

Investment Manager's comment

The month in review closed with a good monthly performance of 34 bps. The cumulated Fund's performance over the last 12 months was 3.59%.

The performance of the month of October is the result of a high investment level and a good portfolio yield. Demand for loans was driven by microfinance institutions (MFIs) in 4 different regions (Sub-Saharan Africa, East Asia and the Pacific, Central Asia as well as Eastern Europe). Over the month the Fund disbursed loans to as many as 6 new and existing MFIs in 5 different countries for a total amount of USD 13 million. The average amount disbursed during the month was USD 2.2 million.

As of 30 October the Fund is invested in 86 MFIs across 39 countries and the average exposure per MFI is USD 3.1 million. The portfolio average life stayed stable at close to 17 months.

Overall, the demand for loans in both US dollar and local currency remained strong, enabling the Fund to further increase its diversification across MFIs in the portfolio.

Fund facts

Net Asset Value (NAV) in USD	275,965,020
Average exposure per MFI	3,081,125
Portfolio average life (in months)	17.31
Number of countries	39
Number of MFIs	86
Number of loans outstanding	142
Microfinance portfolio as % of Total Assets	91%

Fund statistics (since fund inception) ¹⁾

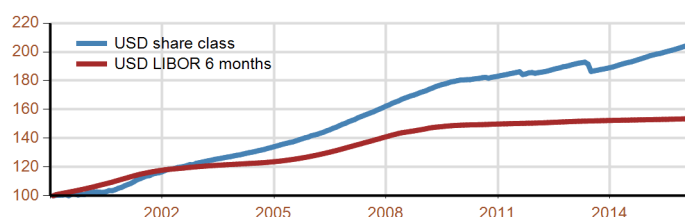
Annualized return	4.29%
Average monthly return	0.35%
Best month (Dec 2000)	1.23%
Worst month (Feb 2013)*	-2.68%
Standard Deviation	1.22
Sharpe Ratio (risk-free rate of 2.4%)	1.52
Correlation with MSCI World	-0.06
Correlation with JP EMBI Global	0.07
Correlation with 6-month USD Libor Index	0.40

*due to provisions on loans to MFIs in Andhra Pradesh

Performance

	USD	EUR	CHF
Share Value (Class I Shares)	10,778.86	10,725.51	10,607.84
Monthly return	0.34%	0.26%	0.20%
Return on investment YTD	3.13%	2.71%	1.93%
Since inception (annualized)	3.83%	3.57%	3.00%
Since inception (total return)	7.79%	7.26%	6.08%
Inception date Class I	Oct 13	Oct 13	Oct 13

Performance history ¹⁾



Monthly performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
USD share class 2015	0.32%	0.30%	0.29%	0.28%	0.29%	0.34%	0.33%	0.35%	0.25%	0.34%		
EUR share class 2015	0.31%	0.27%	0.27%	0.21%	0.24%	0.31%	0.28%	0.31%	0.22%	0.26%		
CHF share class 2015	0.18%	0.15%	0.15%	0.14%	0.18%	0.23%	0.21%	0.25%	0.23%	0.20%		

Annual performance ¹⁾

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015*
USD share class	7.02%	4.89%	4.15%	5.01%	5.70%	7.49%	6.98%	6.06%	2.95%	2.09%	1.00%	3.28%	-0.67%	3.78%	3.13%
USD LIBOR 6 months	3.67%	1.87%	1.25%	1.82%	3.78%	5.27%	5.21%	3.06%	1.09%	0.52%	0.51%	0.68%	0.41%	0.34%	0.37%
EUR share class				5.47%	4.61%	5.31%	5.57%	6.41%	3.09%	2.01%	1.37%	2.84%	-1.06%	3.71%	2.71%
EUR LIBOR 6 months				2.14%	2.23%	3.24%	4.35%	4.76%	1.39%	1.04%	1.59%	0.74%	0.25%	0.27%	0.05%
CHF share class		2.43%	3.12%	3.80%	2.97%	3.59%	3.52%	4.91%	2.43%	1.69%	0.29%	2.58%	-1.19%	3.39%	1.93%
CHF LIBOR 6 months		1.23%	0.39%	0.60%	0.87%	1.66%	2.64%	2.69%	0.49%	0.27%	0.18%	0.15%	0.08%	0.07%	-0.56%

*YTD as of 30 October 2015

¹⁾ Performance history for Class I Shares (in italics) calculated using realized gross performance of Class P Shares and current management fees for Class I Shares (until 31 Oct 2013); from 1 Nov 2013 effective net performance of Class I Shares

Investment Manager	BlueOrchard Asset Management (Luxembourg) S.A.	Subscriptions	Monthly	Currency	ISIN
Custodian & TA	RBC Investor Services Bank S.A., Luxembourg	Redemptions	Quarterly, 45 days notice	USD	LU0973079543
Fund Structure	SICAV Luxembourg, part II	Min subscription	USD/EUR/CHF 5'000'000	EUR	LU0973080392
Income	Reinvested	Management Fee	1.2% p.a.	CHF	LU0973079972

Social Performance

Inicjatywa Mikro ("IM") is a non-banking financial institution in Poland, providing microfinance services since 1996. The MFI currently has approximately 3,800 clients and in addition to individual microenterprise loans, it provides credit life insurance and special consulting services to its clients on debt management, including a legal advisory service. IM has endorsed the SMART client protection principles (CPPs) and undertook a self-assessment on its implementation of the principles in 2014 as a precursor to applying for CPP certification.

