

CompAM FUND

Société d'Investissement à Capital Variable
(Registre de Commerce et des Sociétés
Luxembourg N° B 92.095)

Unaudited semi-annual report
as at June 30, 2007

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ORGANISATION OF THE SICAV

BOARD OF DIRECTORS

Mr Massimo Scolari

Managing Director and CEO
Zenit Alternative Investments S.G.R.

Mrs Alessandra Degiugno

Manager
Selgest S.A.

Mr Gabriele Bruera

Director
Compass Asset Management S.A.

Mr Corrado Capacci

Director
Compass Asset Management S.A.

Mr Roberto Di Carlo

General Manager
Sella Bank Luxembourg S.A.

CONDUCTING PERSONS

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Mr Marco Claus

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L-1840 Luxembourg

REGISTERED OFFICE

4, Boulevard Royal
L-2449 Luxembourg

PROMOTER

Sella Bank Luxembourg S.A.
4, Boulevard Royal
L-2449 Luxembourg

**CUSTODIAN AND PAYING AGENT, DOMICILIARY AND ADMINISTRATIVE AGENT, REGISTRAR
AND TRANSFER AGENT**

Sella Bank Luxembourg S.A.
4, Boulevard Royal
L-2449 Luxembourg

ORGANISATION OF THE SICAV (continued)

INVESTMENT MANAGER

Compass Asset Management S.A.
61, Via San Gottardo
CH-6900 Massagno
Lugano
Switzerland

**CORRESPONDENT BANK, PAYING AGENT, NOMINEE, CENTRALIZATION AGENT AND PLACING
AGENT IN ITALY**

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AUDITOR

Deloitte SA
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L-2220 Luxembourg

LEGAL ADVISER

Arendt & Medernach
14, Rue Erasme
L-1468 Luxembourg

STATEMENT OF NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| ASSETS | Notes | |
|---|--------------|------------------------------|
| Portfolio: | | |
| - Cost | 2 g | 332,212,580.11 |
| - Net unrealised result | 2 c | <u>617,379.77</u> |
| | | 332,829,959.88 |
| Cash & other liquid assets: | | |
| - Cash at bank | | 23,024,136.08 |
| - Time deposits | | 7,336,514.83 |
| - Deposits on futures contracts | | 368,218.22 |
| Other assets: | | |
| - Formation expenses, net | 2 h | 23,253.24 |
| - Receivables on investments | | 256,839.26 |
| - Receivables on subscriptions | | 290,199.75 |
| - Interest on time deposit receivable | | 310.84 |
| - Dividends receivable | | 102,432.18 |
| - Bank interest receivable | | 191,638.63 |
| - Interest receivable on bonds | | 5,779,350.86 |
| - Unrealised gain on futures contracts | 10 | 50,906.62 |
| - Unrealised gain on forward foreign exchange contracts | 11 | <u>1,820,675.22</u> |
| | | 372,074,435.61 |
| LIABILITIES | | |
| - Unrealised loss on futures contracts | 10 | 4,200.00 |
| - Taxes and expenses payable | | 1,720,346.45 |
| - Payables on redemptions | | 1,500,474.89 |
| - Payables on securities purchased | | <u>10,684,324.88</u> |
| | | 13,909,346.22 |
| NET ASSETS | | <u>358,165,089.39</u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE PERIOD ENDED JUNE 30, 2007
(in EUR)

| | Notes | |
|---|-------|------------------------------|
| NET ASSETS AT THE BEGINNING OF THE PERIOD | | 293,495,762.95 |
| INCOME | | |
| Income from investments: | | |
| - Dividends, net | | 794,902.03 |
| - Bond interest | | 8,930,480.38 |
| - Bank interest | | 480,586.50 |
| - Extraordinary income | | 1,279.07 |
| | | <u>10,207,247.98</u> |
| EXPENSES | | |
| Fees: | | |
| - Advisory fee | 5 | 1,125,770.78 |
| - Director's fees | | 24,926.01 |
| - Performance fee | 6 | 588,835.05 |
| - Custodian and administration fees | 7 | 362,646.07 |
| - Placing agent and correspondent bank fees | 8 | 1,304,741.87 |
| Other expenses: | | |
| - Annual tax | 9 | 87,971.22 |
| - Amortisation of formation expenses | 2 h | 11,201.15 |
| - Audit and legal fees | | 36,744.33 |
| - Printing, publishing and reporting expenses | | 12,010.55 |
| - Administration and other expenses | | 62,527.99 |
| - Futures and options expenses | | 54,468.31 |
| - Bank interest | | 7,311.80 |
| | | <u>3,679,155.12</u> |
| NET RESULT ON INVESTMENTS | | <u>6,528,092.86</u> |
| Net realised result on: | | |
| - Investments | | 3,923,137.75 |
| - Foreign exchange | | (99,785.07) |
| - Options | | (1,159,357.50) |
| - Forward foreign exchange contracts | | 960,904.39 |
| - Futures contracts | | (2,533,909.55) |
| NET REALISED RESULT | | <u>7,619,082.87</u> |
| Change in net unrealised appreciation/(depreciation) on: | | |
| - Investments | | (1,817,997.52) |
| - Foreign exchange | | (26,223.18) |
| - Forward foreign exchange contracts | | 194,709.59 |
| - Futures contracts | | (105,089.00) |
| NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS | | <u>5,864,482.76</u> |
| MOVEMENTS IN CAPITAL | | |
| Subscriptions of shares | | 143,851,545.06 |
| Redemptions of shares | | (85,046,701.38) |
| | | <u>58,804,843.68</u> |
| NET ASSETS AT THE END OF THE PERIOD | | <u>358,165,089.39</u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| ASSETS | Notes | |
|---|--------------|-----------------------------|
| Portfolio: | | |
| - Cost | 2 g | 50,532,069.17 |
| - Net unrealised result | 2 c | <u>(1,602,565.65)</u> |
| | | 48,929,503.52 |
| Cash & other liquid assets: | | |
| - Cash at bank | | 1,112,604.76 |
| - Deposits on futures contracts | | 28,018.22 |
| Other assets: | | |
| - Formation expenses, net | 2 h | 940.83 |
| - Receivables on subscriptions | | 30,295.94 |
| - Dividends receivable | | 17,694.44 |
| - Bank interest receivable | | 19,155.85 |
| - Interest receivable on bonds | | 1,008,155.03 |
| - Unrealised gain on futures contracts | 10 | 50,906.62 |
| - Unrealised gain on forward foreign exchange contracts | 11 | <u>1,027,096.97</u> |
| | | 52,224,372.18 |
| LIABILITIES | | |
| - Taxes and expenses payable | | 297,370.56 |
| - Payables on redemptions | | <u>30,941.36</u> |
| | | 328,311.92 |
| NET ASSETS | | <u>51,896,060.26</u> |
| Net asset value per Class A share | | 1,214.063 |
| Number of Class A shares | | 8,498.539 |
| Net asset value per Class B share | | 1,223.652 |
| Number of Class B shares | | 32,992.540 |
| Net asset value per Class Z share | | 1,083.144 |
| Number of Class Z shares | | 1,114.271 |

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
 FOR THE PERIOD ENDED JUNE 30, 2007
 (in EUR)

| | Notes | |
|---|-------|-----------------------|
| NET ASSETS AT THE BEGINNING OF THE PERIOD | | 52,231,430.67 |
| INCOME | | |
| Income from investments: | | |
| - Bond interest | | 2,054,326.89 |
| - Bank interest | | 52,892.21 |
| | | <u>2,107,219.10</u> |
| EXPENSES | | |
| Fees: | | |
| - Advisory fee | 5 | 163,137.23 |
| - Director's fees | | 3,560.86 |
| - Performance fee | 6 | 140,048.45 |
| - Custodian and administration fees | 7 | 54,724.35 |
| - Placing agent and correspondent bank fees | 8 | 194,084.01 |
| Other expenses: | | |
| - Annual tax | 9 | 13,122.91 |
| - Amortisation of formation expenses | 2 h | 2,822.82 |
| - Audit and legal fees | | 5,207.92 |
| - Printing, publishing and reporting expenses | | 1,650.82 |
| - Administration and other expenses | | 8,947.66 |
| - Futures and options expenses | | 761.44 |
| - Bank interest | | 1,175.84 |
| | | <u>589,244.31</u> |
| NET RESULT ON INVESTMENTS | | <u>1,517,974.79</u> |
| Net realised result on: | | |
| - Investments | | (731,047.79) |
| - Foreign exchange | | 27,723.21 |
| - Forward foreign exchange contracts | | (802.02) |
| - Futures contracts | | 76,525.81 |
| NET REALISED RESULT | | <u>890,374.00</u> |
| Change in net unrealised appreciation/(depreciation) on: | | |
| - Investments | | (54,616.17) |
| - Foreign exchange | | (20,241.19) |
| - Forward foreign exchange contracts | | 458,121.09 |
| - Futures contracts | | 22,672.28 |
| NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS | | <u>1,296,310.01</u> |
| MOVEMENTS IN CAPITAL | | |
| Subscriptions of shares | | 8,516,507.84 |
| Redemptions of shares | | (10,148,188.26) |
| | | <u>(1,631,680.42)</u> |
| NET ASSETS AT THE END OF THE PERIOD | | <u>51,896,060.26</u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| Currency | Nominal | Description | Cost | Market value | % of net assets |
|--|------------|---|----------------------|----------------------|-----------------|
| Transferable securities admitted to an official stock exchange, Bonds | | | | | |
| ARS | 1,430 | ARGENTINA 15/12/2035 0.000% | 0.00 | 42.03 | 0.00% |
| ARS | 505 | ARGENTINA 31/12/2033 5.830% | 5.85 | 166.60 | 0.00% |
| BRL | 1,500,000 | BANCO DO BRASIL CAYMAN BRL 17/12/2007 0.000% | 288,988.49 | 544,042.88 | 1.05% |
| EUR | 500,000 | AB BANKAS SNORAS 10 | 500,030.00 | 509,500.00 | 0.98% |
| EUR | 900,000 | ALFA DIV 11 FRN | 900,027.00 | 911,250.00 | 1.76% |
| EUR | 1,076,956 | ARGENTINA 15/04/2017 8.500% | 1,095,915.13 | 1,096,610.45 | 2.11% |
| EUR | 1,000,000 | BANQUE CENTRALE DE TUNISIE REGS 07/04/2011 4.750% | 1,005,530.00 | 990,950.00 | 1.91% |
| EUR | 766,938 | BRAZIL 23/04/2008 7.000% | 807,375.21 | 780,742.70 | 1.50% |
| EUR | 2,000,000 | COLOMBIA 31/01/2008 11.375% | 2,290,983.33 | 2,071,000.00 | 3.99% |
| EUR | 1,000,000 | GAZ CAPITAL SA 27/09/2010 7.800% | 1,122,545.00 | 1,072,400.00 | 2.07% |
| EUR | 1,000,000 | KAZKOMMERTSBANK INTERNATIONAL BV 23/03/2011 5.125% | 993,030.00 | 960,100.00 | 1.85% |
| EUR | 1,000,000 | PBB LPN ISS (PROBUS) 07 EMTN 7.250% | 998,530.00 | 1,001,250.00 | 1.93% |
| EUR | 800,000 | RUSSIAN CAR LOAN 17 | 800,030.00 | 802,048.00 | 1.55% |
| EUR | 1,000,000 | RUSSIAN CONSUMER FINANCE NO 1 SA 14/01/2012 FRN | 1,000,735.00 | 1,003,906.25 | 1.93% |
| EUR | 483,273 | TELECOM ARGENT STET FRAN 15/10/2014 5.530% | 471,218.21 | 471,810.44 | 0.91% |
| EUR | 2,000,000 | VENEZUELA 05/03/2008 11.000% | 2,276,340.00 | 2,060,000.00 | 3.97% |
| EUR | 1,000,000 | VTB CAPITAL(VNESHTORGBK) 09 FRN | 1,000,030.00 | 1,003,077.40 | 1.93% |
| GBP | 500,000 | 7.125% TURANALEM 09 | 740,900.56 | 724,709.70 | 1.40% |
| GBP | 500,000 | KAZKOMMERTS INTL BV 12 EMTN 7.625% | 761,132.66 | 711,359.20 | 1.37% |
| MXN | 10,000,000 | RABOBANK9.25 15/12/2008 | 697,017.17 | 692,751.66 | 1.33% |
| RUB | 35,000,000 | 7.25 DALI CAP 09 EMTN | 1,012,832.36 | 1,025,601.32 | 1.98% |
| RUB | 35,000,000 | 8 DALI CAPI 09 EMTN | 1,026,685.64 | 1,020,996.24 | 1.97% |
| RUB | 22,000,000 | REACHCOM FLOAT 07 0.000% | 648,031.71 | 634,748.21 | 1.22% |
| RUB | 31,819,878 | RED ARROW INTL 6.12 | 948,843.37 | 949,313.54 | 1.83% |
| TRY | 1,000,000 | KRED WIEDER 10.25 % | 457,715.89 | 534,934.05 | 1.03% |
| USD | 600,000 | 10.75 RENAISSANC 08 | 458,119.30 | 450,266.04 | 0.87% |
| USD | 1,000,000 | 9.375 BCO CRU11EMTN | 794,578.59 | 771,156.75 | 1.49% |
| USD | 500,000 | ARGENTINA 03/08/2012 5.590% | 253,693.72 | 269,746.58 | 0.52% |
| USD | 1,000,000 | BANCO BMG S.A. 8.750% | 769,630.20 | 760,597.01 | 1.47% |
| USD | 1,000,000 | BANCO INDUSTRI E COMRCL 09 EMTN 8.250% | 753,414.53 | 752,658.74 | 1.45% |
| USD | 1,000,000 | BANCO MACRO SA 12 FRN | 749,528.27 | 715,551.95 | 1.38% |
| USD | 1,000,000 | BCO HIPOT 9.75 11.10 | 876,907.06 | 772,596.72 | 1.49% |
| USD | 516,580 | BCO REP DOM FRN 2009 | 417,268.69 | 382,418.91 | 0.74% |
| USD | 500,000 | BERTIN 8.5 25/07/2008 | 426,490.80 | 377,067.82 | 0.73% |
| USD | 1,250,000 | BG FINANCE (BK GEORGIA) 12 | 959,944.50 | 927,669.89 | 1.79% |
| USD | 750,000 | CHAODA MODERN AGRICULTURE REGS 08/02/2010 7.750% | 601,909.32 | 564,875.58 | 1.09% |
| USD | 900,000 | CRR 24/10/2008 8.625% | 704,185.81 | 674,900.62 | 1.30% |
| USD | 1,000,000 | CRR BV (AVTOVAZ) 08 8.500% | 751,044.85 | 743,982.03 | 1.43% |
| USD | 500,000 | CS INTL 09 FRN | 380,693.78 | 378,452.40 | 0.73% |
| Sub-total | | | 30,741,882.00 | 30,115,251.71 | 58.05% |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

