



Degroof Global Isis HIGH Capitalisation

Quarterly Report

30 june 2008

Economic slowdown confirmed

PERFORMANCES SECOND QUARTER 2008

The return of uncertainty to the financial sector and concerning the economic slowdown put skids under the stock markets in June. Likewise, fears associated with a fresh wave of inflation are pulling long-term interest rates upwards and dampening any hopes of a relaxation in short-term rates.

The month of June alone cancelled out the positive performances recorded in April and May. Overall, the second quarter figures were negative for shares as well as bonds.

| Performances in euros | Second Quarter 2008 | January - June 2008 |
|---------------------------|---------------------|---------------------|
| Shares world | -1.6% | -17.2% |
| Shares emerging countries | -1.5% | -19.2% |
| Shares Europe | -4.1% | -18.9% |
| Bonds Euroland | -3.0% | -0.7% |
| USD | +0.1% | -7.4% |
| Isis Low | -2.4% | -6.8% |
| Isis Medium | -2.7% | -11.6% |
| Isis High | -2.8% | -16.6% |

PARALLEL MANAGEMENT IN SHARES AND BONDS

Remaining faithful to our contrarian strategy, we took advantage of this difficult six-month period to realign the portfolio. For shares, index volatility exceeded 25% in January and March, periods during which we sold Put options highly lucratively. The options sold in January on the EuroStoxx with volatility of more than 30% were repurchased in March at a low price despite the market downtrend. The position had been converted into shares in direct lines, which benefited as the markets recovered in April. In March, we also sold Put options on the S&P500 index (USA) with a volatility of 25%. The short maturity (1 month) quickly rendered the option worthless and the premium remains definitively vested in the fund. Even though the markets started moving down again in May and June, this options strategy enabled us to enhance our position in shares to good effect.

These special options strategies fit in with the overall allocation of shares for which, owing to the high risk premiums in March, reinforcement was required. As from April, the increase in long rates, coupled with an end to expectations of a fall in short rates, prompted us to show greater caution. We sold 2% of European shares at this precise moment, before the sharp fall in June.

The same contrarian approach was applied to bonds. Fears concerning financial shares in March sparked off a flight to quality, causing long-term interest rates to sink to an extremely low level. We reduced the duration of our bonds to 5.3 years at the beginning of April. Next, German 10-year rates moved up again to reach, and even overtake, our target of 4.5%. According to our analysis, this was a catching up and not the first fruits of a lasting uptrend over the medium term. Recent business

indicators, such as the PMI, IFO and ISM, all point towards an economic slowdown, favouring stable rates. We have therefore extended the duration for bonds to close on 6 years, by giving preference to the bonds of first-class companies or specific government bonds (Portugal) at the expense of German government bonds.

For currencies, we believe that the overall appreciation of the euro against all the currencies is drawing to an end. The last remaining dollar cover has been removed.

Fresh concerns emerged in late June again concerning the financial sector, where the first dividend reductions made their appearance, but also concerning other cyclical sectors, such as automobiles and construction materials, which is a new development. This, together with the recent fall in long-term interest rates, is a sign that the economic slowdown announced six months ago is now taking hold. As with all slowdowns, we cannot predict either its duration or its scale. Valuation ratios such as price/earnings and dividend yield have climbed back to attractive levels, as we highlighted in our previous report before the April bounceback. Once again we need to stick with the contrarian approach and gradually repurchase shares, which is what we set about doing during the last month of June.

