,215)</u>	<u>17,125,562</u>
Net assets			
Net assets at the beginning of the year	49,814,037	49,716,537	31,584,322
Total increase in net assets	15,875,115	97,500	18,132,215
Net assets at the end of the year	<u>65,689,152</u>	<u>49,814,037</u>	<u>49,716,537</u>

The accompanying notes form an integral part of these financial statements.

Cash flow statement for the year ended December 31, 2012

(amounts in EUR)	2012	2011	2010
Cash provided by operating activities			
Profit/(loss) after taxation	(1,964,882)	3,716,715	1,006,653
(-) increase/(+) decrease in unrealised gains and losses on investments and forward foreign exchange contracts	3,318,473	(4,276,330)	(1,218,523)
(+) increase/(-) decrease in receivables and other assets	66,139	222,800	(152,875)
(+) increase/(-) decrease in payables	(2,439,034)	2,341,313	484,644
Net cash provided by operating activities	<u>(1,019,304)</u>	<u>2,004,498</u>	<u>119,899</u>
Cash provided by financing activities			
(+) proceeds from shares issued	23,223,816	10,851,915	20,218,289
(-) decrease from shares redeemed	(5,383,819)	(14,471,130)	(3,092,727)
Net cash provided by financing activities	<u>17,839,997</u>	<u>(3,619,215)</u>	<u>17,125,562</u>
Cash provided from investing activities			
(-) Acquisitions/(+) proceeds of financial assets	(81,148)	(3,536,453)	(23,960,706)
Net cash used by investing activities	<u>(81,148)</u>	<u>(3,536,453)</u>	<u>(23,960,706)</u>
Cash			
Net increase/(decrease) in cash and cash equivalents	16,739,545	(5,151,170)	(6,715,245)
Cash at the beginning of the year	2,661,082	7,812,252	14,527,497
Cash at the end of the year	<u>19,400,627</u>	<u>2,661,082</u>	<u>7,812,252</u>

The accompanying notes form an integral part of these financial statements.

Statement of changes in the number of shares outstanding for the year ended December 31, 2012

	2012	2011	2010
Number of Shares outstanding at the beginning of the year			
Share Class R	1,463,348.687	1,582,895.694	978,861.787
Share Class I	79,649.753	86,306.753	110,142.134
Share Class P	1.000	1.000	1.000
Subscriptions over the year			
Share Class R	697,930.123	352,871.851	682,938.785
Share Class I	31,793.000	3,343.000	–
Share Class P	–	–	–
Redemptions over the year			
Share Class R	169,754.747	472,418.858	78,904.878
Share Class I	460.000	10,000.000	23,835.381
Share Class P	–	–	–
Number of Shares outstanding at the end of the year			
Share Class R	1,991,524.063	1,463,348.687	1,582,895.694
Share Class I	110,982.753	79,649.753	86,306.753
Share Class P	1.000	1.000	1.000

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

1. General

Triodos SICAV II (the “SICAV”) has been incorporated under the laws of the Grand Duchy of Luxembourg as a “société d’investissement à capital variable” (SICAV) under the form of a “société anonyme” on April 10, 2006 for an unlimited period. Triodos SICAV II is governed by Part II of the Luxembourg Law of December 17, 2010.

The Registered Office of the SICAV is established at 69, route d’Esch, L-1470 Luxembourg.

The Articles have been deposited with the Chancery of the District Court of Luxembourg on April 27, 2006 and published in the Mémorial C, Recueil des Sociétés et Associations (the “Mémorial”). The SICAV has been registered with the Companies Register of the District Court of Luxembourg under number B 115.771. The Articles were last amended at the extraordinary general meeting of shareholders held on May 19, 2006 and published in the Mémorial.

The SICAV is structured as an umbrella fund, which provides both institutional and retail investors with a variety of Sub-Funds, each of which relates to a separate portfolio of assets permitted by law and managed within specific investment objectives.

As at December 31, 2012 the SICAV has two Sub-Funds, namely Triodos Renewables Europe Fund and Triodos Microfinance Fund.

Triodos Renewables Europe Fund, to which the separate annual report relates, does not constitute a separate legal entity, but there exists another Sub-Fund which together with Triodos Renewables Europe Fund forms a single entity. An annual report which includes a complete description of both Sub-funds of the SICAV has been issued and can be obtained from Triodos Bank. For the purpose of the relations between shareholders, each Sub-Fund is deemed to be a separate entity.