AS AT JUNE 30, 2007

(in EUR)

| Currency | Nominal | Description | Cost | Market value | % of net assets |
|--|-----------|--|----------------------|----------------------|-----------------|
| | | Balance carried forward | 30,741,882.00 | 30,115,251.71 | 58.05% |
| USD | 494,031 | DOMINICAN REPB. 27/09/2011 9.500% | 438,659.28 | 387,250.29 | 0.75% |
| USD | 1,000,000 | EDEL CAPITAL (SINEK CAP) 03/08/2015 7.700% | 786,803.74 | 753,212.57 | 1.45% |
| USD | 500,000 | EUROCHEM FINANCE 12 7.875% | 379,105.31 | 371,861.78 | 0.72% |
| USD | 1,000,000 | ISA CAPITAL DO BRASIL SA 7.875% | 771,545.84 | 753,027.96 | 1.45% |
| USD | 1,000,000 | MMK FINANCE SA 21/10/2008 8.000% | 828,547.95 | 752,621.82 | 1.45% |
| USD | 1,500,000 | MOSCOW RIVER (IRKUT) 09 8.250% | 1,188,364.43 | 1,128,674.75 | 2.17% |
| USD | 1,000,000 | NATIONAL POWER CORP REGS 23/08/2011 8.630% | 801,890.37 | 830,449.21 | 1.60% |
| USD | 1,000,000 | REACHCOM (ISD) 10 | 744,516.56 | 738,803.61 | 1.42% |
| USD | 1,000,000 | SLAVIN 9.875% 21/12/2009 | 752,758.71 | 748,708.07 | 1.44% |
| USD | 1,283,625 | TELECOM ARGENT 10.11 | 1,013,575.70 | 967,869.34 | 1.87% |
| USD | 1,500,000 | TFB FINANCE (TATFONDBANK) 9.750% | 1,102,031.84 | 1,120,071.41 | 2.16% |
| USD | 1,000,000 | TRANSCREDIT FINANCE 10 | 738,043.14 | 741,840.54 | 1.43% |
| USD | 1,000,000 | TRANSPORT DE GAS DEL SUR 7.875% | 739,210.60 | 719,059.55 | 1.39% |
| USD | 1,500,000 | TRANSPORTATION INVESTMENT HLD 22/06/2010 8.500% | 1,120,394.68 | 1,109,968.05 | 2.14% |
| USD | 1,000,000 | TYUMEN OIL CO REGS 06/11/2007 11.000% | 912,617.98 | 753,027.97 | 1.45% |
| USD | 500,000 | UKRCHEM CAPITAL FOR CONCERN STIROL 19/08/2008 7.875% | 413,982.41 | 352,607.97 | 0.68% |
| USD | 500,000 | VEDANTA RESOURCES PLC REGS 22/02/2010 6.625% | 406,006.23 | 369,421.01 | 0.71% |
| ZAR | 1,100,000 | EUROPEAN INVESTMENT BANK 22/10/2007 0.000% | 163,736.84 | 116,255.92 | 0.22% |
| Total transferable securities admitted to an official stock exchange, Bonds | | | 44,043,673.61 | 42,829,983.53 | 82.55% |
| Transferable securities admitted to an other regulated market, Bonds | | | | | |
| BRL | 1,229,000 | ELETROPAULO METROPOLITANA DE SAO PAULO SA REGS 28/06/2010 19.125% | 458,945.06 | 566,893.64 | 1.09% |
| USD | 2,000,000 | AXTEL SA 15/12/2013 11.000% | 1,786,861.03 | 1,633,644.67 | 3.15% |
| USD | 1,000,000 | TELE PERS 9.25 12.10 | 861,346.52 | 775,587.42 | 1.49% |
| USD | 2,000,000 | TELEMIG CELULAR SA/AMAZONIA CELULAR SA REGS 20/01/2009 8.750% | 1,660,418.61 | 1,509,834.54 | 2.91% |
| Total transferable securities admitted to an other regulated market, Bonds | | | 4,767,571.22 | 4,485,960.27 | 8.64% |
| Other transferable securities, Bonds | | | | | |
| EUR | 500,000 | AB CAP TRUST 28/12/2007 | 496,545.00 | 503,125.00 | 0.97% |
| USD | 1,500,000 | ING BANK NV FOR OPEN INVESTMENTS OAO 09/11/2007 9.125% | 1,224,279.34 | 1,110,434.72 | 2.14% |
| Total other transferable securities, Bonds | | | 1,720,824.34 | 1,613,559.72 | 3.11% |
| Total Investments | | | 50,532,069.17 | 48,929,503.52 | 94.30% |
| Other Net Assets | | | | 2,966,556.74 | 5.70% |
| Total Net Assets | | | | 51,896,060.26 | 100.00% |

The accompanying notes form an integral part of these financial statements

ECONOMIC CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Branch of business | % of net assets |
|--|------------------------|
| Banks and other credit institutions | 24.11% |
| Holding and finance companies | 17.38% |
| Miscellaneous | 15.50% |
| Government bonds | 12.84% |
| Telecommunication | 10.33% |
| Energy and water supply | 4.08% |
| Miscellaneous services | 3.74% |
| Transportation | 2.14% |
| Road vehicles | 1.43% |
| Agriculture and fishing | 1.09% |
| Food products and non-alcoholic drinks | 0.73% |
| Mines and steel works | 0.71% |
| Bonds issued by supranational institutions | 0.22% |
| Total | 94.30% |

GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Countries | % of net assets |
|--------------------|------------------------|
| Netherlands | 14.03% |
| Brazil | 12.09% |
| Luxembourg | 11.65% |
| Argentina | 11.16% |
| Ireland | 10.09% |
| Cayman Islands | 7.20% |
| Colombia | 3.99% |
| Venezuela | 3.97% |
| Russia | 3.36% |
| Cyprus | 3.36% |
| Mexico | 3.15% |
| Germany | 2.48% |
| Tunesia | 1.91% |
| Philippines | 1.60% |
| United Kingdom | 1.44% |
| Lithuania | 0.98% |
| Bermuda | 0.87% |
| Dominican Republic | 0.75% |
| Supranational | 0.22% |
| Total | 94.30% |

STATEMENT OF NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| ASSETS | Notes | |
|---|--------------|-----------------------------|
| Portfolio: | | |
| - Cost | 2 g | 27,503,570.35 |
| - Net unrealised result | 2 c | <u>(236,452.43)</u> |
| | | 27,267,117.92 |
| Cash & other liquid assets: | | |
| - Cash at bank | | 1,014,642.12 |
| - Time deposits | | 2,500,000.00 |
| Other assets: | | |
| - Formation expenses, net | 2 h | 3,777.94 |
| - Receivables on subscriptions | | 8,690.85 |
| - Bank interest receivable | | 29,152.49 |
| - Interest receivable on bonds | | 608,671.18 |
| - Unrealised gain on forward foreign exchange contracts | 11 | <u>565,095.06</u> |
| | | 31,997,147.56 |
| LIABILITIES | | |
| - Taxes and expenses payable | | <u>190,590.73</u> |
| | | 190,590.73 |
| NET ASSETS | | <u>31,806,556.83</u> |
| Net asset value per Class A share | | 1,087.605 |
| Number of Class A shares | | 4,522.833 |
| Net asset value per Class B share | | 1,121.817 |
| Number of Class B shares | | 19,408.567 |
| Net asset value per Class Z share | | 1,157.132 |
| Number of Class Z shares | | 4,420.105 |

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
 FOR THE PERIOD ENDED JUNE 30, 2007
 (in EUR)

| | Notes | |
|---|-------|------------------------------------|
| NET ASSETS AT THE BEGINNING OF THE PERIOD | | 20,504,484.96 |
| INCOME | | |
| Income from investments: | | |
| - Bond interest | | 871,635.42 |
| - Bank interest | | 93,434.75 |
| | | <u>965,070.17</u> |
| EXPENSES | | |
| Fees: | | |
| - Advisory fee | 5 | 111,748.90 |
| - Director's fees | | 3,560.86 |
| - Performance fee | 6 | 79,789.11 |
| - Custodian and administration fees | 7 | 28,310.85 |
| - Placing agent and correspondent bank fees | 8 | 114,845.62 |
| Other expenses: | | |
| - Annual tax | 9 | 7,260.85 |
| - Amortisation of formation expenses | 2 h | 543.90 |
| - Audit and legal fees | | 5,207.92 |
| - Printing, publishing and reporting expenses | | 1,650.79 |
| - Administration and other expenses | | 8,947.68 |
| - Futures and options expenses | | 588.07 |
| - Bank interest | | 785.14 |
| | | <u>363,239.69</u> |
| NET RESULT ON INVESTMENTS | | <u>601,830.48</u> |
| Net realised result on: | | |
| - Investments | | 174,449.70 |
| - Foreign exchange | | (23,509.05) |
| - Forward foreign exchange contracts | | 1,651.99 |
| - Futures contracts | | 105,588.75 |
| NET REALISED RESULT | | <u>860,011.87</u> |
| Change in net unrealised appreciation/(depreciation) on: | | |
| - Investments | | (157,639.93) |
| - Foreign exchange | | (5,158.08) |
| - Forward foreign exchange contracts | | 286,867.41 |
| - Futures contracts | | (29,473.31) |
| NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS | | <u>954,607.96</u> |
| MOVEMENTS IN CAPITAL | | |
| Subscriptions of shares | | 18,159,182.27 |
| Redemptions of shares | | (7,811,718.36) |
| | | <u>10,347,463.91</u> |
| NET ASSETS AT THE END OF THE PERIOD | | <u><u>31,806,556.83</u></u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| Currency | Nominal | Description | Cost | Market value | % of net assets |
|--|------------|--|---------------|---------------|-----------------|
| Transferable securities admitted to an official stock exchange, Bonds | | | | | |
| EUR | 500,000 | AB BANKAS SNORAS 10 7.000% | 500,030.00 | 509,500.00 | 1.60% |
| EUR | 1,251,253 | ARGENTINA 15/04/2017 8.500% | 1,255,675.46 | 1,274,088.36 | 4.01% |
| EUR | 350,000 | BANCO HIPOTECARIO SA = 01/12/2013 FRN | 322,030.00 | 335,562.50 | 1.06% |
| EUR | 750,000 | GAZ CAPITAL (GAZPROM) 17 5.440% | 755,280.00 | 730,200.00 | 2.30% |
| EUR | 1,200,000 | KAZKOMMERTS INTL BV 6.875% | 1,176,775.00 | 1,137,000.00 | 3.57% |
| EUR | 483,273 | TELECOM ARGENT STET FRAN 15/10/2014 5.530% | 472,050.69 | 471,810.44 | 1.48% |
| EUR | 700,000 | TROY CAPI 9.5% 2011 | 700,060.00 | 729,750.00 | 2.29% |
| EUR | 500,000 | TURANALEM FINANCE BV EMTN 27/09/2011 6.250% | 498,570.00 | 489,150.00 | 1.54% |
| EUR | 500,000 | VTB CAPITAL(VNESHTORGBK) 09 FRN | 500,030.00 | 501,538.70 | 1.58% |
| EUR | 1,000,000 | ZLOMREX INTERNAT FINANCE 14 8.500% | 1,002,920.00 | 1,008,700.00 | 3.17% |
| MXN | 2,000,000 | RABOBANK 07/04/2010 9.750% | 139,177.32 | 141,009.81 | 0.44% |
| MXN | 4,200,000 | RABOBANK 15/12/2008 9.250% | 298,259.47 | 290,955.70 | 0.91% |
| RUB | 40,000,000 | 8 DALI CAPI 09 EMTN | 1,166,138.98 | 1,166,852.84 | 3.67% |
| RUB | 13,000,000 | GPB EUROBOND (GAZPROMBK) 22/02/2010 7.250% | 378,781.52 | 380,545.78 | 1.20% |
| RUB | 13,000,000 | REACHCOM FLOAT 07 0.000% | 382,940.13 | 375,078.49 | 1.18% |
| RUB | 15,909,939 | RED ARROW INTL 6.12 | 472,574.11 | 474,656.77 | 1.49% |
| USD | 300,000 | 10.75 RENAISSANC 08 | 229,059.65 | 225,133.03 | 0.71% |
| USD | 500,000 | 11.5 INDUS 16 SRN-S | 382,749.39 | 391,533.56 | 1.23% |
| USD | 750,000 | AK BARS LUXEMBURG SA 10 8.250% | 560,155.58 | 554,497.38 | 1.74% |
| USD | 500,000 | ASIA ALUMINUM HOLDINGS LTD REGS 23/12/2011 8.000% | 380,755.88 | 363,683.52 | 1.14% |
| USD | 700,000 | BANCO MACRO SA 12 FRN | 521,769.22 | 500,886.36 | 1.57% |
| USD | 500,000 | BCO PAN FRN 18.07.16 | 392,987.07 | 401,752.92 | 1.26% |
| USD | 800,000 | BERTIN10.25% 5.10.16 | 640,377.58 | 652,193.48 | 2.05% |
| USD | 750,000 | BG FINANCE (BK GEORGIA) 12 | 575,978.70 | 556,601.93 | 1.75% |
| USD | 1,250,000 | BHIP 9.75% 27.4.2016 | 976,823.47 | 951,853.93 | 2.99% |
| USD | 700,000 | CIA LATINO AMERICANA 10/05/2012 9.750% | 505,849.12 | 524,112.86 | 1.65% |
| USD | 700,000 | COLGRADE (ROLF GROUP) 8.250% | 525,471.33 | 514,326.04 | 1.62% |
| USD | 1,250,000 | CORP DURANGO SAB DE CV 31/12/2012 | 948,937.49 | 948,484.78 | 2.98% |
| USD | 1,000,000 | CORP INTERAMERICANA DE ENTRETENIMIENTO SA REGS 14/06/2015 8.875% | 786,023.09 | 771,673.66 | 2.43% |
| USD | 349,700 | GOVERNMENT OF BELIZE 02/2029 4.250% | 245,714.36 | 205,726.24 | 0.65% |
| USD | 850,000 | INDEPENDENCIA INTERNATIONAL 9.875% | 648,945.75 | 657,931.19 | 2.07% |
| USD | 1,000,000 | ING BK 12% 18.3.8 | 762,526.28 | 749,520.36 | 2.36% |
| USD | 500,000 | ISA CAPITAL DO BRASIL SA 8.8 | 393,445.22 | 397,356.55 | 1.25% |
| USD | 1,000,000 | MASTELLONE HERMANOS SA A-2 30/06/2012 8.000% | 613,481.61 | 612,908.27 | 1.93% |
| USD | 1,750,000 | PETROLEOS DE VENEZUELA S 5.250% | 1,074,950.03 | 985,360.82 | 3.10% |
| USD | 1,000,000 | RENAISSANCE CONSUMER FD 9.500% 27/06/2010 | 744,825.95 | 743,022.05 | 2.34% |
| USD | 700,000 | RENAISSANCE SEC (TARLOT) | 519,110.17 | 516,910.59 | 1.63% |
| Sub-total | | | 22,451,229.62 | 22,241,868.91 | 69.94% |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