Benoît Dehem

RETURN OF ISIS HIGH CAP. AS AT 30 JUNE 2008

| Period | Valuation date | Net asset value | Return over the period | Accumulated return |
|------------------------|----------------|-----------------|------------------------|--------------------|
| 1991 | 30/04/91 | 24.79 | | |
| 1991 | 31/12/91 | 23.85 | -3.80% | -3.80% |
| 1992 | 05/01/93 | 25.01 | 4.89% | 0.90% |
| 1993 | 04/01/94 | 33.61 | 34.39% | 35.60% |
| 1994 | 03/01/95 | 29.50 | -12.24% | 19.00% |
| 1995 | 02/01/96 | 30.99 | 5.04% | 25.00% |
| 1996 | 31/12/96 | 36.54 | 17.88% | 47.40% |
| 1997 | 29/12/97 | 44.17 | 20.94% | 78.20% |
| 1998 | 04/01/99 | 52.31 | 18.41% | 111.00% |
| 1999 | 31/12/99 | 68.76 | 31.46% | 177.38% |
| 2000 | 31/12/00 | 65.03 | -5.42% | 162.33% |
| 2001 | 31/12/01 | 57.78 | -11.15% | 133.08% |
| 2002 | 31/12/02 | 42.37 | -26.67% | 70.92% |
| 2003 | 31/12/03 | 47.97 | 13.22% | 93.51% |
| 2004 | 31/12/04 | 52.23 | 8.88% | 110.70% |
| 2005 | 31/12/05 | 65.33 | 25.08% | 163.54% |
| 2006 | 31/12/06 | 73.06 | 11.83% | 194.72% |
| 2007 | 31/12/07 | 74.43 | 1.88% | 200.25% |
| 1° quarter 2008 | 31/03/08 | 63.88 | -14.17% | 157.69% |
| 2° quarter 2008 | 30/06/08 | 62.08 | -2.82% | 150.43% |

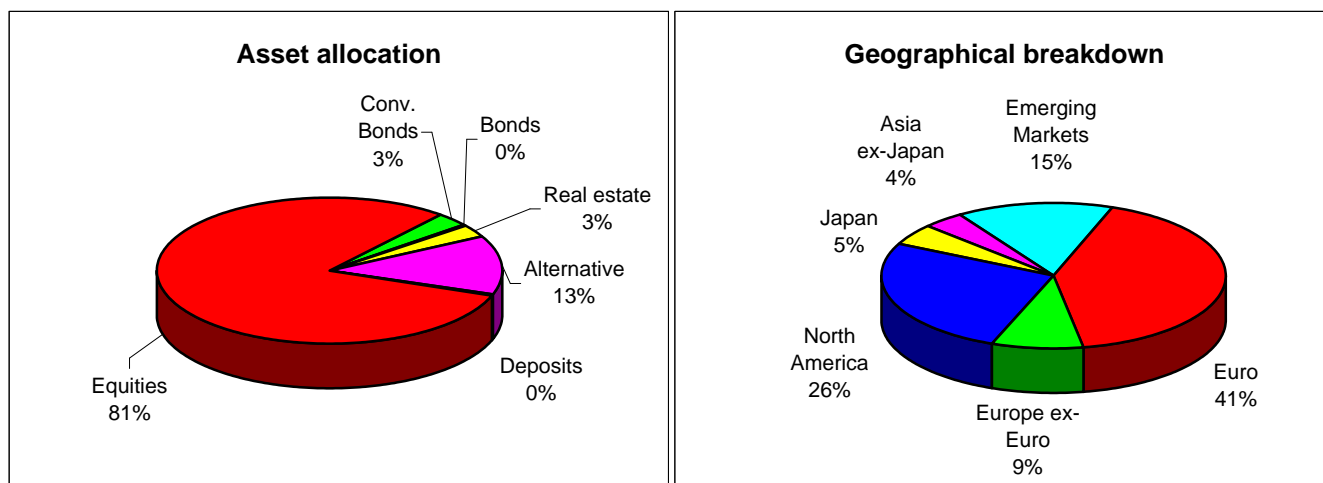
| Period | Valuation date | Net asset value | Annualized return | Accumulated return |
|------------------------|----------------|-----------------|-------------------|--------------------|
| Since inception | 30/04/91 | 24.79 | 5.49% | 150.43% |
| 10 years | 29/06/98 | 52.60 | 1.67% | 18.02% |
| 5 years | 30/06/03 | 43.55 | 7.35% | 42.55% |
| 3 years | 30/06/05 | 57.82 | 2.40% | 7.37% |
| 2 years | 30/06/06 | 65.53 | -2.67% | -5.26% |
| Since 12 months | 30/06/07 | 78.80 | | -21.22% |
| 9 months | 30/09/07 | 77.23 | | -19.62% |
| 6 months | 31/12/07 | 74.43 | | -16.59% |
| 3 months | 31/03/08 | 63.88 | | -2.82% |

EVOLUTION OF THE NET ASSET VALUE (in euro)