The overall objective of Triodos SICAV II – Triodos Renewables Europe Fund (“the Sub-Fund”) is to offer investors an environmentally sound investment in renewable energy projects with the prospect of an attractive financial return combined with the opportunity for the investors to make a pro-active, measurable and lasting contribution to the development of sustainable energy sources.

The first net asset value was calculated on July 27, 2006.

Shares in the Sub-Fund may be subscribed once a week, on the Business Day preceding the Valuation Date. The Sub-Fund is semi open-ended, i.e. shares may be redeemed in principle once a week on the Business Day preceding the Valuation Date. However, the SICAV is entitled to (temporarily) stop trading and thus the execution of the redemption applications received, if trading is not possible, in accordance with the stipulations of the Prospectus.

The shares are divided into Shares of Classes “R”, “Z” (not yet launched as at December 31, 2012), “I”, “P”. Class “R” Shares and Class “Z” Shares (when launched) are open to any investor. Class “I” Shares is restricted to Institutional Investors. Class “P” Shares is open to entities of Triodos Group. Class “P” gives the right, in accordance with the Articles, to propose to the general meeting of shareholders a list containing the names of candidates for the position of director of the SICAV out of which a majority of the directors of the SICAV must be appointed.

Currently, all shares are of the Capitalisation type. Therefore, the Sub-Fund does not pay dividends to its shareholders as realised profits are reinvested into the Sub-Fund.

The Sub-Fund Triodos Renewables Europe Fund incorporated Triodos S II LuxCo S.à r.l. (“the holding company”) in February 2011. As a wholly-owned subsidiary of the Sub-Fund, all assets and liabilities, income and expenses of the holding company are consolidated in the statement of net assets, the statement of operations and the statement of changes in net assets of the Sub-Fund.

The financial year end of the SICAV is end of December each year.

Triodos SICAV II, including the Sub-Fund, is supervised by the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF).

Triodos SICAV II, including the Sub-Fund, is also registered with the Dutch Supervisory authorities, the Autoriteit Financiële Markten (AFM).

2. Summary of significant accounting principles

Investments are valued at their fair value. The fair value is determined as follows:

- (a) The valuation of private equity investments (such as equity, subordinated debt and other types of mezzanine finance) are based on the International Private Equity and Venture Capital Valuation Guidelines, as published from time to time by the European Venture Capital Association (EVCA), and is conducted with prudence and in good faith.
In the Sub-Fund, the private equity and subordinated debt investments are valued on the basis of discounted cash flows.

Other assets are valued according to the following rules:

- (b) Senior debt instruments, invested in/granted to companies not listed or dealt in on any stock exchange or any other Regulated Market, are valued at fair market value, deemed to be the nominal value, increased by any interest accrued thereon; such value is adjusted, if appropriate, to reflect the appraisal of the Advisor of the relevant Sub-Fund on the creditworthiness of the relevant debtor. The Board of Directors uses its best endeavors to continually assess this method of valuation and recommend changes, where necessary, to ensure that debt instruments are valued at their fair value as determined in good faith by the Board of Directors.
- (c) The value of money market instruments not listed on any stock exchange or dealt in on any other Regulated Market and with a remaining maturity of less than 12 months is deemed to be the nominal value thereof, increased by any interest accrued thereon.
- (d) The value of securities which are admitted to official listing on any stock exchange is based on the latest available price or, if appropriate, on the average price on the stock exchange which is normally the principal market of such securities, and each security dealt on any other Regulated Market is based on the last available price. In the event that this price is, in the opinion of the Board of Directors, not representative of the fair market value of such securities, for example in the case of illiquid securities and/or stale prices, the directors value the securities at fair market value according to their best judgment and information available to them at that time.
- (e) Units or shares of open-end UCIs are valued at their last official net asset values, as reported or provided by such UCI or their agents, or at their last unofficial net asset values (i.e. estimates of net asset values) if more recent than their last official net asset values, provided that due diligence has been carried out by the relevant Advisor, in accordance with instructions and under the overall control and responsibility of the Board of Directors, as to the reliability of such unofficial net asset values.