AS AT JUNE 30, 2007

(in EUR)

| Currency | Nominal | Description | Cost | Market value | % of net assets |
|--|-----------|--|----------------------|----------------------|-----------------|
| | | Balance carried forward | 22,451,229.62 | 22,241,868.91 | 69.94% |
| USD | 750,000 | TFB FINANCE (TATFONDBANK) 9.750% | 551,030.91 | 560,035.70 | 1.76% |
| USD | 1,000,000 | TRANSPORT DE GAS DEL SUR 7.875% | 739,210.60 | 719,059.55 | 2.26% |
| USD | 600,000 | UKRCHEM CAPITAL FOR CONCERN STIROL 19/08/2008 7.875% | 460,486.67 | 423,129.56 | 1.33% |
| USD | 750,000 | VITRO SA DE CV 9.125% | 578,312.61 | 567,996.94 | 1.79% |
| USD | 1,000,000 | WINTERHAVEN FINANCE | 734,272.94 | 742,135.92 | 2.33% |
| Total transferable securities admitted to an official stock exchange, Bonds | | | 25,514,543.35 | 25,254,226.58 | 79.41% |
| <u>Transferable securities admitted to an other regulated market, Bonds</u> | | | | | |
| BRL | 1,200,000 | ELETROPAULO METROPOLITANA DE SAO PAULO SA REGS 28/06/2010 19.125% | 530,286.90 | 553,516.98 | 1.74% |
| USD | 750,000 | EMP DIST NORT 14/14 | 580,385.54 | 572,469.36 | 1.80% |
| USD | 300,000 | TRICOM SA 01/09/2004 0.000% | 158,139.28 | 146,211.85 | 0.46% |
| Total transferable securities admitted to an other regulated market, Bonds | | | 1,268,811.72 | 1,272,198.19 | 4.00% |
| <u>Other transferable securities, Bonds</u> | | | | | |
| USD | 500,000 | CITY TELECOM HK LTD 01/02/2015 8.750% | 331,193.28 | 370,548.24 | 1.17% |
| USD | 500,000 | ING BANK NV FOR OPEN INVESTMENTS OAO 09/11/2007 9.125% | 389,022.00 | 370,144.91 | 1.16% |
| Total other transferable securities, Bonds | | | 720,215.28 | 740,693.15 | 2.33% |
| Total Investments | | | 27,503,570.35 | 27,267,117.92 | 85.74% |
| Other Net Assets | | | | 4,539,438.91 | 14.26% |
| Total Net Assets | | | | 31,806,556.83 | 100.00% |

The accompanying notes form an integral part of these financial statements

ECONOMIC CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Branch of business | % of net assets |
|--|------------------------|
| Holding and finance companies | 18.42% |
| Miscellaneous | 17.72% |
| Banks and other credit institutions | 16.67% |
| Government bonds | 6.95% |
| Energy and water supply | 4.00% |
| Telecommunication | 3.11% |
| Oil | 3.10% |
| Packing industry | 2.98% |
| Gastronomy | 2.43% |
| Food products and non-alcoholic drinks | 2.05% |
| Miscellaneous services | 1.96% |
| Electronics and semiconductors | 1.80% |
| Building and building materials | 1.79% |
| Road vehicles | 1.62% |
| Non ferrous metals | 1.14% |
| Total | 85.74% |

GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Countries | % of net assets |
|--------------------|------------------------|
| Argentina | 16.95% |
| Netherlands | 15.39% |
| Ireland | 10.46% |
| Mexico | 8.43% |
| Brazil | 6.30% |
| Russia | 4.94% |
| Luxembourg | 4.59% |
| Bermuda | 3.48% |
| France | 3.17% |
| Venezuela | 3.10% |
| Cayman Islands | 2.07% |
| United States | 1.80% |
| Lithuania | 1.60% |
| Cyprus | 1.18% |
| Hong Kong | 1.17% |
| Belize | 0.65% |
| Dominican Republic | 0.46% |
| Total | 85.74% |

STATEMENT OF NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| ASSETS | Notes | |
|--|--------------|------------------------------------|
| Portfolio: | | |
| - Cost | 2 g | 30,349,697.34 |
| - Net unrealised result | 2 c | 4,468,902.76 |
| | | <u>34,818,600.10</u> |
| Cash & other liquid assets: | | |
| - Cash at bank | | 3,037,263.89 |
| - Time deposits | | 1,770.83 |
| Other assets: | | |
| - Formation expenses, net | 2 h | 6,720.74 |
| - Receivables on subscriptions | | 44,524.57 |
| - Interest on time deposit receivable | | 31.62 |
| - Dividends receivable | | 28,620.19 |
| - Bank interest receivable | | 23,297.34 |
| - Interest receivable on bonds | | 28,406.44 |
| | | <u>37,989,235.72</u> |
| LIABILITIES | | |
| - Taxes and expenses payable | | 168,775.50 |
| - Payables on redemptions | | 46,464.73 |
| - Payables on securities purchased | | 770,520.86 |
| | | <u>985,761.09</u> |
| NET ASSETS | | <u><u>37,003,474.63</u></u> |
| Net asset value per Class A share | | 1,650.984 |
| Number of Class A shares | | 2,983.918 |
| Net asset value per Class B share | | 1,672.148 |
| Number of Class B shares | | 17,009.754 |
| Net asset value per Class Z share | | 1,172.218 |
| Number of Class Z shares | | 3,100.318 |

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
 FOR THE PERIOD ENDED JUNE 30, 2007
 (in EUR)

| | Notes | |
|---|-------|------------------------------------|
| NET ASSETS AT THE BEGINNING OF THE PERIOD | | 34,611,604.50 |
| INCOME | | |
| Income from investments: | | |
| - Dividends, net | | 558,287.15 |
| - Bond interest | | 132,409.52 |
| - Bank interest | | 66,474.46 |
| | | <u>757,171.13</u> |
| EXPENSES | | |
| Fees: | | |
| - Advisory fee | 5 | 184,603.80 |
| - Director's fees | | 3,560.86 |
| - Performance fee | 6 | 9,817.78 |
| - Custodian and administration fees | 7 | 41,682.54 |
| - Placing agent and correspondent bank fees | 8 | 200,043.49 |
| Other expenses: | | |
| - Annual tax | 9 | 9,548.66 |
| - Amortisation of formation expenses | 2 h | 2,420.91 |
| - Audit and legal fees | | 5,207.92 |
| - Printing, publishing and reporting expenses | | 1,718.68 |
| - Administration and other expenses | | 8,909.81 |
| - Futures and options expenses | | 27,168.90 |
| - Bank interest | | 1,381.85 |
| | | <u>496,065.20</u> |
| NET RESULT ON INVESTMENTS | | <u>261,105.93</u> |
| Net realised result on: | | |
| - Investments | | 3,350,498.99 |
| - Foreign exchange | | (2,364.66) |
| - Options | | (629,350.00) |
| - Futures contracts | | (2,596,055.00) |
| NET REALISED RESULT | | <u>383,835.26</u> |
| Change in net unrealised appreciation/(depreciation) on: | | |
| - Investments | | (403,561.32) |
| - Foreign exchange | | 4,751.67 |
| - Futures contracts | | 75,492.50 |
| NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS | | <u>60,518.11</u> |
| MOVEMENTS IN CAPITAL | | |
| Subscriptions of shares | | 11,845,211.28 |
| Redemptions of shares | | (9,513,859.26) |
| | | <u>2,331,352.02</u> |
| NET ASSETS AT THE END OF THE PERIOD | | <u><u>37,003,474.63</u></u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| Currency | Quantity | Description | Cost | Market value | % of net assets |
|--|-----------|--|----------------------|----------------------|-----------------|
| <u>Transferable securities admitted to an official stock exchange</u> | | | | | |
| <u>Equities</u> | | | | | |
| EUR | 100,000 | ALLEANZA ASSICURAZIONI | 1,018,288.90 | 968,000.00 | 2.62% |
| EUR | 6,500 | ALLIANZ AG-REG | 659,574.68 | 1,128,335.00 | 3.05% |
| EUR | 30,000 | AZIMUT HOLDING SPA | 190,815.57 | 381,000.00 | 1.03% |
| EUR | 40,000 | BANCO DESIO E DELLA BRIANZA | 285,990.00 | 344,000.00 | 0.93% |
| EUR | 75,000 | BOLZONI SPA | 331,481.15 | 358,500.00 | 0.97% |
| EUR | 30,000 | BULGARI SPA | 269,716.72 | 357,300.00 | 0.97% |
| EUR | 20,000 | CAD IT | 223,195.52 | 231,800.00 | 0.63% |
| EUR | 50,000 | CONAFI PRESTITO SPA | 250,015.00 | 345,000.00 | 0.93% |
| EUR | 17,000 | DAIMLERCHRYSLER AG-REG | 735,509.72 | 1,166,030.00 | 3.15% |
| EUR | 90,000 | DAVIDE CAMPARI-MILANO SPA | 577,605.26 | 697,950.00 | 1.89% |
| EUR | 85,000 | DEPFA BANK | 1,164,664.98 | 1,113,500.00 | 3.01% |
| EUR | 45,000 | DEUTSCHE POST AG-REG | 1,095,890.25 | 1,077,300.00 | 2.91% |
| EUR | 81,000 | DEUTSCHE TELEKOM AG-REG | 1,093,524.30 | 1,108,890.00 | 3.00% |
| EUR | 100,000 | ENERTAD SPA | 310,467.72 | 400,000.00 | 1.08% |
| EUR | 43,000 | ENI SPA | 944,460.65 | 1,156,700.00 | 3.13% |
| EUR | 40,000 | ERG SPA | 649,364.36 | 808,800.00 | 2.19% |
| EUR | 30,000 | FIAT SPA | 241,399.26 | 662,100.00 | 1.79% |
| EUR | 55,000 | FRANCE TELECOM SA | 1,245,804.05 | 1,122,000.00 | 3.03% |
| EUR | 300,000 | HERA SPA | 640,533.48 | 929,250.00 | 2.51% |
| EUR | 16,200 | IFI-ISTITUTO FINANZIARIO INDUSTRIALE SPA | 333,420.48 | 483,084.00 | 1.31% |
| EUR | 350,000 | IMMOBILIARE GRANDE DISTRIBUZIONE | 1,225,663.10 | 1,064,000.00 | 2.88% |
| EUR | 38,915 | MIRATO SPA | 341,335.89 | 344,397.75 | 0.93% |
| EUR | 180,000 | NAVIGAZIONI MONTANARI SPA | 508,103.17 | 711,450.00 | 1.92% |
| EUR | 20,000 | OESTERREICHISCHE POST AG | 514,516.86 | 657,400.00 | 1.78% |
| EUR | 30,000 | PAGESJAUNES SA | 381,017.08 | 467,100.00 | 1.26% |
| EUR | 350,000 | PARMALAT SPA | 809,401.77 | 1,099,000.00 | 2.97% |
| EUR | 15,000 | PFLEIDERER AG | 315,870.53 | 339,000.00 | 0.92% |
| EUR | 10,000 | PREMIERE AG | 117,731.93 | 176,000.00 | 0.48% |
| EUR | 1,100,000 | SEAT PAGINE GIALLE SPA | 415,012.62 | 488,950.00 | 1.32% |
| EUR | 540,000 | TELECOM ITALIA SPA | 1,259,366.94 | 1,096,200.00 | 2.96% |
| EUR | 42,201 | TELEGATE AG | 480,115.06 | 981,173.25 | 2.65% |
| EUR | 19,000 | TOTAL FINA ELF SA | 886,369.84 | 1,144,940.00 | 3.09% |
| EUR | 30,000 | TREVISAN | 198,168.03 | 216,300.00 | 0.58% |
| EUR | 170,000 | UNICREDITO ITALIANO SPA | 1,188,656.44 | 1,127,100.00 | 3.05% |
| EUR | 400,000 | UNIPOL SPA | 1,016,164.15 | 1,068,000.00 | 2.89% |
| EUR | 30,000 | UNITED INTERNET AG | 296,850.00 | 464,100.00 | 1.25% |
| EUR | 73,820 | VIANINI LAVORI SPA | 727,974.60 | 940,466.80 | 2.54% |
| EUR | 6,000 | VOLKSWAGEN AG PFD | 458,024.16 | 462,900.00 | 1.25% |
| GBP | 28,000 | CARNIVAL PLC | 1,020,676.79 | 990,607.17 | 2.68% |
| GBP | 437,501 | VODAFONE GROUP PLC | 964,346.87 | 1,088,995.44 | 2.94% |
| Total Equities | | | 25,387,087.88 | 29,767,619.41 | 80.47% |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

AS AT JUNE 30, 2007

(in EUR)

| Currency | Quantity/ Nominal | Description | Cost | Market value | % of net assets |
|---|----------------------|-------------------------------|----------------------|----------------------|--------------------|
| <u>Bonds</u> | | | | | |
| EUR | 1,037,050 | CALL ART 0 12/11 | 1,069,488.31 | 1,063,287.86 | 2.87% |
| EUR | 1,051,820 | CALL BCM 0 02/17 | 1,045,907.52 | 1,062,337.96 | 2.87% |
| EUR | 1,000,000 | HELLAS II 15 FRN | 1,015,030.00 | 1,033,550.00 | 2.79% |
| EUR | 950,000 | JAZZTEL PLC 29/04/2010 5.000% | 742,090.00 | 816,806.87 | 2.21% |
| Total Bonds | | | 3,872,515.83 | 3,975,982.69 | 10.74% |
| <u>Options on transferable securities</u> | | | | | |
| EUR | (150) | CALL DCX 09/07 Strike :74 | (21,900.00) | (26,250.00) | (0.07%) |
| EUR | (80) | CALL ENI 09/07 Strike :29 | (9,800.00) | (9,172.00) | (0.02%) |
| EUR | (180) | CALL TOTA 09/07 Strike :5 | (11,340.00) | (15,840.00) | (0.04%) |
| EUR | 150 | PUT SPMI 09/07 Strike :42.00 | 316,875.00 | 377,250.00 | 1.02% |
| EUR | 100 | PUT SPMI 09/07 Strike :43.00 | 307,500.00 | 366,750.00 | 0.99% |
| Total Options on transferable securities | | | 581,335.00 | 692,738.00 | 1.88% |
| Total transferable securities admitted to an official stock exchange | | | 29,840,938.71 | 34,436,340.10 | 93.09% |
| <u>Transferable securities admitted to an other regulated market, Equities</u> | | | | | |
| EUR | 600,000 | EPLANET SPA | 302,291.90 | 242,100.00 | 0.65% |
| EUR | 24,000 | NTS NETWORK SYSTEMS | 206,466.73 | 140,160.00 | 0.38% |
| Total transferable securities admitted to an other regulated market, Equities | | | 508,758.63 | 382,260.00 | 1.03% |
| <u>Other transferable securities, Warrants and rights</u> | | | | | |
| EUR | 300,000 | UNIPOL ASS DRT3.7.07 | 0.00 | 0.00 | 0.00% |
| Total other transferable securities, Warrants and rights | | | 0.00 | 0.00 | 0.00% |
| Total Investments | | | 30,349,697.34 | 34,818,600.10 | 94.12% |
| Other Net Assets | | | | 2,184,874.53 | 5.88% |
| Total Net Assets | | | | 37,003,474.63 | 100.00% |

The accompanying notes form an integral part of these financial statements

ECONOMIC CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Branch of business | % of net assets |
|--|------------------------|
| Telecommunication | 20.23% |
| Insurance | 8.56% |
| Oil | 8.41% |
| Miscellaneous | 6.82% |
| Transportation | 6.61% |
| Holding and finance companies | 6.28% |
| Road vehicles | 6.19% |
| Banks and other credit institutions | 3.98% |
| Internet services | 3.52% |
| Building and building materials | 3.46% |
| Food products and non-alcoholic drinks | 2.97% |
| Building societies | 2.88% |
| Gastronomy | 2.68% |
| Energy and water supply | 2.51% |
| Tobacco and alcohol | 1.89% |
| Options | 1.88% |
| Graphic and publishing industry | 1.80% |
| Machinery and apparatus construction | 1.55% |
| Miscellaneous consumer goods | 0.97% |
| Pharmaceutical and cosmetics industry | 0.93% |
| Total | 94.12% |

GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Countries | % of net assets |
|------------------|------------------------|
| Italy | 47.04% |
| Germany | 18.51% |
| United Kingdom | 7.83% |
| France | 7.42% |
| Ireland | 5.88% |
| Netherlands | 2.87% |
| Greece | 2.79% |
| Austria | 1.78% |
| Total | 94.12% |

STATEMENT OF NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| ASSETS | Notes | |
|--|--------------|-----------------------------|
| Portfolio: | | |
| - Cost | 2 g | 15,683,119.03 |
| - Net unrealised result | 2 c | <u>1,607,756.78</u> |
| | | 17,290,875.81 |
| Cash & other liquid assets: | | |
| - Cash at bank | | 1,018,889.93 |
| Other assets: | | |
| - Formation expenses, net | 2 h | 3,777.93 |
| - Receivables on subscriptions | | 9,968.53 |
| - Dividends receivable | | 21,771.95 |
| - Bank interest receivable | | <u>11,492.21</u> |
| | | 18,356,776.36 |
| LIABILITIES | | |
| - Taxes and expenses payable | | 84,165.60 |
| - Payables on redemptions | | 4,811.55 |
| - Payables on securities purchased | | <u>742,548.13</u> |
| | | 831,525.28 |
| NET ASSETS | | <u>17,525,251.08</u> |
| Net asset value per Class A share | | 1,146.298 |
| Number of Class A shares | | 2,769.504 |
| Net asset value per Class B share | | 1,165.099 |
| Number of Class B shares | | 6,378.804 |
| Net asset value per Class Z share | | 1,215.712 |
| Number of Class Z shares | | 5,691.017 |

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
 FOR THE PERIOD ENDED JUNE 30, 2007
 (in EUR)

| | Notes | |
|---|-------|------------------------------------|
| NET ASSETS AT THE BEGINNING OF THE PERIOD | | 12,616,425.02 |
| INCOME | | |
| Income from investments: | | |
| - Dividends, net | | 186,544.57 |
| - Bank interest | | 16,150.13 |
| - Extraordinary income | | 917.12 |
| | | <u>203,611.82</u> |
| EXPENSES | | |
| Fees: | | |
| - Advisory fee | 5 | 68,892.50 |
| - Director's fees | | 3,560.86 |
| - Performance fee | 6 | 20,381.58 |
| - Custodian and administration fees | 7 | 16,947.70 |
| - Placing agent and correspondent bank fees | 8 | 58,136.03 |
| Other expenses: | | |
| - Annual tax | 9 | 4,100.59 |
| - Amortisation of formation expenses | 2 h | 543.90 |
| - Audit and legal fees | | 5,207.92 |
| - Printing, publishing and reporting expenses | | 1,718.65 |
| - Administration and other expenses | | 8,879.85 |
| - Futures and options expenses | | 23,541.46 |
| - Bank interest | | 1,052.35 |
| | | <u>212,963.39</u> |
| NET RESULT ON INVESTMENTS | | <u>(9,351.57)</u> |
| Net realised result on: | | |
| - Investments | | 1,303,427.06 |
| - Foreign exchange | | (1,082.68) |
| - Options | | (530,007.50) |
| - Futures contracts | | (785,157.50) |
| NET REALISED RESULT | | <u>(22,172.19)</u> |
| Change in net unrealised appreciation/(depreciation) on: | | |
| - Investments | | 488,731.49 |
| - Foreign exchange | | 2,870.91 |
| - Futures contracts | | (21,900.00) |
| NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS | | <u>447,530.21</u> |
| MOVEMENTS IN CAPITAL | | |
| Subscriptions of shares | | 7,070,350.70 |
| Redemptions of shares | | (2,609,054.85) |
| | | <u>4,461,295.85</u> |
| NET ASSETS AT THE END OF THE PERIOD | | <u><u>17,525,251.08</u></u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| Currency | Quantity | Description | Cost | Market value | % of net assets |
|--|----------|--|----------------------|----------------------|-----------------|
| <u>Transferable securities admitted to an official stock exchange</u> | | | | | |
| <u>Equities</u> | | | | | |
| EUR | 50,000 | ALLEANZA ASSICURAZIONI | 509,159.45 | 484,000.00 | 2.76% |
| EUR | 6,000 | ALLIANZ AG-REG | 886,976.12 | 1,041,540.00 | 5.94% |
| EUR | 30,000 | AMPLIFON SPA | 191,538.00 | 185,100.00 | 1.06% |
| EUR | 28,000 | AZIMUT HOLDING SPA | 218,265.67 | 355,600.00 | 2.03% |
| EUR | 720,920 | BASTOGI SPA | 209,437.80 | 182,392.76 | 1.04% |
| EUR | 100,000 | BOLZONI SPA | 436,508.43 | 478,000.00 | 2.73% |
| EUR | 8,000 | CAD IT | 97,326.62 | 92,720.00 | 0.53% |
| EUR | 35,000 | COBRA | 241,523.33 | 294,350.00 | 1.68% |
| EUR | 50,000 | CONAFI PRESTITO SPA | 250,015.00 | 345,000.00 | 1.97% |
| EUR | 10,000 | DAIMLERCHRYSLER AG-REG | 509,728.30 | 685,900.00 | 3.91% |
| EUR | 50,000 | DAVIDE CAMPARI-MILANO SPA | 294,209.00 | 387,750.00 | 2.21% |
| EUR | 25,000 | DEPFA BANK | 343,475.84 | 327,500.00 | 1.87% |
| EUR | 29,000 | DEUTSCHE POST AG-REG | 664,301.37 | 694,260.00 | 3.96% |
| EUR | 70,000 | DEUTSCHE TELEKOM AG-REG | 936,306.47 | 958,300.00 | 5.47% |
| EUR | 20,000 | ELSEVIER | 271,675.39 | 282,800.00 | 1.61% |
| EUR | 30,000 | ENI SPA | 701,302.20 | 807,000.00 | 4.60% |
| EUR | 10,000 | ERG SPA | 173,649.00 | 202,200.00 | 1.15% |
| EUR | 16,000 | FIAT SPA | 242,705.60 | 353,120.00 | 2.01% |
| EUR | 10,000 | FRANCE TELECOM SA | 205,071.49 | 204,000.00 | 1.16% |
| EUR | 12,000 | IFI-ISTITUTO FINANZIARIO INDUSTRIALE SPA | 258,440.32 | 357,840.00 | 2.04% |
| EUR | 330,000 | IMMOBILIARE GRANDE DISTRIBUZIONE | 1,105,800.66 | 1,003,200.00 | 5.72% |
| EUR | 41,000 | IT HOLDING | 84,725.01 | 85,280.00 | 0.49% |
| EUR | 30,000 | MIRATO SPA | 253,413.63 | 265,500.00 | 1.51% |
| EUR | 170,000 | NAVIGAZIONI MONTANARI SPA | 666,559.66 | 671,925.00 | 3.83% |
| EUR | 160,000 | PARMALAT SPA | 395,119.12 | 502,400.00 | 2.87% |
| EUR | 20,000 | PFLEIDERER AG | 376,606.17 | 452,000.00 | 2.58% |
| EUR | 19,000 | PREMIERE AG | 245,206.33 | 334,400.00 | 1.91% |
| EUR | 450,000 | TELECOM ITALIA SPA | 767,822.94 | 739,350.00 | 4.22% |
| EUR | 30,000 | TELEGATE AG | 666,817.79 | 697,500.00 | 3.98% |
| EUR | 65,000 | TELES AG | 365,229.31 | 278,850.00 | 1.59% |
| EUR | 5,000 | TOTAL FINA ELF SA | 258,383.30 | 301,300.00 | 1.72% |
| EUR | 15,000 | TREVISAN | 98,311.11 | 108,150.00 | 0.62% |
| EUR | 70,000 | UNICREDITO ITALIANO SPA | 491,552.85 | 464,100.00 | 2.65% |
| EUR | 25,000 | UNITED INTERNET AG | 247,874.70 | 386,750.00 | 2.21% |
| EUR | 52,850 | VIANINI LAVORI SPA | 496,946.93 | 673,309.00 | 3.84% |
| EUR | 8,000 | VOLKSWAGEN AG PFD | 604,762.99 | 617,200.00 | 3.52% |
| GBP | 20,000 | CARNIVAL PLC | 696,215.84 | 707,576.55 | 4.04% |
| Total Equities | | | 15,462,963.74 | 17,008,163.31 | 97.03% |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

AS AT JUNE 30, 2007

(in EUR)

| Currency | Quantity | Description | Cost | Market value | % of net assets |
|---|----------|------------------------------|---------------|---------------|-----------------|
| <u>Options on transferable securities</u> | | | | | |
| EUR | 125 | PUT SPMI 07/07 Strike :4.200 | 83,250.00 | 150,312.50 | 0.86% |
| Total Options on transferable securities | | | 83,250.00 | 150,312.50 | 0.86% |
| Total transferable securities admitted to an official stock exchange | | | 15,546,213.74 | 17,158,475.81 | 97.89% |
| <u>Transferable securities admitted to an other regulated market, Equities</u> | | | | | |
| EUR | 4,000 | EL.EN. SPA | 136,905.29 | 132,400.00 | 0.76% |
| Total transferable securities admitted to an other regulated market, Equities | | | 136,905.29 | 132,400.00 | 0.76% |
| Total Investments | | | 15,683,119.03 | 17,290,875.81 | 98.65% |
| Other Net Assets | | | | 234,375.27 | 1.35% |
| Total Net Assets | | | | 17,525,251.08 | 100.00% |

The accompanying notes form an integral part of these financial statements

ECONOMIC CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Branch of business | % of net assets |
|--|------------------------|
| Telecommunication | 16.42% |
| Road vehicles | 9.44% |
| Insurance | 8.70% |
| Holding and finance companies | 7.91% |
| Transportation | 7.79% |
| Oil | 7.47% |
| Building and building materials | 6.42% |
| Building societies | 5.72% |
| Machinery and apparatus construction | 4.11% |
| Gastronomy | 4.04% |
| Graphic and publishing industry | 3.52% |
| Food products and non-alcoholic drinks | 2.87% |
| Internet services | 2.74% |
| Banks and other credit institutions | 2.65% |
| Pharmaceutical and cosmetics industry | 2.57% |
| Tobacco and alcohol | 2.21% |
| Electrotechnical and electronic industry | 1.68% |
| Miscellaneous trade | 1.04% |
| Options | 0.86% |
| Textile and clothing industry | 0.49% |
| Total | 98.65% |

GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Countries | % of net assets |
|------------------|------------------------|
| Italy | 53.18% |
| Germany | 35.07% |
| United Kingdom | 4.04% |
| France | 2.88% |
| Ireland | 1.87% |
| Netherlands | 1.61% |
| Total | 98.65% |

STATEMENT OF NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| ASSETS | Notes | |
|---|--------------|------------------------------|
| Portfolio: | | |
| - Cost | 2 g | 143,068,055.47 |
| - Net unrealised result | 2 c | <u>(3,230,433.24)</u> |
| | | 139,837,622.23 |
| Cash & other liquid assets: | | |
| - Cash at bank | | 9,459,269.46 |
| - Deposits on futures contracts | | 109,350.00 |
| Other assets: | | |
| - Formation expenses, net | 2 h | 2,386.83 |
| - Receivables on subscriptions | | 61,977.63 |
| - Dividends receivable | | 31,133.56 |
| - Bank interest receivable | | 41,320.24 |
| - Interest receivable on bonds | | 3,143,040.36 |
| - Unrealised gain on forward foreign exchange contracts | 11 | <u>122,710.79</u> |
| | | 152,808,811.10 |
| LIABILITIES | | |
| - Unrealised loss on futures contracts | 10 | 1,350.00 |
| - Taxes and expenses payable | | 530,719.44 |
| - Payables on redemptions | | 223,032.96 |
| - Payables on securities purchased | | <u>5,609,398.44</u> |
| | | 6,364,500.84 |
| NET ASSETS | | <u>146,444,310.26</u> |
| Net asset value per Class A share | | 1,175.962 |
| Number of Class A shares | | 15,201.358 |
| Net asset value per Class B share | | 1,184.565 |
| Number of Class B shares | | 107,579.492 |
| Net asset value per Class Z share | | 1,049.354 |
| Number of Class Z shares | | 1,079.907 |

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE PERIOD ENDED JUNE 30, 2007
(in EUR)