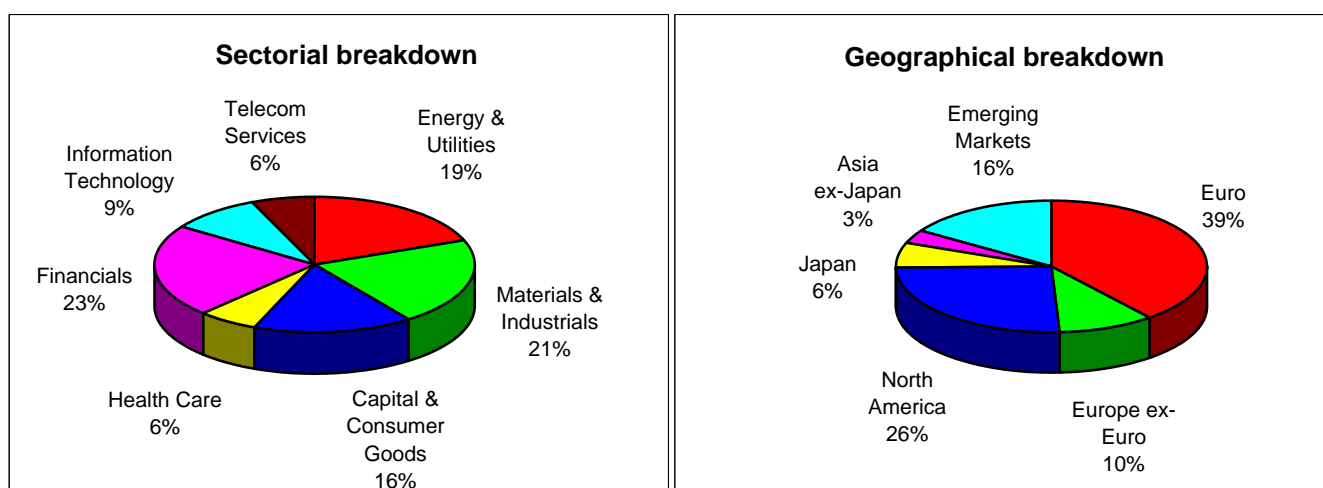


STRUCTURE OF THE PORTFOLIO AS AT 30 JUNE 2008

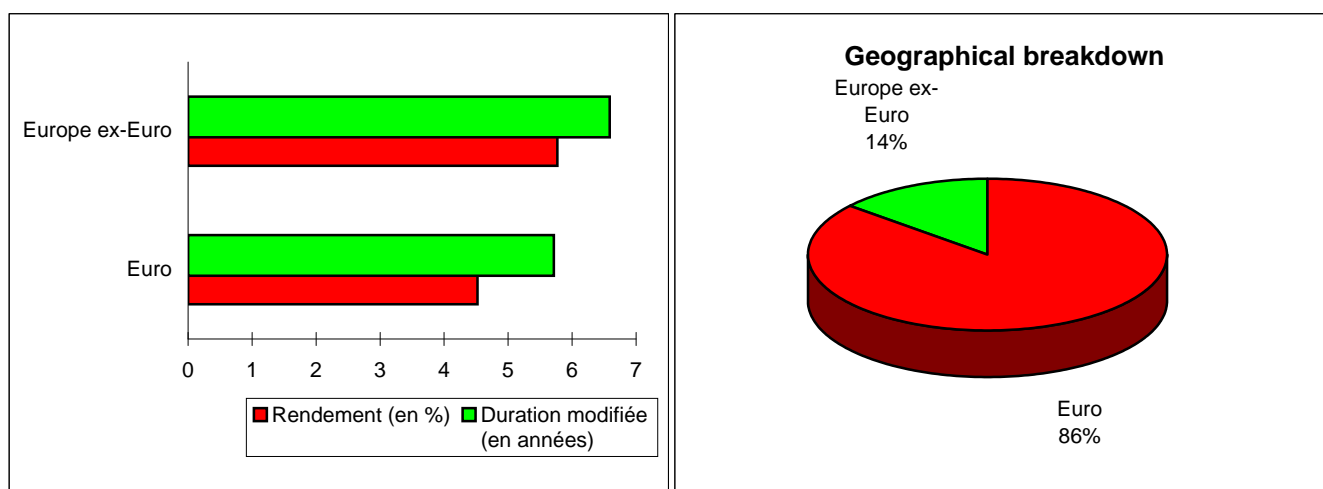
GLOBAL PORTFOLIO



EQUITIES



BONDS



Average yield : 5.76%

Mean modified duration : 5.16 years

COMPOSITION OF ISIS HIGH AS AT 30 JUNE 2008

EQUITIES AND REAL ESTATE

| Indexed management | % Total |
|---------------------------|--------------|
| Future DAX | 3.49 |
| Future CAC 40 | 2.48 |
| D Equ EMU Index | 1.56 |
| Future SPMIB | 1.01 |
| D Equ Belgian Index | 0.89 |
| Future AEX | 0.85 |
| Future IBEX35 | 0.81 |
| Opals MSCI Italy | 0.49 |
| Nokia | 0.42 |
| Total | 0.40 |
| Arcelor Mittal | 0.39 |
| E.On | 0.32 |
| Banco Santander | 0.25 |
| Telefonica de Espana | 0.23 |
| Siemens | 0.22 |
| BBVA | 0.21 |
| Iberdrola | 0.15 |
| Sanofi Aventis | 0.15 |
| BNP Paribas | 0.15 |
| Axa | 0.14 |
| Endesa | 0.14 |
| Bayer | 0.13 |
| Fortum | 0.13 |
| SAP | 0.12 |
| Unicredit | 0.11 |
| Basf | 0.11 |
| Alstom regroupement | 0.10 |
| France Telecom | 0.10 |
| Repsol | 0.10 |
| Suez | 0.10 |
| Vivendi Universal | 0.10 |
| Groupe Danone | 0.10 |
| ENI | 0.09 |
| Allianz | 0.09 |
| L'Oréal | 0.09 |
| ING Groep | 0.09 |
| Deutsche Telekom | 0.08 |
| Société Générale | 0.08 |
| Unilever | 0.08 |
| Philips | 0.08 |
| Portugal Telecom | 0.07 |
| Daimler Chrysler | 0.07 |
| Schneider | 0.07 |
| Deutsche Bank | 0.07 |
| Banco Comercial Portugues | 0.07 |
| Munchner R. | 0.07 |
| KPN | 0.07 |
| Generali | 0.07 |
| Lafarge | 0.07 |
| EDP | 0.07 |
