



Investment manager's comments

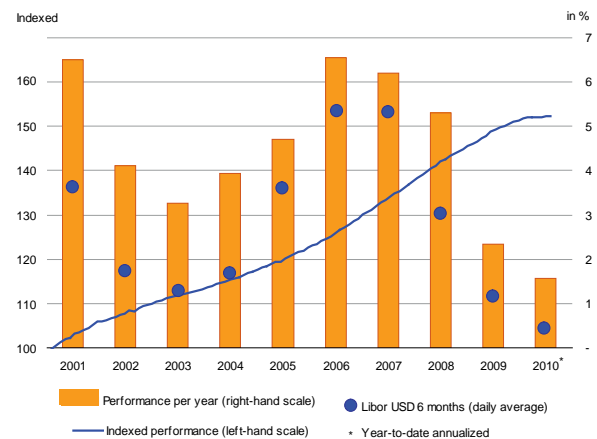
The Dexia Micro-Credit Fund started the year with new investments focused in South, East and Central Asia and new loans to 4 different institutions totaled USD 7.4mm over the month. These were offset by a slightly higher amount of repayments and amortizations in the fund, but renewed strength in the USD versus the EUR and CHF brought the fund's investment level to 75% by month-end, slightly higher than last month. We continue to see a strong divergence in the performance of MFIs on a regional basis: while many regions in the world appear to be coming out of recession, with micro-finance institutions showing a stable, quite strong performance, MFIs in other countries – particularly in Central America and parts of Eastern Europe – are still under significant pressure. The fund participated in the restructuring of the obligations of one Nicaraguan MFI this past month. The position was quite small (total exposure of less than 1.5% of NAV, with the restructured portion equal to only 20bps) and there was no impact to performance as the position had already been provisioned against. Should you have any questions on this or other issues related to the fund, please do not hesitate to contact us.

Summary portfolio details

Net Asset Value (NAV) *	USD	513'328'953.73
Total Assets	USD	524'247'664.99
Microfinance loan portfolio	USD	383'814'754.00
Average loan size	USD	2'108'872.27
Portfolio average life (in months)		14.74
Number of countries		36
Number of MFIs		101
Number of loans outstanding		182
Total new disbursements this month:	USD	7'417'188.93
Number of new loans disbursed this month		4
Total loans disbursements (since inception)	USD	752'676'343.01
Number of loans disbursed (since inception)		642

*Net Assets are equal to Total Assets less liabilities, plus current receivables net of current payables.

Performance chart – USD share class



Performance data

	USD	EUR	CHF
NAV	182'164'851.34	200'971'370.90	53'650'426.03
Share Value	16'942.19	13'033.52	12'191.10
Monthly return (28 days)	0.12%	0.13%	0.10%
Return on investment year-to-date	0.12%	0.13%	0.10%
Last 12 months	2.12%	2.14%	1.62%
Last 3 years (annualized)*	4.49%	4.22%	2.91%
Last 5 years (annualized)*	4.97%	4.12%	2.68%
Since inception (total return)	69.42%	30.34%	21.91%
Inception date	September 1998	April 2003	December 2001

*Calculation takes into account compounding effect.

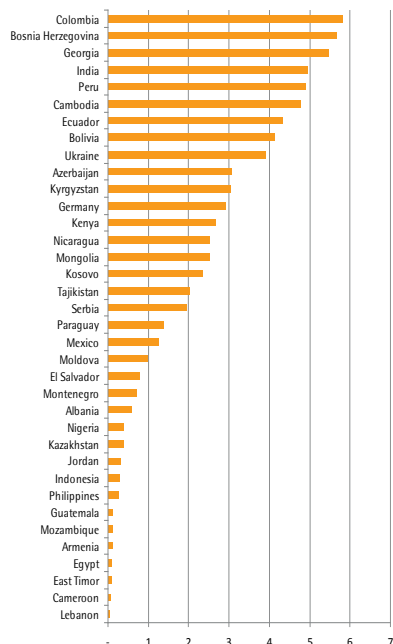
Social performance indicators

Total # of microentrepreneurs reached by MFIs in the portfolio	10'323'476
# of microentrepreneurs reached by funding provided by DMCF	388'661
% of rural clients*	43%
% of female clients*	52%
Average loan outstanding in USD	1'575

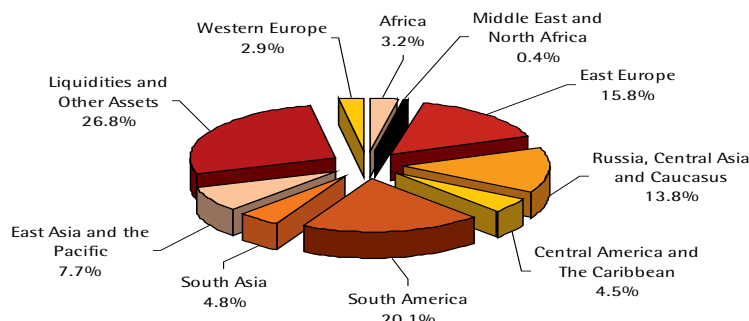
*Data as of 30 June 2009



Exposure by country (in % of NAV)



Exposure by region (as % of total assets)



Five largest outstanding positions (as % of NAV)

PROCREDIT BANK GEORGIA	Georgia	4.87%
PROCREDIT BANK UKRAINE	Ukraine	3.90%
WWB - BUCARAMANGA	Colombia	2.92%
ProCredit Holding	Germany	2.92%
PROCREDIT ECUADOR	Ecuador	2.67%

Fund description, facts and information



Structure: Luxembourg SICAV, part II
 Inception date: September 1998
 Registration: Luxembourg
 Investment Managers: BlueOrchard Finance S.A.
 www.blueorchard.com
 Dexia Asset Management
 www.dexia-am.com
 Custodian Bank: RBC Dexia
 Sponsor Bank/ Distributor: Dexia BIL
 ISIN Number: USD share class - LU0091117944
 CHF share class - LU0136928586
 EUR share class - LU0164081316

Valuation Dates: 1st Wed. of each month
 Subscriptions: Monthly (with 1 day's notice) effective the 1st Wed + 3 business days of each month
 Issuing Fees: 0-4%
 Redemptions: Monthly, with 30 days notice, effective the 1st Wed + 3 business days of each month
 Income: Reinvested
 Total Expense Ratio: approx. 1.8%
 Minimum subscriptions: USD 10,000
 CHF 15,000
 EUR 10,000

For additional information, please contact:

At BlueOrchard Finance S.A.: Jean-Pierre Klumpp, CEO, jean-pierre.klumpp@blueorchard.com
 At RBC Dexia Investor Services: David Rossi, Client Service Manager, David.Rossi@rbcdexia-is.net

Fund description

The Dexia Micro Credit Fund (DMCF) invests in debt instruments of up to 3 years in maturity issued by microfinance institutions (MFIs) located in Africa, Asia, Eastern and Central Europe and Latin America. The MFIs provide small loans and other financial services to microentrepreneurs who lack access to traditional banking services. With the capital provided by these loans, micro-entrepreneurs are able to develop and grow productive businesses and improve their families' standard of living. Thus, the DMCF seeks to achieve an attractive return for investors while providing important social impacts, including poverty alleviation, empowerment of the working poor and the strengthening of inclusive financial systems. The target annual return of the fund is 6-month Libor plus 1-2%.