| | Notes | |
|---|-------|------------------------------|
| NET ASSETS AT THE BEGINNING OF THE PERIOD | | 122,117,537.54 |
| INCOME | | |
| Income from investments: | | |
| - Bond interest | | 3,786,647.52 |
| - Bank interest | | 100,170.68 |
| | | <u>3,886,818.20</u> |
| EXPENSES | | |
| Fees: | | |
| - Advisory fee | 5 | 350,087.30 |
| - Director's fees | | 3,560.86 |
| - Performance fee | 6 | 173,750.86 |
| - Custodian and administration fees | 7 | 146,649.72 |
| - Placing agent and correspondent bank fees | 8 | 407,845.45 |
| Other expenses: | | |
| - Annual tax | 9 | 36,970.90 |
| - Amortisation of formation expenses | 2 h | 2,822.82 |
| - Audit and legal fees | | 5,207.92 |
| - Printing, publishing and reporting expenses | | 1,650.82 |
| - Administration and other expenses | | 8,947.67 |
| - Futures and options expenses | | 1,634.44 |
| - Bank interest | | 1,348.74 |
| | | <u>1,140,477.50</u> |
| NET RESULT ON INVESTMENTS | | <u>2,746,340.70</u> |
| Net realised result on: | | |
| - Investments | | (496,056.99) |
| - Foreign exchange | | (1,676.61) |
| - Forward foreign exchange contracts | | 502,755.03 |
| - Futures contracts | | 531,404.83 |
| NET REALISED RESULT | | <u>3,282,766.96</u> |
| Change in net unrealised appreciation/(depreciation) on: | | |
| - Investments | | (1,233,442.61) |
| - Foreign exchange | | (11,051.92) |
| - Forward foreign exchange contracts | | (319,478.58) |
| - Futures contracts | | (138,714.81) |
| NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS | | <u>1,580,079.04</u> |
| MOVEMENTS IN CAPITAL | | |
| Subscriptions of shares | | 61,660,361.84 |
| Redemptions of shares | | (38,913,668.16) |
| | | <u>22,746,693.68</u> |
| NET ASSETS AT THE END OF THE PERIOD | | <u>146,444,310.26</u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| Currency | Nominal | Description | Cost | Market value | % of net assets |
|--|------------|---|----------------------|----------------------|-----------------|
| Transferable securities admitted to an official stock exchange, Bonds | | | | | |
| EUR | 1,000,000 | ACEA SPA 23/07/2014 4.875% | 1,043,360.00 | 988,050.00 | 0.67% |
| EUR | 900,000 | ALFA DIV 11 FRN | 900,027.00 | 911,250.00 | 0.62% |
| EUR | 2,000,000 | ALPHA CREDIT GROUP PLC 09 FRN | 1,999,030.00 | 1,999,608.00 | 1.37% |
| EUR | 1,100,000 | ARCELOR FINANCE SCA 24/09/2010 5.125% | 1,175,753.00 | 1,106,050.00 | 0.76% |
| EUR | 1,000,000 | ARGENTINA 15/04/2017 8.500% | 1,011,310.00 | 1,018,250.00 | 0.70% |
| EUR | 1,000,000 | ASSET BACKED OBLIGATIES LTD 07/05/2012 FRN | 985,030.00 | 963,100.00 | 0.66% |
| EUR | 1,000,000 | BANCA POPOLARE DI LODI INVESTORS TRUST III 00/01/1900 6.742% | 1,098,830.00 | 1,054,600.00 | 0.72% |
| EUR | 6,000,000 | BANK OF ENGLAND EURO NOTE 28/01/2008 2.500% | 5,940,890.00 | 5,937,600.00 | 4.05% |
| EUR | 1,000,000 | BAYER AG EMTN 10/04/2012 6.000% | 1,093,430.00 | 1,042,400.00 | 0.71% |
| EUR | 5,000,000 | BCI US FUND NCP-FR | 5,067,040.52 | 5,080,000.00 | 3.47% |
| EUR | 1,150,000 | BREEZE FINANCE 6.708% | 1,150,030.00 | 1,147,125.00 | 0.78% |
| EUR | 6,000,000 | BUNDESREPUB. DEUTSCHLAND 04/01/2010 5.375% | 6,209,970.00 | 6,120,600.00 | 4.18% |
| EUR | 1,140,756 | CALL ART 0 12/11 | 1,149,390.53 | 1,169,616.64 | 0.80% |
| EUR | 1,090,381 | CALL BCM 0 02/17 | 1,093,465.83 | 1,101,284.64 | 0.75% |
| EUR | 2,000,000 | CARNIVAL PLC 27/11/2013 4.250% | 1,990,670.00 | 1,906,400.00 | 1.30% |
| EUR | 1,000,000 | CIMPOR FINANCIAL OPERATIONS BV EMTN 27/05/2011 4.500% | 999,780.00 | 974,550.00 | 0.67% |
| EUR | 2,000,000 | CIR INTERNATIONAL SA 10/01/2011 6.375% | 2,037,288.00 | 2,063,048.20 | 1.41% |
| EUR | 1,000,000 | DAIMLERCHRYSLER NA HOLDING CORP EMTN 04/10/2011 4.250% | 1,002,730.00 | 974,000.00 | 0.67% |
| EUR | 1,000,000 | DEUTSCHE BANK AG 31/01/2013 5.125% | 1,048,340.00 | 1,010,150.00 | 0.69% |
| EUR | 1,000,000 | DEUTSCHE TELEKOM INTERNATIONAL FINANCE BV EMTN 19/01/2010 3.250% | 970,130.00 | 964,300.00 | 0.66% |
| EUR | 750,000 | EDISON SPA EMTN 20/07/2007 6.375% | 823,710.00 | 750,675.00 | 0.51% |
| EUR | 14,000,000 | EUROPEAN INVESTMENT BANK BR 15/04/2008 5.000% | 14,514,360.00 | 14,064,400.00 | 9.60% |
| EUR | 5,000,000 | EUROPEAN INVESTMENT BANK INTL 15/10/2007 2.625% | 4,985,030.00 | 4,977,500.00 | 3.40% |
| EUR | 3,000,000 | EUROPEAN INVESTMENT BANK INTL 15/10/2008 3.250% | 2,978,430.00 | 2,956,500.00 | 2.02% |
| EUR | 1,100,000 | FIAT FINANCE NORTH AMERICA 5.625% | 1,089,030.00 | 1,078,770.00 | 0.74% |
| EUR | 1,500,000 | FIDIS RETAIL FINANCIAL SERVICES IRELAND PLC EMTN 11/05/2009 4.334% | 1,500,030.00 | 1,516,275.00 | 1.04% |
| EUR | 14,000,000 | FRANCE 25/10/2008 8.500% | 15,320,701.05 | 14,695,800.00 | 10.04% |
| EUR | 1,000,000 | FRANCE TELECOM EMTN 28/01/2013 7.250% | 1,176,230.00 | 1,103,200.00 | 0.75% |
| EUR | 1,500,000 | GAZ CAPITAL FOR GAZPROM REGS 01/06/2015 5.875% | 1,552,685.00 | 1,513,950.00 | 1.03% |
| EUR | 9,000,000 | GERMANY 04/01/2009 3.750% | 8,975,206.67 | 8,914,500.00 | 6.09% |
| EUR | 1,200,000 | HBOS 2005 07/02/2035 | 948,030.00 | 888,000.00 | 0.61% |
| EUR | 100,000 | HELLAS II 15 FRN | 101,530.00 | 103,355.00 | 0.07% |
| EUR | 1,100,000 | INEOS GROUP HOLDINGS PLC REGS 15/02/2016 7.875% | 1,075,827.80 | 1,034,000.00 | 0.71% |
| EUR | 800,000 | JAZZTEL PLC 29/04/2010 5.000% | 593,230.00 | 687,837.36 | 0.47% |
| | | Sub-total | 93,600,525.40 | 91,816,744.84 | 62.72% |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

AS AT JUNE 30, 2007

(in EUR)

| Currency | Nominal | Description | Cost | Market value | % of net assets |
|----------|------------|---|----------------|----------------|-----------------|
| | | Balance carried forward | 93,600,525.40 | 91,816,744.84 | 62.72% |
| EUR | 2,150,000 | KAZKOMMERTS INTL BV 6.875% | 2,125,965.00 | 2,037,125.00 | 1.39% |
| EUR | 1,050,000 | LECTA SA 14 FRN | 1,054,090.00 | 1,053,202.50 | 0.72% |
| EUR | 750,000 | LEHMAN BROTHERS TREASURY CO BV EMTN 01/02/2013 FRN | 744,405.00 | 706,552.50 | 0.48% |
| EUR | 750,000 | LEHMAN BROTHERS TREASURY CO BV EMTN 18/03/2015 7.625% | 743,880.00 | 614,658.53 | 0.42% |
| EUR | 950,000 | LIGHTHOUSE INTERNATIONAL CO SA REGS 30/04/2014 8.000% | 1,030,590.00 | 1,009,375.00 | 0.69% |
| EUR | 2,200,000 | MEINL EURO 5.375% | 2,196,660.00 | 2,165,460.00 | 1.48% |
| EUR | 1,000,000 | OLIVETTI FINANCE NV EMTN 24/04/2012 7.250% | 1,153,310.00 | 1,084,000.00 | 0.74% |
| EUR | 1,200,000 | OTE PLC GMTN 11/11/2011 3.750% | 1,166,272.00 | 1,140,660.00 | 0.78% |
| EUR | 1,000,000 | PERI GMBH REGS 15/12/2009 4.846% | 1,023,795.00 | 1,030,000.00 | 0.70% |
| EUR | 1,032,914 | PETROLEOS MEXICANOS 13/08/2007 FRN | 1,123,840.22 | 1,036,167.47 | 0.71% |
| EUR | 700,000 | RENAULT SA 19/10/2007 6.375% | 767,015.00 | 703,710.00 | 0.48% |
| EUR | 1,000,000 | ROYAL KPN NV EMTN 21/07/2011 4.500% | 1,044,030.00 | 976,900.00 | 0.67% |
| EUR | 1,200,000 | RUSSIAN CAR LOAN 17 | 1,200,030.00 | 1,203,072.00 | 0.82% |
| EUR | 950,000 | RUSSIAN CONSUMER FINANCE NO 1 SA 14/01/2012 FRN | 950,030.00 | 953,710.94 | 0.65% |
| EUR | 1,000,000 | SASOL FINANCING INTERNATIONAL PLC 29/06/2010 3.375% | 983,175.00 | 957,400.00 | 0.65% |
| EUR | 500,000 | SCHEFENACKER AG REGS 11/02/2014 9.500% | 377,976.67 | 37,350.00 | 0.03% |
| EUR | 933,937 | TIM HELLAS TELECOMMUNICA 07/15 | 993,592.00 | 986,470.96 | 0.67% |
| EUR | 2,000,000 | UNICRED 6.1% 28/02/2012 | 2,192,340.00 | 2,092,000.00 | 1.43% |
| EUR | 2,000,000 | VIVENDI UNIVERSAL SA 15/02/2012 3.875% | 1,960,360.00 | 1,896,400.00 | 1.29% |
| EUR | 1,000,000 | VODAFONE GROUP PLC EMTN 13/01/2012 3.479% | 1,000,430.00 | 1,006,150.00 | 0.69% |
| EUR | 2,500,000 | VTB CAPITAL (VNESHTORGBK) 09 FRN | 2,500,030.00 | 2,507,693.50 | 1.71% |
| EUR | 500,000 | WATERFORD WEDGWOOD PLC 9.875% | 486,280.00 | 489,675.00 | 0.33% |
| EUR | 1,050,000 | ZLOMREX INTERNAT FINANCE 14 8.500% | 1,053,277.50 | 1,059,135.00 | 0.72% |
| GBP | 600,000 | COLLINS STEWART TULLETT PLC 12/08/2014 FRN | 903,195.60 | 896,975.66 | 0.61% |
| GBP | 3,400,000 | EUROPEAN INVESTMENT BANK EMTN 07/12/2007 4.500% | 4,955,140.90 | 5,008,217.94 | 3.42% |
| RUB | 30,000,000 | 7.25 DALI CAP 09 EMTN | 876,882.18 | 879,086.84 | 0.60% |
| RUB | 23,864,908 | RED ARROW INTL 6.12 | 705,517.63 | 711,985.16 | 0.49% |
| TRY | 900,000 | TURKEY GOVERNMENT BOND 12 | 500,985.80 | 558,661.42 | 0.38% |
| USD | 5,640 | ALESTRA SA 30/06/2010 8.000% | 4,577.01 | 4,158.58 | 0.00% |
| USD | 1,000,000 | CONTROLADORA COMERCIAL MEXICANA SA DE CV REGS 01/06/2015 6.625% | 833,305.74 | 750,664.94 | 0.51% |
| USD | 1,000,000 | CORP INTERAMERICANA DE ENTRETENIMIENTO SA REGS 14/06/2015 8.875% | 820,282.62 | 771,673.66 | 0.53% |
| USD | 1,192,193 | GAZPROM INTERNATIONAL SA REGS 01/02/2020 7.201% | 945,763.10 | 910,476.03 | 0.62% |
| USD | 2,000,000 | INTERGAS FINANCE BV 6.375% | 1,462,638.95 | 1,416,335.01 | 0.97% |
| USD | 1,500,000 | KUZNETSKI CAPITAL FOR BANK OF MOSCOW 25/11/2015 FRN | 1,272,472.43 | 1,132,034.20 | 0.77% |
| USD | 1,040,000 | MASTELLONE HERMANOS SA A-2 30/06/2012 8.000% | 684,036.81 | 637,424.60 | 0.44% |
| | | Sub-total | 135,436,697.56 | 132,241,307.28 | 90.31% |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

AS AT JUNE 30, 2007

(in EUR)

| Currency | Nominal | Description | Cost | Market value | % of net assets |
|--|-----------|--|-----------------------|-----------------------|-----------------|
| | | Balance carried forward | 135,436,697.56 | 132,241,307.28 | 90.31% |
| USD | 1,200,000 | MOBILE TELESYSTEMS FINANCE SA REGS 28/01/2012 8.000% | 1,023,470.76 | 914,488.68 | 0.62% |
| USD | 1,000,000 | TNK-BP FINANCE SA17 6.625% | 734,653.49 | 718,911.86 | 0.49% |
| USD | 1,500,000 | TRANSPORT DE GAS DEL SUR 7.875% | 1,108,800.90 | 1,078,589.33 | 0.74% |
| Total transferable securities admitted to an official stock exchange, Bonds | | | 138,303,622.71 | 134,953,297.15 | 92.16% |
| <u>Transferable securities admitted to an other regulated market, Bonds</u> | | | | | |
| BRL | 2,400,000 | ELETROPAULO METROPOLITANA DE SAO PAULO SA REGS 28/06/2010 19.125% | 1,007,639.63 | 1,107,033.95 | 0.76% |
| GBP | 800,000 | PIPE HLDGS 9.75 2013 | 1,261,522.71 | 1,272,747.76 | 0.87% |
| USD | 1,291,273 | AXTEL SA 15/12/2013 11.000% | 1,137,910.07 | 1,054,740.63 | 0.72% |
| USD | 300,000 | RURAL CELLULAR CORP 15/01/2010 9.750% | 223,076.52 | 228,732.94 | 0.16% |
| Total transferable securities admitted to an other regulated market, Bonds | | | 3,630,148.93 | 3,663,255.28 | 2.51% |
| <u>Other transferable securities, Bonds</u> | | | | | |
| USD | 953,754 | GAZPROM INTERNATIONAL SA 144A 01/02/2020 7.201% | 778,148.97 | 728,380.84 | 0.50% |
| USD | 683,430 | HIDROELECTRICA PIEDRA AGUILA REGS 31/12/2013 5.000% | 356,134.86 | 492,688.96 | 0.34% |
| Total other transferable securities, Bonds | | | 1,134,283.83 | 1,221,069.80 | 0.84% |
| Total Investments | | | 143,068,055.47 | 139,837,622.23 | 95.51% |
| Other Net Assets | | | | 6,606,688.03 | 4.49% |
| Total Net Assets | | | | 146,444,310.26 | 100.00% |

The accompanying notes form an integral part of these financial statements

ECONOMIC CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Branch of business | % of net assets |
|--|------------------------|
| Government bonds | 21.39% |
| Bonds issued by supranational institutions | 18.44% |
| Holding and finance companies | 17.41% |
| Banks and other credit institutions | 12.04% |
| Miscellaneous | 8.81% |
| Telecommunication | 6.27% |
| Energy and water supply | 2.68% |
| Gastronomy | 1.83% |
| Building societies | 1.48% |
| Mines and steel works | 0.76% |
| Oil | 0.71% |
| Chemistry | 0.71% |
| Building and building materials | 0.70% |
| Miscellaneous services | 0.62% |
| Retail trade | 0.51% |
| Road vehicles | 0.48% |
| Electrotechnical and electronic industry | 0.34% |
| Miscellaneous consumer goods | 0.33% |
| Total | 95.51% |

GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Countries | % of net assets |
|------------------|------------------------|
| Supranational | 18.44% |
| France | 13.28% |
| United Kingdom | 12.77% |
| Germany | 12.40% |
| Luxembourg | 10.48% |
| Netherlands | 6.80% |
| United States | 5.04% |
| Italy | 3.33% |
| Ireland | 3.21% |
| Mexico | 2.47% |
| Argentina | 2.22% |
| Russia | 1.71% |
| Jersey | 1.48% |
| Brazil | 0.76% |
| Greece | 0.74% |
| Turkey | 0.38% |
| Total | 95.51% |

