

Triodos Microfinance Fund

Newsletter for investors

FIRST QUARTER 2012

Key figures

Data as per 31 March 2012

Launch date

2 March 2009

Net assets

EUR 96.4 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 (2011)

Institutional share classes

Ranges from 2.02% to 2.12% (including management fee 1.75%)

Other share classes

Ranges from 2.62% to 3.05% (including management fee 2.50%)

Triodos SICAV II – Triodos Microfinance Fund aims to increase access to financial services for low-income people 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

The total net assets of Triodos Microfinance Fund are EUR 96.4 million at 31 March 2012. This is an increase of 5.1% compared to the previous quarter. Triodos Microfinance Fund increased its equity investment in ACLEDA Bank in Cambodia and further placed EUR 5.0 million in new loans to five MFIs, of which two new to the fund, namely AzerCredit in Azerbaijan and IMON in Tajikistan. Triodos Microfinance Fund now has 31 MFIs in its portfolio across 20 countries in Latin America, Asia, Africa and Eastern Europe.

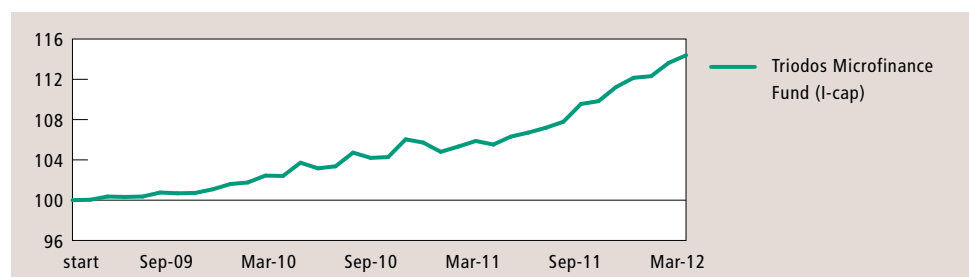
Financial performance (in %)

As per 31 March 2012 including costs

	Start date	NAV per share	Return last month*	Return last 3 months*	Return YTD*	1 year*	3 year average*
I-shares-cap	01-04-09	EUR 28.62	0.7	2.0	2.0	8.0	4.6
I-shares-dis	02-03-09	EUR 27.06	0.7	2.0	2.0	8.0	4.6
B-shares-cap	02-06-09	EUR 28.00	0.6	1.8	1.8	7.3	–
B-shares-dis	02-06-09	EUR 26.82	0.6	1.8	1.8	7.3	–
R-shares-cap	01-07-09	EUR 27.93	0.6	1.8	1.8	7.3	–
R-shares-dis	01-07-09	EUR 26.87	0.6	1.8	1.8	7.3	–
KB-shares-cap	01-04-10	GBP 21.47	0.8	1.9	1.9	6.5	–
KB-shares-dis	01-06-10	GBP 21.04	0.8	1.9	1.9	6.0	–
KI-shares-cap	02-03-09	GBP 22.78	0.8	2.1	2.1	7.1	4.6
KI-shares-dis	02-03-09	GBP 20.12	0.8	2.1	2.1	7.2	4.6
KR-shares-cap	01-11-10	GBP 21.54	0.9	2.0	2.0	6.7	–
KR-shares-dis	02-03-09	GBP 20.13	0.7	1.9	1.9	6.5	4.0

* Source: vwd group

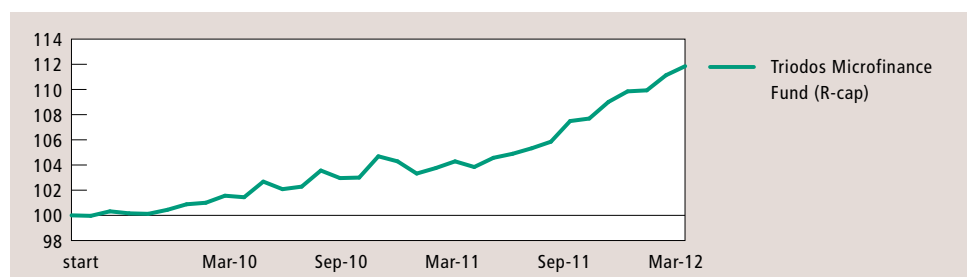
Performance chart, 31 March 2012



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 March 2012



Source: vwd group

Social Performance

based on latest available portfolio data

Number of loan clients reached by the MFIs in the fund's portfolio	5.2 million
Percentage female loan clients	61%
Percentage rural clients	43%
Average loan amount	EUR 1,282
Number of savings clients reached by the MFIs in the fund's portfolio	4.4 million