- (f) The liquidating value of futures, forward or options contracts not admitted to official listing on any stock exchange or dealt on any other Regulated Market means their net liquidating value determined, pursuant to the policies established prudently and in good faith by the Board of Directors, on a basis consistently applied for each different variety of contracts.
- (g) The value of any cash at hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends declared and interest accrued, and not yet received are deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof is determined after making such discounts as the Board of Directors may consider appropriate to reflect the true value thereof.
- (h) Swaps, as far as credit swaps are concerned, are valued at fair market values as determined prudently and in good faith by the Board of Directors.
- (i) All other securities and assets are valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.
- (j) Placements in foreign currency are quoted in euros with due observance of the currency exchange rates most recently known.
- (k) Realised and non-realised changes in the value of investments are incorporated in the profit and loss account.
- (l) The principle for determination of profit is based on the attribution of income and expenses to the relevant period. The income from payments of profit on equity participations is accounted for in the year in which they are made payable. Prepaid costs and costs still to be paid are taken into account in determining the expenses.
- (m) Other assets and liabilities are recorded at nominal value after deduction of any provision in respect of anticipated non-recovery.
- (n) The costs of investments expressed in currencies other than EUR are translated into EUR at the exchange rate prevailing at purchase date.
- (o) Interest income is accrued pursuant to the terms of the underlying investment. Income is recorded net of respective withholding taxes, if any.
- (p) Gain and losses arising from un-matured forward foreign exchange contracts are determined on the basis of the applicable forward exchange rates at the valuation date and are booked in the profit and loss accounts.
- (q) Dividend income is recognised on cash basis, net of any withholding taxes.
- (r) Equity investments of Triodos SICAV II are excluded from consolidation due to exemptions by temporary holding, size and time window.

3. Formation expenses and restructuring costs

The total formation expenses of the Sub-Fund are EUR 350,000. These expenses were charged to the Sub-Fund in three tranches and were amortised over 5 years:

- Tranche 1 of EUR 125,000 was invoiced by the Advisor (Triodos Investment Management B.V.) at the start of the Sub-Fund.
- Tranche 2 of EUR 125,000 was invoiced by the Advisor (Triodos Investment Management B.V.) on September 11, 2009 and paid on September 28, 2009.
- Tranche 3 of EUR 100,000 was invoiced by the Advisor (Triodos Investment Management B.V.) on March 15, 2010 and paid on April 8, 2010.

Restructuring costs relate to the incorporation of or the transfer of assets to Triodos SII LuxCo S.à r.l., a wholly-owned subsidiary of Triodos SICAV II.

4. Taxation

According to the law in force and current practice, the SICAV is not subject to any Luxembourg tax on income and capital gains nor are dividends paid by the SICAV subject to any Luxembourg withholding tax.

However, each of the SICAV's Sub-Funds is subject to a subscription tax (taxe d'abonnement) at an annual rate of 0.05% p.a. Such rate may be decreased to 0.01% p.a. for certain Sub-Funds or Classes of Shares which are restricted to Institutional Investors as specified in the relevant Sub-Fund Particulars. This tax is calculated and payable quarterly on the basis of the Net Asset Value of each Sub-Fund at the end of each quarter. This tax is not due on that portion of the SICAV's assets invested in other Luxembourg UCIs.

The issue of Shares in the SICAV is not subject to any registration duties or other taxes in Luxembourg.

5. Administrative and custodian fees

The Custodian and Paying Agent, Administrator, Domiciliary and Corporate Agent, and the Registrar and Transfer Agent are entitled to receive fees in accordance with usual practice in Luxembourg and payable monthly.

The administrative and custodian fees comprise the following:

Currency (EUR)	2012	2011	2010
Domiciliary agency fee	19,167	13,144	5,863
Administrative fee	46,814	22,721	33,255
Transfer agency fee	34,207	36,518	22,206
Custodian fee	21,940	28,509	12,589
Other	–	–	2,110
Total	<u>122,128</u>	<u>100,892</u>	<u>76,023</u>

6. Investment management, distribution and service fees

For the services it provides, the Investment Manager is entitled to an annual fee payable quarterly and calculated as described in the Sub-Fund's Particulars.

The Sub-Fund pays for the provision of investment management services and supporting services and the distribution activities an annual fee of 2.5% for Class "R" Shares, an annual fee of 2.25% for Class "Z" Shares (when launched) and an annual fee of 1.95% for Class "I" Shares and Class "P" Shares, calculated on the relevant Class Net Assets, accrued weekly and payable quarterly. The costs for marketing and distribution activities related to retail investors and attributable to Class "R" Shares, will only be borne by Class "R" Shares and will be charged to the management fee. The costs for marketing activities incurred by

the Investment Manager related to retail investors and attributable to Class “Z” Shares (when launched) will only be borne by Class “Z” Shares (when launched) and may amount to maximum 0.20% (on an annual basis) of this Share Class’ Net Assets.