STATEMENT OF NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| ASSETS | Notes | |
|---|--------------|-----------------------------|
| Portfolio: | | |
| - Cost | 2 g | 56,699,251.38 |
| - Net unrealised result | 2 c | <u>(870,791.77)</u> |
| | | 55,828,459.61 |
| Cash & other liquid assets: | | |
| - Cash at bank | | 6,918,685.30 |
| - Time deposits | | 4,000,000.00 |
| - Deposits on futures contracts | | 230,850.00 |
| Other assets: | | |
| - Formation expenses, net | 2 h | 2,826.22 |
| - Receivables on subscriptions | | 119,742.23 |
| - Bank interest receivable | | 61,412.06 |
| - Interest receivable on bonds | | 925,803.83 |
| - Unrealised gain on forward foreign exchange contracts | 11 | <u>98,466.76</u> |
| | | 68,186,246.01 |
| LIABILITIES | | |
| - Unrealised loss on futures contracts | 10 | 2,850.00 |
| - Taxes and expenses payable | | 365,149.99 |
| - Payables on redemptions | | 1,184,307.68 |
| - Payables on securities purchased | | <u>3,561,857.45</u> |
| | | 5,114,165.12 |
| NET ASSETS | | <u>63,072,080.89</u> |
| Net asset value per Class A share | | 1,158.665 |
| Number of Class A shares | | 19,540.858 |
| Net asset value per Class B share | | 1,168.512 |
| Number of Class B shares | | 33,766.723 |
| Net asset value per Class Z share | | 1,122.941 |
| Number of Class Z shares | | 867.339 |

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
 FOR THE PERIOD ENDED JUNE 30, 2007
 (in EUR)

| | Notes | |
|---|-------|-----------------------------|
| NET ASSETS AT THE BEGINNING OF THE PERIOD | | 43,058,995.53 |
| INCOME | | |
| Income from investments: | | |
| - Bond interest | | 2,046,930.83 |
| - Bank interest | | 126,476.79 |
| | | <u>2,173,407.62</u> |
| EXPENSES | | |
| Fees: | | |
| - Advisory fee | 5 | 204,811.09 |
| - Director's fees | | 3,560.86 |
| - Performance fee | 6 | 139,944.78 |
| - Custodian and administration fees | 7 | 57,347.99 |
| - Placing agent and correspondent bank fees | 8 | 270,612.45 |
| Other expenses: | | |
| - Annual tax | 9 | 14,678.23 |
| - Amortisation of formation expenses | 2 h | 1,023.40 |
| - Audit and legal fees | | 5,207.92 |
| - Printing, publishing and reporting expenses | | 1,650.82 |
| - Administration and other expenses | | 8,947.67 |
| - Futures and options expenses | | 774.00 |
| - Bank interest | | 898.86 |
| | | <u>709,458.07</u> |
| NET RESULT ON INVESTMENTS | | <u>1,463,949.55</u> |
| Net realised result on: | | |
| - Investments | | 113,029.35 |
| - Foreign exchange | | (96,456.59) |
| - Forward foreign exchange contracts | | 457,299.39 |
| - Futures contracts | | 133,783.56 |
| NET REALISED RESULT | | <u>2,071,605.26</u> |
| Change in net unrealised appreciation/(depreciation) on: | | |
| - Investments | | (508,227.51) |
| - Foreign exchange | | 2,327.03 |
| - Forward foreign exchange contracts | | (238,105.97) |
| - Futures contracts | | (13,165.66) |
| NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS | | <u>1,314,433.15</u> |
| MOVEMENTS IN CAPITAL | | |
| Subscriptions of shares | | 30,950,311.36 |
| Redemptions of shares | | (12,251,659.15) |
| | | <u>18,698,652.21</u> |
| NET ASSETS AT THE END OF THE PERIOD | | <u>63,072,080.89</u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| Currency | Nominal | Description | Cost | Market value | % of net assets |
|--|------------|--|----------------------|----------------------|-----------------|
| Transferable securities admitted to an official stock exchange, Bonds | | | | | |
| EUR | 2,000,000 | ATU AUTO-TEILE-UNGER INVESTMENT GMBH & CO KG REGS 01/10/2014 FRN | 2,098,560.00 | 2,056,300.00 | 3.26% |
| EUR | 1,800,000 | BANCA POPOLARE DI LODI INVESTORS TRUST III 00/01/1900 6.742% | 1,957,732.00 | 1,898,280.00 | 3.01% |
| EUR | 3,000,000 | BCI US FUND NCP-FR | 3,040,230.00 | 3,048,000.00 | 4.83% |
| EUR | 850,000 | BREEZE FINANCE 6.708% | 850,030.00 | 847,875.00 | 1.34% |
| EUR | 3,059,299 | CALL ART 0 12/11 | 3,121,611.95 | 3,136,699.19 | 4.97% |
| EUR | 1,682,911 | CALL BCM 0 02/17 | 1,688,941.41 | 1,699,740.52 | 2.69% |
| EUR | 2,000,000 | FIAT FINANCE NORTH AMERICA 5.625% | 1,980,030.00 | 1,961,400.00 | 3.11% |
| EUR | 1,000,000 | GAZ CAPITAL FOR GAZPROM REGS 01/06/2015 5.875% | 1,031,395.00 | 1,009,300.00 | 1.60% |
| EUR | 4,000,000 | GERMANY 04/01/2009 3.750% | 3,987,760.00 | 3,962,000.00 | 6.28% |
| EUR | 500,000 | HELLAS II 15 FRN | 507,530.00 | 516,775.00 | 0.82% |
| EUR | 1,500,000 | INEOS GROUP HOLDINGS PLC REGS 15/02/2016 7.875% | 1,454,989.41 | 1,410,000.00 | 2.24% |
| EUR | 500,000 | INEOS VINYLs FINANCE PLC REGS 01/12/2011 9.125% | 520,030.00 | 530,950.00 | 0.84% |
| EUR | 1,550,000 | JAZZTEL PLC 29/04/2010 5.000% | 1,115,100.00 | 1,332,684.89 | 2.11% |
| EUR | 3,300,000 | KAZKOMMERTS INTL BV 6.875% | 3,227,035.00 | 3,126,750.00 | 4.96% |
| EUR | 750,000 | LECTA SA 14 FRN | 750,030.00 | 752,287.50 | 1.19% |
| EUR | 3,530,000 | LIGHTHOUSE INTERNATIONAL CO SA REGS 30/04/2014 8.000% | 3,805,870.00 | 3,750,625.00 | 5.95% |
| EUR | 300,000 | MAUSER BETEILIGUNGS GMBH REGS 15/02/2013 9.125% | 318,889.62 | 333,249.99 | 0.53% |
| EUR | 500,000 | PFLEIDERER FINANCE BV | 500,030.00 | 501,650.00 | 0.80% |
| EUR | 700,000 | PIAGGIO FINANCE SA REGS 30/04/2012 10.000% | 781,810.00 | 784,350.00 | 1.24% |
| EUR | 1,000,000 | RUSSIAN CAR LOAN 17 | 1,000,030.00 | 1,002,560.00 | 1.59% |
| EUR | 3,965,000 | SAFILO CAPITAL INTERNATIONAL SA REGS 15/05/2013 9.625% | 4,378,889.63 | 4,242,550.00 | 6.73% |
| EUR | 850,000 | SCHEFENACKER AG REGS 11/02/2014 9.500% | 670,820.00 | 63,495.00 | 0.10% |
| EUR | 2,075,430 | TIM HELLAS TELECOMMUNICATION 07/15 | 2,204,240.00 | 2,192,172.94 | 3.48% |
| EUR | 500,000 | WATERFORD WEDGWOOD PLC 9.875% | 486,280.00 | 489,675.00 | 0.78% |
| EUR | 1,750,000 | ZLOMREX INTERNAT FINANCE 14 8.500% | 1,760,102.50 | 1,765,225.00 | 2.80% |
| GBP | 1,416,040 | CALL PIPE 0 05/16 | 2,152,150.07 | 2,188,550.43 | 3.47% |
| RUB | 23,000,000 | 8 DALI CAPI 09 EMTN | 669,240.88 | 670,940.38 | 1.06% |
| RUB | 19,000,000 | REACHCOM FLOAT 07 | 559,667.85 | 548,191.64 | 0.87% |
| RUB | 11,932,454 | RED ARROW INTL 6.12 | 352,770.85 | 355,992.58 | 0.56% |
| TRY | 900,000 | TURKEY GOVERNMENT BOND 12 | 500,985.80 | 558,661.42 | 0.89% |
| USD | 4,700 | ALESTRA SA 30/06/2010 8.000% | 3,823.38 | 3,465.48 | 0.01% |
| USD | 1,000,000 | ATF BANK 9% 11.5.16 | 773,105.54 | 784,891.81 | 1.24% |
| USD | 500,000 | BICBANCO FRN 3.3.16 | 421,012.14 | 389,529.05 | 0.62% |
| USD | 1,000,000 | CORP INTERAMERICANA DE ENTRETENIMIENTO SA REGS 14/06/2015 8.875% | 821,561.21 | 771,673.66 | 1.22% |
| USD | 1,200,000 | MOBILE TELESYSTEMS FINANCE SA REGS 28/01/2012 8.000% | 1,024,947.68 | 914,488.68 | 1.45% |
| USD | 1,500,000 | TRANSPORT DE GAS DEL SUR 7.875% | 1,108,800.90 | 1,078,589.33 | 1.71% |
| Total transferable securities admitted to an official stock exchange, Bonds | | | 51,626,032.82 | 50,679,569.49 | 80.35% |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

AS AT JUNE 30, 2007

(in EUR)

| Currency | Nominal | Description | Cost | Market value | % of net assets |
|--|-----------|---|----------------------|----------------------|-----------------|
| <u>Transferable securities admitted to an other regulated market, Bonds</u> | | | | | |
| BRL | 2,141,000 | ELETPAULO METROPOLITANA DE SAO PAULO SA REGS 28/06/2010 19.125% | 877,359.80 | 987,566.54 | 1.57% |
| GBP | 700,000 | PIPE HLDGS 9.750% 2013 | 1,086,346.17 | 1,113,654.30 | 1.77% |
| USD | 992,727 | AXTEL SA 15/12/2013 11.000% | 887,994.90 | 810,881.58 | 1.29% |
| Total transferable securities admitted to an other regulated market, Bonds | | | 2,851,700.87 | 2,912,102.42 | 4.63% |
| <u>Other transferable securities, Bonds</u> | | | | | |
| EUR | 1,700,000 | ASSET REPACKAGING TRUST BV 26/05/2014 5.884% | 1,703,319.00 | 1,687,250.00 | 2.68% |
| USD | 157,715 | HIDROELECTRICA PIEDRA AGUILA REGS 31/12/2013 5.000% | 82,197.56 | 113,697.45 | 0.18% |
| USD | 604,573 | HIDROPIE 30/06/2013 5.000% | 436,001.13 | 435,840.25 | 0.69% |
| Total other transferable securities, Bonds | | | 2,221,517.69 | 2,236,787.70 | 3.55% |
| Total Investments | | | 56,699,251.38 | 55,828,459.61 | 88.53% |
| Other Net Assets | | | | 7,243,621.28 | 11.47% |
| Total Net Assets | | | | 63,072,080.89 | 100.00% |

The accompanying notes form an integral part of these financial statements

ECONOMIC CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Branch of business | % of net assets |
|--|------------------------|
| Holding and finance companies | 35.84% |
| Miscellaneous | 24.13% |
| Telecommunication | 7.71% |
| Government bonds | 7.17% |
| Banks and other credit institutions | 4.71% |
| Energy and water supply | 3.28% |
| Miscellaneous services | 1.45% |
| Gastronomy | 1.22% |
| Electrotechnical and electronic industry | 0.87% |
| Chemistry | 0.84% |
| Miscellaneous consumer goods | 0.78% |
| Packing industry | 0.53% |
| Total | 88.53% |

GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Countries | % of net assets |
|------------------|------------------------|
| Luxembourg | 21.09% |
| Netherlands | 13.41% |
| United Kingdom | 10.43% |
| Germany | 10.17% |
| United States | 7.94% |
| Ireland | 5.09% |
| Greece | 4.30% |
| Italy | 3.01% |
| France | 2.80% |
| Argentina | 2.58% |
| Mexico | 2.52% |
| Brazil | 2.19% |
| Kazakhstan | 1.24% |
| Turkey | 0.89% |
| Cyprus | 0.87% |
| Total | 88.53% |

STATEMENT OF NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| ASSETS | Notes | |
|--|--------------|----------------------------|
| Portfolio: | | |
| - Cost | 2 g | 5,486,503.56 |
| - Net unrealised result | 2 c | 521,670.43 |
| | | <u>6,008,173.99</u> |
| Cash & other liquid assets: | | |
| - Cash at bank | | 348,459.23 |
| - Time deposits | | 15,522.15 |
| Other assets: | | |
| - Formation expenses, net | 2 h | 2,822.75 |
| - Receivables on investments | | 256,839.26 |
| - Receivables on subscriptions | | 15,000.00 |
| - Interest on time deposit receivable | | 279.22 |
| - Dividends receivable | | 3,212.04 |
| - Bank interest receivable | | 3,183.52 |
| | | <u>6,653,492.16</u> |
| LIABILITIES | | |
| - Taxes and expenses payable | | 65,998.90 |
| - Payables on redemptions | | 10,916.61 |
| | | <u>76,915.51</u> |
| NET ASSETS | | <u><u>6,576,576.65</u></u> |
| Net asset value per Class A share | | 1,457.258 |
| Number of Class A shares | | 1,261.402 |
| Net asset value per Class B share | | 1,469.935 |
| Number of Class B shares | | 3,223.536 |

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
 FOR THE PERIOD ENDED JUNE 30, 2007
 (in EUR)

| | Notes | |
|---|-------|------------------------------|
| NET ASSETS AT THE BEGINNING OF THE PERIOD | | 8,355,284.73 |
| INCOME | | |
| Income from investments: | | |
| - Dividends, net | | 49,294.94 |
| - Bond interest | | 8,845.90 |
| - Bank interest | | 14,949.92 |
| - Extraordinary income | | 361.95 |
| | | <u>73,452.71</u> |
| EXPENSES | | |
| Fees: | | |
| - Advisory fee | 5 | 39,114.75 |
| - Director's fees | | 3,560.85 |
| - Performance fee | 6 | 25,102.49 |
| - Custodian and administration fees | 7 | 12,398.17 |
| - Placing agent and correspondent bank fees | 8 | 48,338.92 |
| Other expenses: | | |
| - Annual tax | 9 | 1,815.52 |
| - Amortisation of formation expenses | 2 h | 1,023.40 |
| - Audit and legal fees | | 5,207.92 |
| - Printing, publishing and reporting expenses | | 1,650.79 |
| - Administration and other expenses | | 8,947.65 |
| - Bank interest | | 662.00 |
| | | <u>147,822.46</u> |
| NET RESULT ON INVESTMENTS | | <u>(74,369.75)</u> |
| Net realised result on: | | |
| - Investments | | 208,837.43 |
| NET REALISED RESULT | | <u>134,467.68</u> |
| Change in net unrealised appreciation/(depreciation) on: | | |
| - Investments | | 91,465.64 |
| - Foreign exchange | | (0.38) |
| NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS | | <u>225,932.94</u> |
| MOVEMENTS IN CAPITAL | | |
| Subscriptions of shares | | 1,793,912.32 |
| Redemptions of shares | | (3,798,553.34) |
| | | <u>(2,004,641.02)</u> |
| NET ASSETS AT THE END OF THE PERIOD | | <u>6,576,576.65</u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

