

Dual Return - Vision Microfinance Fund

NOVEMBER 2007

Data as of 26.11.2007

EUR NAV Class P: 1031,65 €

EUR NAV Class I: 1010,24 €

USD NAV Class P: 1067,94 \$

Investment Manager:

Dr. Arman Vardanyan
Absolute Portfolio Management
GmbH, Vienna

Investment Advisor:

Symbiotics, S.A., Geneva

Domicile / Legal Form:

Luxemburg / SICAV II (Lux)

Sponsor & Sales Agent:

PEH Wertpapier AG, Germany

Custodian & Paying Agent:

UBS AG, Luxembourg

Domiciliary Agent:

Axxion S.A., Luxembourg

Inception / Fund Volume:

25 April 2006 / 36.320.515 €

ISIN:

LU0236782842 EUR Class P

LU0306115196 EUR Class I

LU0236783659 USD Class P

LU0236783907 CHF Class P

Min. Investment:

20.000 € (P); 1.000.000 € (I);

25.000 \$ (P)

NAV Valuation :

Calculated on 25th of each month

Yield Distribution / TER:

Div. Reinvested /

indicative 2,8% (P); 2,1% (I)

Absolute Portfolio Management

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Microfinance: A Balance of Financial and Social Returns

The mission of the DUAL RETURN - VISION MICROFINANCE FUND is to offer exposure to investors interested in microfinance. The fund has a double bottom line strategy, on the one hand maximizing its risk return profile for the benefit of the investor, and on the other hand maximizing the social outreach in breadth and depth to micro, small and medium enterprises in emerging and least developed economies.

Through an investment in the Dual Return Vision Microfinance Fund, loans to carefully selected microfinance institutions (MFIs) are financed, the MFI's in turn lend it on in the form of small credits to poor people locally.

The Fund

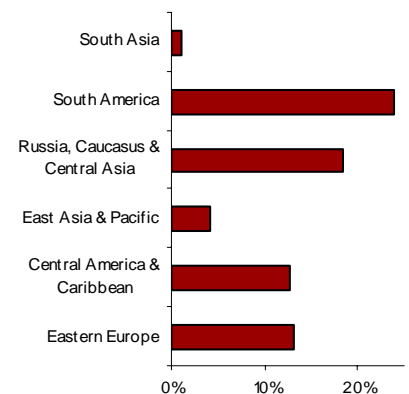
Ethical return: your investment helps a large number of micro-entrepreneurs and their families to break out of poverty on their own merits.

Short loan durations: microcredits typically have a duration of 6 months to 3 years. This reduces the risk compared to credits with longer durations.

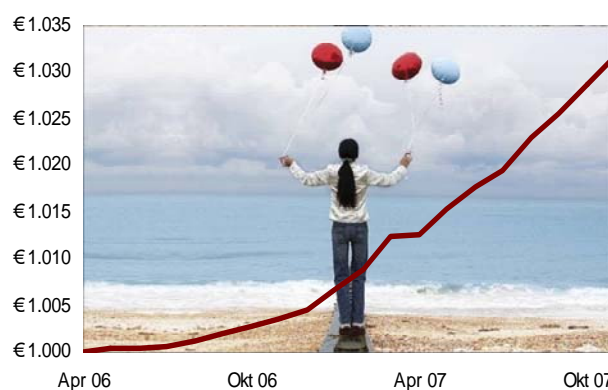
Reducing risk through diversification: investments will be spread between a large number of microfinance institutions in various countries and regions.

Low correlation: The correlation to other asset classes such as stocks / bonds is low, as MFI customers are only marginally influenced by the world market.

Regional Diversification



NAV Change since Inception (€Class P)



Social Impact

Enterprises served: 30.115
Families reached 60.000-90.000
Average Credit in USD: 1.035

through Investments in 44 MFI's
in 17 Emerging Market Countries
% Clients Rural / Urban: 42 / 58
% Female / Male: 53 / 47
Ø Loan to MFI in USD: 1.035.000
Portfolio Maturity: 19 Months
Loans outstanding: 59

www.visionmicrofinance.com



"Microfinance is not charity. It is recognition that poor people are the solution, not the problem. It is a way to grow productive enterprises and allow communities to prosper."

Kofi Annan, former UN Secretary-General



Dual Return - Vision Microfinance Fund

Market Commentary & Fund Update by Dr. Arman Vardanyan

In the month under review we had a considerable demand for funding from microfinance institutions in different regions. The season from end of October till mid-December is usually MFIs' peak of activity in approaching the funding sources.

At the same time, during November and December, 2007 we have a substantial portion of loan repayments: the biggest repayment of principal and interest amounts since Fund's inception. Total volume of interest payments and principal repayments amount to USD 3.7 million and EUR 550.000. Just to mention that the first microfinance investment the Fund made in May, 2006 was paid back by a Nicaraguan MFI, which then, after the full repayment, received another loan from Vision Microfinance Fund.

During November, thanks to our colleagues from Symbiotics, we could easily accommodate our funds available for microfinance investment and also added two new countries (Russia and Honduras) to our portfolio.

In November the Fund made investments of USD 5.6 million in 6 MFIs from 5 countries: Ecuador, Russia, Honduras, Kyrgyzstan and Nicaragua. Loans provided had interest rates ranging from 9% to 9.5%. All loans to MFIs had 24 month maturity, except an Ecuadorian MFI - one of the industry leaders in the country - which got a loan for 48 months.

Choosing among opportunities in a pipeline, we managed to provide new loans at least at the same conditions (in terms of interest rate) as the old ones, in order to make for consistent growth in the portfolio yield.

The total microfinance investment portfolio had an average return of 8% p.a. and a maturity of 18.6 month. In November the Fund's investment level was around 89%. There are microfinance deals that have been booked in November, but the disbursements of loans are to be executed in December 2007.

Absolute Portfolio Management launched a new website for the Vision Microfinance Fund: www.visionmicrofinance.com. We will constantly improve the website and hope it serves as an integrated microfinance information and presentation platform for all organizations involved with the Fund.

In this respect, we look forward to cooperating with our partner companies to support the project. In promoting the Fund activities, Mr. Manfred Kastner, Chairman of the Fund's Board, recently had an interview with TV Berlin (video at <http://www.tvbvideo.de/video/iLyROoafWTy.html>), where he spoke about microfinance and introduced the Vision Microfinance Fund and the new website.



© United Nations Capital Development Fund; photo by Adam Rogers Country programme: Bangladesh -- Photo Caption: Bashna Khatoon spins the cotton that her brothers use to make scarves.

Monthly Performance Figures (€ Class P)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007	0,22%	0,21%	0,36%	0,01%	0,27%	0,22%	0,19%	0,34%	0,25%	0,31%	0,28%		2,70%
2006					0,04%	-0,01%	0,03%	0,06%	0,07%	0,09%	0,08%	0,09%	0,45%