7. Other income

The other income comprises the following:

Currency (EUR)	2012	2011	2010
Arrangement fees	45,000	15,003	–
Redemption fees	41,211	64,249	10,146
Administrative fee and other income	157,645	45,027	120,000
Total	<u>243,856</u>	<u>124,279</u>	<u>130,146</u>

8. Other expenses

The other expenses comprise the following:

Currency (EUR)	2012	2011	2010
Supervisory fee (CSSF)	2,500	2,500	2,500
Remuneration of the Board of Directors/Managers*	18,750	1,206	7,592
Legal fees	81,826	38,579	102,425
Consulting fees	156,371	10,479	–
Marketing expenses	–	2,837	82,240
Recharge marketing expenses 2010	–	(82,240)	–
Loan interest	–	17,522	–
Bank fees	15,128	253	–
Other expenses	21,686	14,862	7,612
Total	<u>296,261</u>	<u>5,998</u>	<u>202,369</u>

* Amounts include the remuneration of the Board of Managers of the Sub-Fund’s holding company Triodos S II LuxCo S.à r.l.

9. Accounts payable and accrued expenses

As at December 31, 2012, the accounts payable and accrued expenses mainly include the following expenses: administrative fees, audit fees, consulting fees, custodian fees, domiciliary agency fees, legal fees, subscription tax and transfer agency fees.

10. Off-balance sheet commitments

As at December 31, 2012 the Sub-Fund has committed to invest in the following companies:

- GFS Veurne (equity): EUR 2,996,414.47
- Fieva (subordinated debt, second tranche): EUR 2,000,000

11. Total expense ratio (TER) and ongoing charges

%	TER	Ongoing charges
	period ended December 31, 2012	12 months ended December 31, 2012
Share Class R	3.33	3.35
Share Class I	2.76	2.76
Share Class P	1.93	1.94

The total expenses include all the costs that are charged to the result during the reporting period. The costs of securities transactions and the interest charges are disregarded.

The TER corresponds to the total expenses divided by the average net asset value. For the calculation of the average net asset value, the net asset value as at the end of the previous reporting period and the net asset values as at the end of each quarter of the reporting period are taken into account. The TER is calculated from the first day of the reporting period, or the moment of launch of the respective share class until the end of the reporting period.

A new cost calculation ratio was adopted as of July 2012. As a result, the 'ongoing charges' will eventually replace the Total Expense Ratio or TER. Almost similar to the TER, the ongoing charges reflect the total expenses (disregarding any costs of securities transactions and interest charges) charged to the result, divided by the average net asset value. The difference to the TER is that, for the calculation of the average net asset value, each computation and publication of the net asset value is taken into account. In addition, the ongoing charges are calculated over the twelve month period ending at the end of the reporting period.

12. Other information

As of December 31, 2012 or at any moment during the reporting period the members of the Board of Directors of the SICAV did not hold any shares in Triodos SICAV II, nor have they had any personal interest in any investment of Triodos SICAV II.

Report of the réviseur d'entreprises agréé

**To the Shareholders of Triodos SICAV II -
Triodos Renewables Europe Fund
69, route d'Esch, L-1470 Luxembourg**

We have audited the accompanying financial statements of Triodos SICAV II – Triodos Renewables Europe Fund, Sub-Fund of Triodos SICAV II (the “SICAV”), which comprise the statement of net assets as at December 31, 2012 and the statement of operations and the statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of Directors of the SICAV for the financial statements

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of this financial statement in accordance with Luxembourg legal and regulatory requirements relating to the preparation of financial statements, and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Triodos SICAV II- Triodos Renewables Europe Fund as at December 31, 2012, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Emphasis of matter

Without qualifying our opinion, we draw your attention to note 1 to the financial statements which describes that Triodos Renewables Europe Fund is a Sub-Fund of Triodos SICAV II and does not constitute a separate legal entity from Triodos SICAV II.

Other matter

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such

information in the context of the financial statements taken as a whole.

Luxembourg, March 28, 2013

KPMG Audit S.à r.l.

Cabinet de révision agréé

Nathalie Dogniez

Appendix:

Project descriptions

Wind farm Growind, The Netherlands www.growind.nl

The wind turbines are located at the Eemshaven harbour near Delfzijl, on the northern coast of The Netherlands. Wind farm Growind is owned by several private investors and Triodos Renewables Europe Fund. The wind farm started operations between January and April 2008 and comprises 20 Vestas V90 3.0 MW wind turbines.