In recognition of its strong Human Resources policies and practices, IM was awarded an honour from the Ministry of Labour and Social Policy for its contribution to the Polish labour market for employment growth and positive practices including hiring employees under 30 and over 50, employees with disabilities, care of employees and their development and best working conditions.

Social performance indicators*

Total # of microentrepreneurs reached by MFIs in the portfolio	16,326,662
# of microentrepreneurs reached by funding provided by BOMF	461,091
# of employees	108,407
# of loan officers	43,561
% of rural clients*	51%
% of female clients*	53%
% of individual lending*	85%
% of group lending	15%
Average loan size to microentrepreneurs	
Simple average across MFIs in USD	2,933
Median across MFIs in USD	1,235

*Data based on the latest available data from MFIs in the portfolio
 - includes some estimates by BlueOrchard

Activity Report

Total new disbursements	
Since inception	1,538,367,901
Number of loans/tranches disbursed	
Since inception	968

Five largest outstanding positions (as % of Total Assets)

BANCO PICHINCHA	Ecuador	3.42%
VISION	Paraguay	3.19%
BANCO CONTINENTAL	Paraguay	2.99%
KHAN BANK	Mongolia	2.91%
AMRET	Cambodia	2.78%

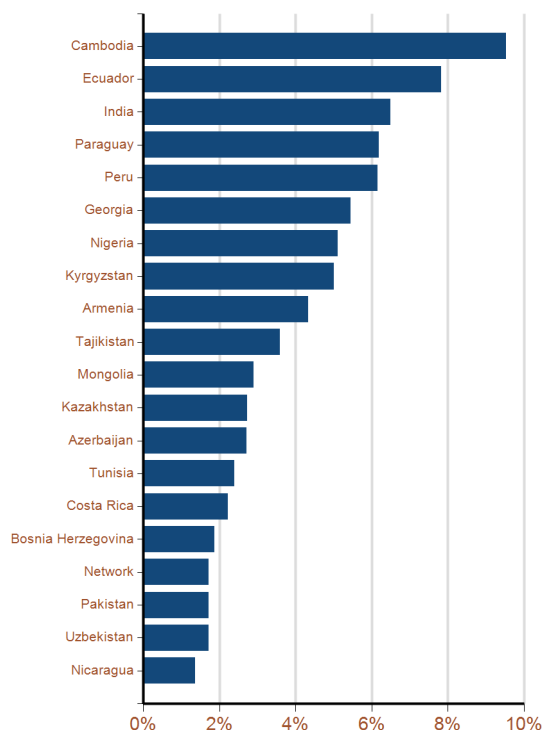
MFI Financial indicators*

Asset growth (last 12 months)	23.28%
Portfolio growth (last 12 months)	22.57%
Return on assets (ROA) (last 12 months)	2.68%
Return on equity (ROE) (last 12 months)	11.99%
Portfolio at risk 30 days (PAR 30)	2.28%
Write-offs (last 12 months)	1.15%
Debt/equity ratio	4.72x

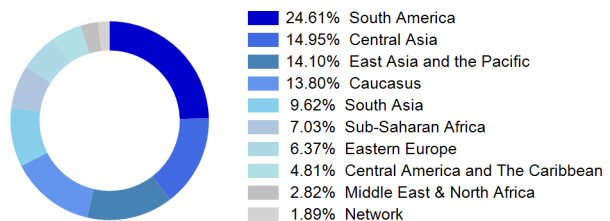
*Data presented are medians across MFIs in the portfolio for period ending the 31 July 2015 from unaudited management reports as provided by MFIs. Data based on the latest available data in local currency from MFIs.

Exposure

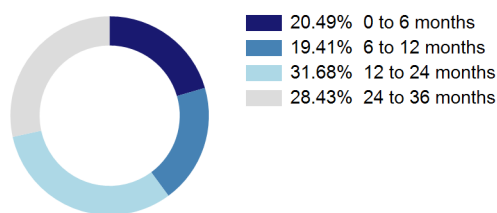
By country (Top 20 as % of Total Assets)



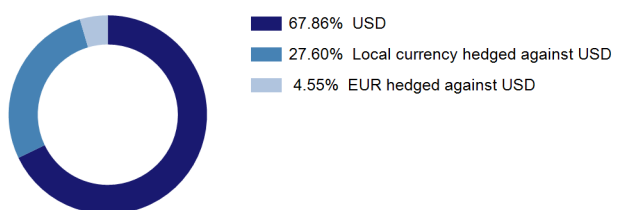
By region (as % of MFI portfolio)



By maturity (as % of MFI portfolio)



By currency (as % of MFI portfolio)



For additional information, please contact:

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