AS AT JUNE 30, 2007

(in EUR)

| Currency | Quantity | Description | Cost | Market value | % of net assets |
|--|----------|------------------------------|---------------------|---------------------|-----------------|
| <u>Transferable securities admitted to an official stock exchange</u> | | | | | |
| <u>Equities</u> | | | | | |
| EUR | 6,970 | ABN AMRO HOLDING NV | 251,519.77 | 237,328.50 | 3.61% |
| EUR | 13,300 | CARL ZEISS MEDITEC A | 216,978.83 | 211,603.00 | 3.22% |
| EUR | 16,000 | DANIELI & CO-RNC | 141,956.68 | 256,000.00 | 3.89% |
| EUR | 209,540 | DUCATI MOTOR HOLD | 259,690.90 | 379,476.94 | 5.77% |
| EUR | 30,600 | DURO FELGUERA | 256,512.25 | 240,210.00 | 3.65% |
| EUR | 28,620 | EUROPAC | 254,071.72 | 282,479.40 | 4.30% |
| EUR | 4,820 | GAS NATURAL SDG SA | 212,581.57 | 217,526.60 | 3.31% |
| EUR | 2,500 | HOCHTIEF AG | 200,224.27 | 201,725.00 | 3.07% |
| EUR | 8,180 | HUARTE LAIN | 260,288.32 | 273,948.20 | 4.17% |
| EUR | 85,390 | IBERIA | 279,689.14 | 315,943.00 | 4.80% |
| EUR | 7,700 | KCI KONECRANES | 202,610.00 | 239,547.00 | 3.64% |
| EUR | 9,890 | KON. BAM GROEP | 212,625.87 | 207,492.20 | 3.16% |
| EUR | 1,220 | KRONES | 209,523.86 | 210,328.00 | 3.20% |
| EUR | 15,400 | MERLONI ELETTRODOMESTICI SPA | 249,316.23 | 266,420.00 | 4.05% |
| EUR | 10,280 | NICOX SA | 219,406.27 | 186,582.00 | 2.84% |
| EUR | 8,040 | NOKIAN RENKAAT OYJ | 213,908.05 | 209,200.80 | 3.18% |
| EUR | 7,420 | NORDEX AG | 214,012.94 | 214,141.20 | 3.26% |
| EUR | 15,160 | RAMIRENT OYJ | 263,584.56 | 305,322.40 | 4.64% |
| EUR | 4,960 | RAUTARUUKKI | 217,685.20 | 235,947.20 | 3.59% |
| EUR | 1,385 | SALZGITTER AG | 97,236.88 | 198,733.65 | 3.02% |
| EUR | 90,000 | SCREEN SERVICE | 163,060.90 | 180,900.00 | 2.75% |
| EUR | 6,890 | SGL CARBON | 209,226.82 | 211,867.50 | 3.22% |
| EUR | 4,580 | SOLOIN | 206,173.61 | 213,565.40 | 3.25% |
| EUR | 3,610 | VOSSLOH | 255,718.19 | 313,600.70 | 4.77% |
| EUR | 6,210 | ZARDOYA BOTIS | 199,448.81 | 180,711.00 | 2.75% |
| Total Equities | | | 5,467,051.64 | 5,990,599.69 | 91.11% |
| <u>Warrants and rights</u> | | | | | |
| EUR | 6,210 | ZARDOYA OTIS RTS 29. | 19,451.92 | 17,574.30 | 0.27% |
| Total Warrants and rights | | | 19,451.92 | 17,574.30 | 0.27% |
| Total transferable securities admitted to an official stock exchange | | | 5,486,503.56 | 6,008,173.99 | 91.38% |
| Total Investments | | | 5,486,503.56 | 6,008,173.99 | 91.38% |
| Other Net Assets | | | | 568,402.66 | 8.62% |
| Total Net Assets | | | | 6,576,576.65 | 100.00% |

The accompanying notes form an integral part of these financial statements

ECONOMIC CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Branch of business | % of net assets |
|--|------------------------|
| Building and building materials | 15.04% |
| Machinery and apparatus construction | 13.76% |
| Mines and steel works | 9.83% |
| Electrotechnical and electronic industry | 8.02% |
| Energy and water supply | 6.57% |
| Pharmaceutical and cosmetics industry | 6.06% |
| Holding and finance companies | 5.77% |
| Transportation | 4.80% |
| Paper and wood industry | 4.30% |
| Miscellaneous services | 4.05% |
| Road vehicles | 3.64% |
| Banks and other credit institutions | 3.61% |
| Rubber and tyres industry | 3.18% |
| Electronics and semiconductors | 2.75% |
| Total | 91.38% |

GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Countries | % of net assets |
|------------------|------------------------|
| Germany | 27.01% |
| Spain | 23.25% |
| Italy | 16.46% |
| Finland | 15.05% |
| Netherlands | 6.77% |
| France | 2.84% |
| Total | 91.38% |

STATEMENT OF NET ASSETS

AS AT JUNE 30, 2007

(in USD)

| ASSETS | Notes | |
|---|--------------|----------------------------|
| Portfolio: | | |
| - Cost | 2 g | 3,914,061.16 |
| - Net unrealised result | 2 c | <u>(55,125.54)</u> |
| | | 3,858,935.62 |
| Cash & other liquid assets: | | |
| - Cash at bank | | 154,813.96 |
| - Time deposits | | 1,109,389.72 |
| Other assets: | | |
| - Bank interest receivable | | 3,554.67 |
| - Interest receivable on bonds | | 88,394.03 |
| - Unrealised gain on forward foreign exchange contracts | 11 | <u>9,893.29</u> |
| | | 5,224,981.29 |
| LIABILITIES | | |
| - Taxes and expenses payable | | <u>23,801.04</u> |
| | | 23,801.04 |
| NET ASSETS | | <u>5,201,180.25</u> |
| Net asset value per Class B share | | 994.033 |
| Number of Class B shares | | 5,232.402 |

The accompanying notes form an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
 FOR THE PERIOD FROM APRIL 20, 2007 TO JUNE 30, 2007
 (in USD)

| | Notes | |
|---|-------|---------------------|
| NET ASSETS AT THE BEGINNING OF THE PERIOD | | 0.00 |
| INCOME | | |
| Income from investments: | | |
| - Dividends, net | | 1,050.00 |
| - Bond interest | | 40,198.46 |
| - Bank interest | | 13,592.86 |
| | | <u>54,841.32</u> |
| EXPENSES | | |
| Fees: | | |
| - Advisory fee | 5 | 4,570.71 |
| - Custodian and administration fees | 7 | 6,208.66 |
| - Placing agent and correspondent bank fees | 8 | 14,673.97 |
| Other expenses: | | |
| - Annual tax | 9 | 641.29 |
| - Audit and legal fees | | 391.21 |
| - Printing, publishing and reporting expenses | | 432.23 |
| - Bank interest | | 9.51 |
| | | <u>26,927.58</u> |
| NET RESULT ON INVESTMENTS | | <u>27,913.74</u> |
| Net realised result on: | | |
| - Foreign exchange | | (3,275.39) |
| NET REALISED RESULT | | <u>24,638.35</u> |
| Change in net unrealised appreciation/(depreciation) on: | | |
| - Investments | | (55,125.54) |
| - Foreign exchange | | 377.52 |
| - Forward foreign exchange contracts | | 9,893.29 |
| NET DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS | | <u>(20,216.38)</u> |
| MOVEMENTS IN CAPITAL | | |
| Subscriptions of shares | | 5,221,396.63 |
| | | <u>5,221,396.63</u> |
| NET ASSETS AT THE END OF THE PERIOD | | <u>5,201,180.25</u> |

The accompanying notes form an integral part of these financial statements

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

AS AT JUNE 30, 2007

(in USD)

| Currency | Quantity/ Nominal | Description | Cost | Market value | % of net assets |
|---|----------------------|--|---------------------|---------------------|--------------------|
| <u>Transferable securities admitted to an official stock exchange</u> | | | | | |
| <u>Equities</u> | | | | | |
| USD | 3,000 | CARNIVAL CORP | 145,180.79 | 146,310.00 | 2.81% |
| Total Equities | | | 145,180.79 | 146,310.00 | 2.81% |
| <u>Bonds</u> | | | | | |
| EUR | 176,299 | CALL ART 0 12/11 | 244,910.10 | 244,783.63 | 4.71% |
| EUR | 170,000 | CIR INTERNATIONAL SA 10/01/2011 6.375% | 241,029.79 | 237,471.18 | 4.57% |
| EUR | 175,000 | KAZKOMMERTS INTL BV 17 EMTN 6.875% | 226,727.40 | 224,543.19 | 4.32% |
| EUR | 180,000 | LIGHTHOUSE INTERNATIONAL CO SA REGS 30/04/2014 8.000% | 265,786.51 | 258,990.64 | 4.98% |
| EUR | 200,000 | ZLOMREX INTERNAT FINANCE 14 8.500% | 275,118.69 | 273,196.18 | 5.25% |
| RUB | 6,000,000 | 8 DALI CAPI 09 EMTN | 236,762.01 | 237,022.71 | 4.56% |
| USD | 250,000 | FRANCE TELECOM 2008 6.000% | 251,405.36 | 251,050.00 | 4.83% |
| USD | 200,000 | INEOS GROUP HOLDINGS PLC 16 8.500% | 198,530.00 | 197,570.00 | 3.80% |
| USD | 200,000 | JBS SA 07/02/2011 9.375% | 211,540.61 | 208,500.00 | 4.01% |
| USD | 300,000 | PETROLEOS DE VENEZUELA S 17 5.250% | 255,197.75 | 228,750.00 | 4.40% |
| USD | 300,000 | PROVINCE OF BUENOS AIRES 17 9.250% | 306,790.75 | 295,530.00 | 5.68% |
| USD | 250,000 | REPUBLIC OF KOREA 8.875% | 257,515.36 | 256,575.00 | 4.93% |
| USD | 300,000 | STANDARD BANK (NAK) 2009 8.125% | 304,540.75 | 301,500.00 | 5.80% |
| Total Bonds | | | 3,275,855.08 | 3,215,482.53 | 61.84% |
| Total transferable securities admitted to an official stock exchange | | | 3,421,035.87 | 3,361,792.53 | 64.65% |
| <u>Transferable securities admitted to an other regulated market, Bonds</u> | | | | | |
| BRL | 300,000 | ELETROPAULO METROPOLITANA DE SAO PAULO SA REGS 28/06/2010 19.125% | 183,115.82 | 187,393.09 | 3.60% |
| USD | 300,000 | RURAL CELLULAR CORP 15/01/2010 9.750% | 309,909.47 | 309,750.00 | 5.96% |
| Total transferable securities admitted to an other regulated market, Bonds | | | 493,025.29 | 497,143.09 | 9.56% |
| Total Investments | | | 3,914,061.16 | 3,858,935.62 | 74.21% |
| Other Net Assets | | | | 1,342,244.63 | 25.79% |
| Total Net Assets | | | | 5,201,180.25 | 100.00% |

The accompanying notes form an integral part of these financial statements

ECONOMIC CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Branch of business | % of net assets |
|--|------------------------|
| Miscellaneous | 14.25% |
| Holding and finance companies | 14.14% |
| Telecommunication | 10.79% |
| Government bonds | 10.61% |
| Oil | 10.20% |
| Food products and non-alcoholic drinks | 4.01% |
| Chemistry | 3.80% |
| Energy and water supply | 3.60% |
| Gastronomy | 2.81% |
| Total | 74.21% |

GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

AS AT JUNE 30, 2007

(in %)

| Countries | % of net assets |
|------------------|------------------------|
| France | 10.08% |
| Luxembourg | 9.55% |
| Netherlands | 9.03% |
| Brazil | 7.61% |
| United States | 5.96% |
| Ukraine | 5.80% |
| Argentina | 5.68% |
| Korea | 4.93% |
| Ireland | 4.56% |
| Venezuela | 4.40% |
| United Kingdom | 3.80% |
| Panama | 2.81% |
| Total | 74.21% |

NOTES TO THE FINANCIAL STATEMENTS

AS AT JUNE 30, 2007

1. GENERAL

CompAM FUND (the "SICAV") is an investment company organized under the Laws of the Grand Duchy of Luxembourg as a "Société d'Investissement à Capital Variable" with separate Sub-Funds (each of them hereinafter referred to as a "Sub-Fund").

The SICAV has been incorporated on February 28, 2003 for an unlimited period of time and is governed by the law of August 10, 1915 on commercial companies, as amended, and by Part I of the law of December 20, 2002 as amended on undertakings for collective investments.

The SICAV is self-managed.

The registered office is established at 4, boulevard Royal L-2449 Luxembourg. The SICAV is recorded at the "Registre de Commerce et des Sociétés" with the District Court of Luxembourg under the number B 92.095. The Articles are published in the "Mémorial C., Recueil des Sociétés et Associations" (the "Mémorial") of April 4, 2003 and have been filed with the Chancery of the District Court of Luxembourg together with the "Notice légale" on the issue and sale of shares.

The Articles of Incorporation was amended by the extraordinary general meeting as at March 23, 2004.

As of June 30, 2007, the SICAV offers shares of the following Sub-Funds:

| | | Launched on |
|--|--------------------------------|-------------|
| - CompAM FUND - Emerging Market Short Term | denominated in Euro (EUR) | 11/04/2003 |
| - CompAM FUND - Emerging Market Risk | denominated in Euro (EUR) | 05/12/2005 |
| - CompAM FUND - European Equity | denominated in Euro (EUR) | 04/04/2003 |
| - CompAM FUND - Equity Risk | denominated in Euro (EUR) | 05/12/2005 |
| - CompAM FUND - Bond Euro | denominated in Euro (EUR) | 04/04/2003 |
| - CompAM FUND - Bond Risk | denominated in Euro (EUR) | 10/11/2003 |
| - CompAM FUND - Europe Dynamic 0/100 | denominated in Euro (EUR) | 10/11/2003 |
| - CompAM FUND - Bluesky Global Strategy | denominated in Us dollar (USD) | 20/04/2007 |

The net asset value is calculated on a daily basis.

Certain classes of Shares may not be offered for subscription by the Fund's Placing Agents in certain countries where the Fund is registered for public distribution. In such case, the investors wishing to subscribe for a class of Shares which is not offered for subscription by the Placing Agent appointed in their country of residence may apply to the Registrar and Transfer Agent in Luxembourg in order to subscribe for the relevant class of Shares.

Investment in the Share Class Z requires the prior approval of the Board of Directors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Presentation of financial statements

The financial statements are prepared in accordance with Luxembourg regulations relating to undertakings for collective investment.

b) Combined financial statements

The Net Asset Value of each Sub-Fund was calculated on June 29, 2007 using the closing prices of June 29, 2007.

The combined financial statements of the SICAV are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of the different sub-funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

AS AT JUNE 30, 2007

c) *Valuation of the investments in securities*

Securities listed or traded on an official stock exchange or any other regulated market operating regularly, recognised and open to the public are valued at the last quotation known in Luxembourg on the Valuation Date.

If those securities are traded on several markets, they are valued on the basis of the last price known on the market considered to be the main market for trading this security. If the last known price is not representative, the valuation is based on the probable realisation value estimated by the Directors with prudence and in good faith.