Wind farm Haringvliet, The Netherlands www.e-connection.nl/en/wind-farm-haringvliet

The wind turbines are situated at the northern end of the Haringvliet dam (part of the Delta Works), near Hellevoetsluis, The Netherlands. Wind farm Haringvliet is a joint-venture between Triodos Renewables Europe Fund, engineering company Lagerwey and developer E-Connection. The wind farm became operational in the summer of 1997 and comprises six BONUS 600 MK IV 600 kW wind turbines.

Wind farm Neeltje Jans, The Netherlands www.e-connection.nl/en/wind-farm-neeltje-jans

The wind turbines are situated at Neeltje Jans, part of the Oosterschelde flood barrier (part of the Delta Works), near Veere, The Netherlands. Wind farm Neeltje Jans is a joint-venture between Triodos Renewables Europe Fund, utility company Delta and developer E-Connection.

The wind farm became operational in the summer of 2006 and comprised three Vestas V90 3.0 MW wind turbines. In the summer of 2012, one Vestas V90 turbine was added to the farm.

Wind farm Roggeplaat, The Netherlands www.e-connection.nl/en/wind-farm-roggeplaat

The wind turbines are situated in a cluster on the Roggeplaat island, on both sides of the Oosterschelde flood barrier (part of the Delta Works) in the municipality Schouwen-Duiveland. Wind farm Roggeplaat is a joint-venture between Triodos Renewables Europe Fund and developer E-Connection.

The current windfarm has four new Enercon E-82 2.3 MW wind turbines operational since the summer of 2012. These replace the previous 12 Enercon E33J/400 wind turbines.

Wind farm Roompotsluis, The Netherlands www.e-connection.nl/en/wind-farm-roompotsluis

The wind turbines are situated near the Roompot locks in the Oosterschelde flood barrier (part of the Delta Works) near Veere, The Netherlands. Wind farm Roompotsluis is a joint-venture between Triodos Renewables Europe Fund and developer E-Connection.

The wind farm, comprising two Vestas V90 3.0 MW turbines, became operational in the summer of 2006. In the summer of 2012, this wind farm expanded its capacity by two additional turbines.

Wind farm Willem Annapolder, The Netherlands www.zeeuwind.nl/locaties/willem-annapolder

The wind turbines are located in the Willem Annapolder, near the town of Kapelle, on the north shore of the Westerschelde river. Wind farm Willem Annapolder is a joint venture between Nuon, Zeeuwind, a private investor and Triodos Renewables Europe Fund. The wind farm started operations beginning of 2003 with ten NEG-Micon NM 52/900 wind turbines.

Wind farm Zeeland I, The Netherlands www.e-connection.nl/en/

Wind farm Zeeland I is a joint-venture between Triodos Renewables Europe Fund, utility company Delta and developer E-Connection and consists of three wind farms in the southern part of the Netherlands: wind farm Vlissingen, wind farm Kapelle-Schore and Wind farm Jacobahaven. The wind turbines of wind farm Vlissingen are situated near the port. The wind farm started operations in 1991 and comprises seven Vestas V29 225 kW wind turbines.

The wind turbines of wind farm Kapelle are situated on the sea wall near the town of Kapelle. The wind farm became operational in 1991 and comprises two

Vestas V27 225 kW wind turbines. The current wind turbines of both wind farm Vlissingen and wind farm Kapelle replaced older 250 kW turbines which operated under the same permits and licences at these sites. This new generation of wind turbines produces at least 45% more energy than the old wind turbines.

The wind turbines of wind farm Jacobahaven are situated at the Jacoba harbour at the southern end of the Oosterschelde flood barrier in the municipality of Noord-Beveland. The wind farm became operational in the summer of 2006 and comprises three Vestas V90 3.0 MW wind turbines.

Biomass installation Biovergisting 't Haantje, The Netherlands

A subordinated loan has been provided to biomass installation Biovergisting 't Haantje BV in The Netherlands. The total installed capacity is 6.5 MW. The installation has been operational since 2009 and was developed by Schücking Energieprojecten.

Biomass installation Lijnco, The Netherlands

Triodos Renewables Europe Fund has provided a subordinated loan for the construction of a biomass installation to Lijnco Green Energy in Terneuzen. Construction started in early 2010. The installation has a total capacity of 10 MW and is able to process multiple types of feedstock.