| Air Liquide | 0.06 |
| Metro | 0.06 |
| LVMH | 0.06 |
| Carrefour | 0.06 |
| ETF HEX 25 Index Fund | 0.06 |
| Others | 1.54 |
| Eurozone | 19.19 |

| Indexed management | % Total |
|----------------------------|--------------|
| Future FTSE 100 | 3.14 |
| Future SMI | 1.01 |
| Opals UK MSCI | 0.32 |
| XACT OMXS30 | 0.27 |
| Statoilhydro Asa | 0.12 |
| Norsk Hydro Asa | 0.10 |
| BP | 0.09 |
| Royal Dutch Shell A | 0.08 |
| Rio Tinto | 0.08 |
| Nestlé | 0.07 |
| Roche Holding | 0.06 |
| Novo-Nordisk B | 0.06 |
| Novartis | 0.06 |
| Syngenta | 0.05 |
| HSBC | 0.05 |
| CS Group | 0.04 |
| Glaxosmithkline | 0.04 |
| UBS | 0.03 |
| Vodafone | 0.03 |
| Ericsson -B- | 0.03 |
| Others | 0.25 |
| Europe ex-euro | 5.99 |
| Future SP500 | 4.38 |
| Future SP/TSE 60 | 1.19 |
| D Equ US Index | 1.16 |
| Opals MSCI Canada | 0.59 |
| Opals S&P500 | 0.57 |
| Exxon Mobil | 0.17 |
| Chevron | 0.15 |
| IBM | 0.12 |
| Microsoft | 0.12 |
| Johnson & Johnson | 0.11 |
| Canadian Natural Resources | 0.11 |
| Procter & Gamble | 0.11 |
| ATT & Inc | 0.10 |
| GE | 0.10 |
| Schlumberger | 0.08 |
| Cisco | 0.08 |
| Exelon | 0.08 |
| Coca Cola | 0.07 |
| Pfizer | 0.07 |
| Intel | 0.07 |
| Honeywell | 0.07 |
| Royal Bank of Canada | 0.06 |
| Wells Fargo | 0.06 |
| Caterpillar | 0.06 |
| Pepsico | 0.06 |
| CVS | 0.06 |
| Citigroup | 0.05 |
| MCDonald's | 0.05 |
| Union Pacific | 0.05 |
| Merck | 0.05 |
| Abbott Labs | 0.05 |
| Texas Instrument | 0.04 |
| Others | 2.48 |
| North America | 12.55 |