Investment outlook

The outlook for the second quarter of 2012 is generally positive. MFI loan portfolios are expected to grow further, although there will be differences between regions and countries. This will lead to an increasing demand for funding from MFIs. The greatest growth is expected to be in Asia.

New investments in the fund's portfolio

AzerCredit in Azerbaijan

VF AzerCredit LLC (AzerCredit) is a strong player in the microfinance market in Azerbaijan. AzerCredit provides loans to people with no access to the standard banking system. These are chiefly farmers and small independent traders in remote areas, but can also include refugees from the region of Nagorno-Karabakh, the subject of a dispute between Azerbaijan and its neighbour, Armenia. The loan from Triodos Microfinance Fund will enable AzerCredit to continue to service these target groups.

Key indicators AzerCredit at year-end 2011

Number of loan clients	47,232
Percentage female loan clients	40%
Percentage rural clients	70%
Average loan amount	EUR 684

IMON in Tajikistan

Tajikistan is one of the poorest countries of the former Soviet Union. The financial sector is largely inaccessible for the majority of the more than seven million inhabitants. Consequently, there is a high demand for properly structured (micro-) loans. From its head office in the city of Khujand, microfinance institution IMON has managed to reach a large number of small businesses. IMON intends to set up a national network of offices to improve the access to financial services even further. The loan provided by Triodos Microfinance Fund make this possible.

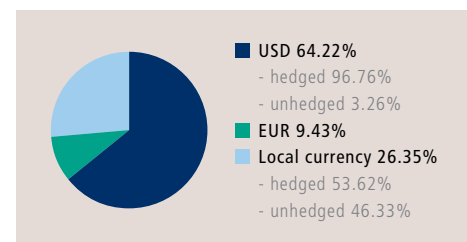
Key indicators IMON at year-end 2011

Number of loan clients	42,503
Percentage female loan clients	39%
Percentage rural clients	59%
Average loan amount	EUR 822

Portfolio data*, 31 March 2012

Net Asset Value	EUR 96.4 million
Microfinance portfolio	EUR 74.2 million
Number of MFIs	30
Number of Investment Funds	1
Number of loans	43
Number of subordinated loans	3
Number of equity investments	4
Number of countries	20

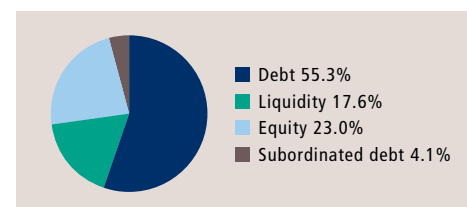
**Exposure by currency*
(as % of NAV), 31 March 2012**



**Allocation by country*
(as % of NAV), 31 March 2012**

Cambodia	19.5%
Peru	14.8%
Azerbaijan	8.5%
Sri Lanka	6.2%
Mongolia	3.4%
Paraguay	3.4%
Kyrgyzstan	3.3%
Uganda	2.2%
Colombia	2.0%
India	1.8%
Georgia	1.8%
Bangladesh	1.7%
Tajikistan	1.6%
Bolivia	1.4%
Dominican Republic	1.3%
Kenya	1.1%
Kazakhstan	1.1%
Bosnia Herzegovina	1.0%
Ecuador	0.6%
Madagascar	0.5%

**Portfolio allocation by assets*
(as % of NAV), 31 March 2012**



**Five largest outstanding positions*
(as % of NAV), 31 March 2012**

Bank	%
ACLEDA Bank	13.5%
Financiera Crear	6.6%
Mibanco	4.7%
AccessBank	3.9%
FINCA Azerbaijan	3.8%

* 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.