Biomass installation Prozinger biovergisting, The Netherlands

The biomass installation is located in Beilen, in the northeastern part of The Netherlands, has a total capacity of 2 MW and has been operational since mid- 2009. Triodos Renewables Europe Fund has provided a subordinated loan.

Solar plant Fieva, Belgium

This project consists of over 40 rooftop solar plants which have all been constructed and are managed by Enfinity. The plants are spread across Flanders. For the project a number of different solar panels and inverters have been used. Contracts and

agreements are standardised whenever possible. Triodos Renewables Europe Fund provides the risk capital jointly with the development partner. The project has a total installed capacity of over 12.8 MWp.

Solar plant GFS Veurne, Belgium www.greenfever.be/veurne

The solar plant is located in the municipality of Veurne, in Belgium and was developed by its owner Greenfever. Triodos Renewables Europe Fund provided a subordinated loan to GFS Veurne BVBA. The solar plant consists of 12,780 solar panels with a combined capacity of 2.6 MWp and became operational in July 2009.

Solar plant Puurs, Belgium www.orka-power.com/nl/pv-projecten/22-pv-project-puurs

Triodos Renewables Europe Fund has provided a subordinated loan to a project in Puurs, a small town in Flanders. This is the fund's first rooftop solar project in Belgium and consists of solar panels with a total installed capacity of 2.3 MWp installed on the roof of a logistics company.

Solar plant VRD, Belgium www.orka-power.com/nl/pv-projecten

Triodos Renewables Europe Fund has provided a subordinated loan to this solar project consisting of five rooftops on the logistical centers of VRD in Flanders. The total installed capacity of this project is 3.1 MWp. This project is developed and owned by our local Belgium partner Orka NV. They also developed Solar plant Puurs.

Solar plant Aznalcollar, Spain

Triodos Renewables Europe Fund holds 50% of the shares in solar plant Aznalcollar, a 2.1 MWp solar PV project in Aznalcollar, Seville, Spain. The plant is located in a former mining pool that suffered a major ecologic disaster in 1998. After clean-up, the government decided to make this land available for the construction of several PV plants. This plant is

one of these and has been operational since September 2008.

Solar plant El Carpio, Spain

Triodos Renewables Europe Fund is owner of Carpio Fotovoltaica solar plant, a 4.5 MWp solar PV project in Valladolid, in northern Spain. The plant is developed and constructed by BP Solar. High quality panels with good guaranteed performance conditions are being used for this project.

Solar plant Los Cabezos, Spain

Triodos Renewables Europe Fund owns 50% of the shares and has provided a profit participating loan to solar plant Los Cabezos, a 2.0 MWp solar PV project in southern Spain divided over twenty underlying operating solar companies. The plant is operational since July 2008.

Solar plant Generación Solar Investment, Spain

Triodos Renewables Europe Fund holds 51% of the shares in Generación Solar Investment, a holding company for three solar PV projects, located in La Villa de Don Fadrique, Toledo, Spain, with a total installed capacity of 1.4 MWp. The project was developed in three phases and all the installations were connected to the electricity grid in September 2008.

Solar plant Pyranergy Solar, Spain

Triodos Renewables Europe Fund is 50% shareholder of Pyranergy Solar, a PV plant with a total capacity of up to 3.48 MWp in La Gineta, Albacete, Spain. The solar plant became operational in September 2008 and consists of Würz and Aleo pannels and Enertron inverters, manufactured by Gamesa.

Wind farm Midlum, Germany

Triodos Renewables Europe Fund owns a wind farm in the municipality of Midlum, in Lower Saxony. The wind farm has been operational since 1999 and consists of 70 Enercon E-40 turbines. The plant is

situated in a good wind location in an open agricultural landscape and offers repowering opportunities.

Project ECH, Germany

www.ec-heidelberg.de

ECH is a project development company that focuses on developing, financing and operating various projects related to natural biomass pellet and briquette production facilities and energy contracting. Triodos Renewables Europe Fund has provided a subordinated loan to ECH in 2008 supporting ECH's activities. ECH is one of the leading pellet producers and biomass energy contractors in Germany.

Solar plant Helium, France

Solar Plant Helium is a ground-mounted solar park with an installed capacity of 5.4 MWp in the Languedoc Rousillon region. Triodos Renewables Europe Fund has taken up 49% of the shares of the park and has also provided a shareholder loan. The rest of the risk capital has been provided by the development partner and sponsor of the project.

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