Securities not listed or traded on a stock exchange or any other regulated market, operating regularly, recognised and open to the public are assessed on the basis of the probable realisation value estimated with prudence and in good faith.

d) *Valuation of futures and options*

Futures and options are valued by reference to the last available closing price on the relevant market. For the futures, the market prices used are the futures exchange settlement prices.

e) *Net realised gain or loss on sales of investments*

Realised gains or losses on sales of investments are calculated on the basis of the average cost of the investments sold.

f) *Conversion of foreign currencies for each Sub-Fund*

Cash at bank, other net assets as well as the market value of the investment portfolio in currencies other than the reference currency of the Sub-Fund are converted into the reference currency of the Sub-Fund at the period-end.

Income and expenses in currencies other than the currency of the Sub-Fund are converted into the currency of the Sub-Fund at the exchange rate prevailing at the payment date.

Resulting realised and unrealised foreign exchange gains and losses are included in the Statement of operations and of changes in net assets.

g) *Cost of investments in securities*

Cost of investments in securities in currencies other than Sub-Fund currency is converted into Sub-Fund currency at the exchange rate applicable at purchase date.

h) *Formation expenses*

Formation and preliminary expenses are amortised on a straight-line basis over a period of 5 years.

i) *Income*

Dividends are credited to income on the date upon which the relevant securities are first listed as 'ex dividend'. Interest income is accrued on a daily basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)

AS AT JUNE 30, 2007

j) *Forward foreign exchange contracts*

Forward foreign exchange contracts are valued at the forward rate applicable at the statement of net assets date for the remaining period until maturity.

Appreciation or depreciation resulting from forward foreign exchange contracts are included in the Statement of operations and of changes in net assets under "Net realised result on forward foreign exchange contracts" and under "Change in net unrealised appreciation/(depreciation) on forward foreign exchange contracts".

3. EXCHANGE RATES

The exchange rates used for the conversion into EUR of assets and liabilities as at June 29, 2007 are as follows:

| | | | | | |
|---------|--------------|-----|---------|--------------|-----|
| 1 EUR = | 4.185153 | ARS | 1 EUR = | 62.557240 | PHP |
| 1 EUR = | 2.612386 | BRL | 1 EUR = | 3.769008 | PLN |
| 1 EUR = | 1.654160 | CHF | 1 EUR = | 34.834442 | RUB |
| 1 EUR = | 2,675.154397 | COP | 1 EUR = | 9.252800 | SEK |
| 1 EUR = | 7.441932 | DKK | 1 EUR = | 33.611186 | SKK |
| 1 EUR = | 0.674132 | GBP | 1 EUR = | 43.100550 | THB |
| 1 EUR = | 340.749996 | GRD | 1 EUR = | 1,778.536936 | TRK |
| 1 EUR = | 246.740009 | HUF | 1 EUR = | 1.778537 | TRY |
| 1 EUR = | 1,250.738561 | KRW | 1 EUR = | 1.354199 | USD |
| 1 EUR = | 14.637280 | MXN | 1 EUR = | 9.538052 | ZAR |

4. COMMISSIONS ON ISSUE OF SICAV'S SHARES

Shares of each Sub-Fund are issued at a price corresponding to the net asset value per share to which a sales charge of up to 3% may be added.

Shareholders may ask to convert all or part of their shares into shares of another Sub-Fund at a price corresponding to the net asset value per share of the relevant Sub-Fund without conversion fee for registered shares and for bearer shares.

A shareholder of any Sub-Fund is entitled, at any time, to have its shares repurchased by the SICAV, at its request, at the net asset value per share of the relevant Sub-Fund.

CompAM FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

AS AT JUNE 30, 2007

5. INVESTMENT ADVISORY FEE

An investment advisory fee is payable to the Investment Advisor in compensation for its services. Such fee is set at the annual rate described below, payable monthly and calculated on the average of the net assets of the relevant Sub-Fund for the relevant month:

| | Class A | Class B | Class Z |
|--|-------------|-------------|-------------|
| CompAM FUND - Emerging Market Short Term | 0.625% p.a. | 0.625% p.a. | 0.600% p.a. |
| CompAM FUND - Emerging Market Risk | 0.875% p.a. | 0.875% p.a. | 0.600% p.a. |
| CompAM FUND - European Equity | 1.000% p.a. | 1.000% p.a. | 0.600% p.a. |
| CompAM FUND - Equity Risk | 1.125% p.a. | 1.125% p.a. | 0.600% p.a. |
| CompAM FUND - Bond Euro | 0.500% p.a. | 0.500% p.a. | 0.600% p.a. |
| CompAM FUND - Bond Risk | 0.750% p.a. | 0.750% p.a. | 0.600% p.a. |
| CompAM FUND - Europe Dynamic 0/100 | 1.000% p.a. | 1.000% p.a. | - |
| CompAM FUND - Bluesky Global Strategy | 0.500% p.a. | - | - |

6. PERFORMANCE FEE

In addition, the Investment Advisor is entitled to receive an annual performance fee. The annual performance fee represents 10% of the annual positive performance of the Net Asset Value per share of the relevant Sub-Fund. The amount of the performance fee as calculated on a daily basis will be withdrawn on a daily basis from the relevant Sub-Fund's assets and accrued in view of the payment at the end of the Fund's accounting year of such performance fee. In case of a redemption of shares on which a performance fee is accrued, such performance fee will be deemed realised and becomes payable immediately. The daily accruals of the performance fee are aggregated in order to determine a positive or negative end-result. If the end-result at the end of the Fund's accounting year is negative, no performance fee will be paid, except for that fee occurring and paid in relation to redemptions. A negative end-result will however not be brought forward from one accounting year to another. The performance fee accrued on each Valuation Day will equal:

$$N \times 10\% \times (\text{NAV1} - \text{NAV2})$$

Where:

- N = the number of shares in issue on the relevant Valuation Day.
- NAV1 = the Net Asset Value per share on the relevant Valuation Day (Net Asset Value prior to the accrual of a performance fee).
- NAV2 = the Net Asset Value per share on the preceding Valuation Day (Net Asset Value after the accrual of any performance fee on that date).

The performance fees payable as at June 30, 2007 are as follows:

| | Amounts in EUR |
|--|-------------------|
| CompAM FUND - Emerging Market Short Term | 129,368.77 |
| CompAM FUND - Emerging Market Risk | 75,160.14 |
| CompAM FUND - European Equity | 846.65 |
| CompAM FUND - Equity Risk | 17,534.70 |
| CompAM FUND - Bond Euro | 155,039.35 |
| CompAM FUND - Bond Risk | 127,743.04 |
| CompAM FUND - Europe Dynamic 0/100 | 19,953.21 |
| Total: | 525,645.86 |

NOTES TO THE FINANCIAL STATEMENTS (continued)

AS AT JUNE 30, 2007

7. CUSTODIAN AND ADMINISTRATION FEES

The Custodian, Paying, Domiciliary, Administrative, Registrar and Transfer Agent is entitled to receive out of the assets of each Sub-Fund a fee calculated in accordance with customary banking practice in Luxembourg as a percentage per annum of the average quarterly Net Asset Value thereof during the relevant quarter and payable quarterly in arrears, subject to a minimum of EUR 25,000 per annum. In addition the Custodian, Paying, Domiciliary, Administrative, Registrar and Transfer Agent are entitled to be reimbursed by the Fund for its reasonable out-of-pocket expenses and disbursements and for the charges of any correspondents.

8. PLACING AGENT AND CORRESPONDENT BANK FEES

In Italy, the Correspondent Bank shall receive for their services an annual fee out of the assets of the Fund of 0.10% and the Centralization Agent shall receive an annual fee out of the assets of the Fund of 0.19%. Such fees shall be payable quarterly and calculated on the average Net Asset Value of shares of each Sub-Fund subscribed through the Correspondent Bank and the Centralization Agent in Italy during the relevant quarter.

The placing agent shall receive for its service a placing agent fee payable quarterly and based on the average Net Asset Value of the Shares subscribed through the placing agent during the relevant quarter as confirmed by the Registrar and Transfer Agent. For each Sub Fund, the placing fee applicable for the placing agents in Italy as well as for the placing agents in the other member states of the European Union shall be as follows:

| | Class A | Class B | Class Z |
|--|-------------|-------------|------------|
| CompAM FUND - Emerging Market Short Term | 0.625% p.a. | 0.775% p.a. | 0.00% p.a. |
| CompAM FUND - Emerging Market Risk | 1.125% p.a. | 0.875% p.a. | 0.00% p.a. |
| CompAM FUND - European Equity | 1.000% p.a. | 1.300% p.a. | 0.00% p.a. |
| CompAM FUND - Equity Risk | 1.475% p.a. | 1.125% p.a. | 0.00% p.a. |
| CompAM FUND - Bond Euro | 0.500% p.a. | 0.600% p.a. | 0.00% p.a. |
| CompAM FUND - Bond Risk | 0.950% p.a. | 0.750% p.a. | 0.00% p.a. |
| CompAM FUND - Europe Dynamic 0/100 | 0.900% p.a. | 1.100% p.a. | - |
| CompAM FUND - Bluesky Global Strategy | - | 1.600% p.a. | - |

9. ANNUAL TAX

Under the prevailing laws and regulations, the Company is subject in Luxembourg to a tax ("taxe d'abonnement") at the annual rate of 0.05%, payable quarterly and calculated on the basis of its net assets at the end of each quarter.

CompAM FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

AS AT JUNE 30, 2007

10. FUTURES CONTRACTS

As at June 30, 2007, the following futures contracts and the corresponding unrealised results are outstanding:

CompAM FUND - Emerging Market Short Term

| Type | Number of contracts | Denomination | Currency | Commitments in currency | Unrealised gain (in EUR) |
|-------|---------------------|-------------------------------|----------|-------------------------|-----------------------------|
| Short | (15) | EURO BOBL FUTURE 09/07 | EUR | (1,591,050.00) | 6,600.00 |
| Long | 23 | EURO FX CURRENCY FUTURE 09/07 | USD | 3,900,800.00 | 44,052.78 |
| Short | (11) | US 5 YR NOTE 09/07 | USD | (1,144,859.32) | 253.84 |
| | | | | | 50,906.62 |

CompAM FUND - Bond Euro

| Type | Number of contracts | Denomination | Currency | Commitments in currency | Unrealised loss (in EUR) |
|-------|---------------------|-----------------|----------|-------------------------|-----------------------------|
| Short | (9) | EURO BUND 09/07 | EUR | (996,750.00) | (1,350.00) |

CompAM FUND - Bond Risk

| Type | Number of contracts | Denomination | Currency | Commitments in currency | Unrealised loss (in EUR) |
|-------|---------------------|-----------------|----------|-------------------------|-----------------------------|
| Short | (19) | EURO BUND 09/07 | EUR | (2,104,250.00) | (2,850.00) |

The net unrealised result on the outstanding futures contracts is included in the statement of net assets of each Sub-Fund.

11. FORWARD FOREIGN EXCHANGE CONTRACTS

As at June 30, 2007, the following forward foreign exchange contracts and the corresponding unrealised results are outstanding:

COMPAM - Emerging Markets Short Term

| Maturity | Currency | Purchase | Currency | Sales | Unrealised gain/(loss) (in EUR) |
|------------|----------|---------------|----------|-----------------|------------------------------------|
| 26/11/2007 | EUR | 24,131,459.00 | USD | (31,500,000.00) | 982,366.95 |
| 26/11/2007 | EUR | 496,031.75 | USD | (650,000.00) | 18,343.17 |
| 26/11/2007 | EUR | 764,818.36 | USD | (1,000,000.00) | 29,920.70 |
| 26/11/2007 | EUR | 735,726.90 | USD | (1,000,000.00) | 694.37 |
| 28/04/2008 | EUR | 545,256.27 | USD | (750,000.00) | (4,228.22) |
| | | | | | 1,027,096.97 |

CompAM FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)

AS AT JUNE 30, 2007

11. FORWARD FOREIGN EXCHANGE CONTRACTS (continued)

COMPAM - Emerging Market Risk

| Maturity | Currency | Purchase | Currency | Sales | Unrealised gain/(loss) (in EUR) |
|------------|----------|---------------|----------|-----------------|------------------------------------|
| 26/11/2007 | EUR | 11,720,994.37 | USD | (15,300,000.00) | 477,149.66 |
| 26/11/2007 | EUR | 188,993.05 | USD | (250,000.00) | 5,258.38 |
| 26/11/2007 | EUR | 381,997.23 | USD | (500,000.00) | 14,546.49 |
| 26/11/2007 | EUR | 152,625.15 | USD | (200,000.00) | 5,644.05 |
| 26/11/2007 | EUR | 458,891.01 | USD | (600,000.00) | 17,952.42 |
| 26/11/2007 | EUR | 762,602.00 | USD | (1,000,000.00) | 27,694.08 |
| 26/11/2007 | EUR | 528,222.16 | USD | (700,000.00) | 13,760.65 |
| 28/04/2008 | EUR | 545,256.27 | USD | (750,000.00) | (4,228.22) |
| 28/04/2008 | EUR | 1,459,214.94 | USD | (2,000,000.00) | (6,035.57) |
| 28/04/2008 | EUR | 731,903.68 | USD | (1,000,000.00) | (703.26) |
| 28/04/2008 | EUR | 553,587.25 | USD | (750,000.00) | 4,169.20 |
| 28/04/2008 | EUR | 550,014.67 | USD | (750,000.00) | 568.12 |
| 28/04/2008 | EUR | 186,081.13 | USD | (250,000.00) | 2,954.15 |
| 28/04/2008 | EUR | 1,105,216.62 | USD | (1,500,000.00) | 6,364.91 |
| | | | | | 565,095.06 |

COMPAM - Bond Euro

| Maturity | Currency | Purchase | Currency | Sales | Unrealised gain/(loss) (in EUR) |
|------------|----------|---------------|----------|-----------------|------------------------------------|
| 07/04/2008 | EUR | 11,491,696.32 | USD | (15,500,000.00) | 134,044.38 |
| 07/04/2008 | EUR | 728,597.45 | USD | (1,000,000.00) | (4,252.58) |
| 07/04/2008 | EUR | 291,992.12 | USD | (400,000.00) | (1,143.64) |
| 07/04/2008 | EUR | 1,093,334.31 | USD | (1,500,000.00) | (5,937.37) |
| | | | | | 122,710.79 |

COMPAM - Bond Risk

| Maturity | Currency | Purchase | Currency | Sales | Unrealised gain/(loss) (in EUR) |
|------------|----------|--------------|----------|-----------------|------------------------------------|
| 26/11/2007 | USD | 250,000.00 | EUR | (189,064.51) | (5,309.53) |
| 07/04/2008 | EUR | 8,896,797.15 | USD | (12,000,000.00) | 103,776.29 |
| | | | | | 98,466.76 |

COMPAM - Bluesky Global Strategy

| Maturity | Currency | Purchase | Currency | Sales | Unrealised gain (in USD) |
|------------|----------|--------------|----------|----------------|-----------------------------|
| 26/11/2007 | USD | 500,000.00 | EUR | (364,963.50) | 3,448.42 |
| 26/11/2007 | USD | 1,625,000.00 | EUR | (1,189,648.23) | 6,444.87 |
| | | | | | 9,893.29 |

The net unrealised result on the outstanding forward foreign exchange contracts is included in the statement of net assets of each Sub-Fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)

AS AT JUNE 30, 2007

12. CHANGES IN THE SECURITIES PORTFOLIO

A copy of the changes in the securities portfolio of the Sub-Funds during the period ended June 30, 2007 is available free of charge at the SICAV's Registered Office.