EQUITIES AND REAL ESTATE

| Indexed management | % Total | Active management | % Total |
|---------------------------------|--------------|---------------------------------------|--------------|
| Future Topix | 3.15 | D Equ EMU Beh Value | 3.01 |
| Opals MSCI Japan | 0.51 | D Equ Europe Beh Value | 4.81 |
| D Equ Japan Index | 0.31 | D Equ EMU Beh Profit | 2.09 |
| Nintendo | 0.05 | TR European Growth | 0.46 |
| Toyota | 0.04 | Eurofund V b | 0.25 |
| Orix | 0.04 | Carlyle Europe Partners III | 0.14 |
| Mizuho Financial Group | 0.03 | D Equ Sml Cap Europe Beh Value | 0.11 |
| Fanuc | 0.03 | Eurofund IV b | 0.10 |
| NTT | 0.03 | Etex Group | 0.05 |
| Hitachi | 0.03 | Degroof PE Fund | 0.02 |
| Shin-Etsu | 0.02 | Eurozone | 11.05 |
| Mitsubishi Electric | 0.02 | D Equ Europe Beh Value | 3.01 |
| Kao | 0.02 | Pantheon Intl | 0.27 |
| Sony Corp | 0.02 | TR European Growth | 0.15 |
| Nippon Steel | 0.02 | D Equ Sml Cap Europe Beh Value | 0.11 |
| Canon | 0.01 | Europe ex-euro | 3.56 |
| Secom | 0.01 | D Equ US Beh Value | 6.94 |
| Tokyo Electric Power | 0.01 | Vanguard index small cap | 0.59 |
| Millea Holdings | 0.01 | Future Nasdaq100 | 0.27 |
| Matsushita Electric | 0.01 | Carlyle US Partners V | 0.14 |
| Daiwa Securities | 0.01 | North America | 7.94 |
| Takeda Health Careceutical | 0.01 | Japan Smaller Cap | 0.19 |
| NTT Docomo | 0.01 | Ocean Japan Target II | 0.15 |
| Sumitomo Mitsui Bank | 0.01 | Japan | 0.34 |
| USS Co | 0.01 | Genesis EMF | 2.80 |
| Fujitsu | 0.01 | Asia Pacific Performance D | 2.30 |
| Others | 0.03 | CAAM-Emerging Mkt AI | 1.99 |
| Japan | 4.46 | Emerging Mkt Strategic | 1.31 |
| Future ASX/SPI | 0.90 | Future HSCEI - M | 0.67 |
| Future HSI | 0.64 | Morgan Stanley Emerging Markets | 0.44 |
| BHP Billiton | 0.17 | Templeton Emerging Mkt UK | 0.25 |
| National Australian Bank | 0.07 | Latin America Equity | 0.19 |
| Woodside Petroleum | 0.06 | Mexico Fund | 0.15 |
| Westpac Banking | 0.06 | Emerging Markets | 10.12 |
| CSL | 0.06 | Atlas Real Estate EMU | 1.92 |
| Hang Seng Bank | 0.05 | Aedifica Sicafo | 0.28 |
| ANZ | 0.04 | Unibail-Rodamco | 0.15 |
| Hong Kong Electric Holdings | 0.04 | Optimum Immo | 0.10 |
| Wesfarmers | 0.04 | Cofinimmo | 0.09 |
| Brambles Industries | 0.03 | Wereldhave Belgium | 0.07 |
| United Overseas Bank | 0.03 | Leasinvest | 0.04 |
| AMP | 0.03 | Wereldhave | 0.04 |
| Alumina | 0.03 | Cheung Kong Holdings | 0.03 |
| Singapore Airlines | 0.03 | Swire Pacific | 0.03 |
| Singapore Telecom | 0.02 | Westfield Group | 0.02 |
| MacQuarie Bank | 0.02 | United Overseas Land | 0.00 |
| Hong Kong & China Gas | 0.02 | Real estate | 2.78 |
| DBS Group Holdings | 0.02 | Total Active management | 35.78 |
| Telstra | 0.02 | | |
| Others | 0.21 | Total equities and real estate | 83.31 |
| Asia ex-Japan | 2.60 | | |
| Ishares MSCI Emerging Mkt Fund | 2.72 | | |
| Emerging Markets | 2.72 | | |
| Total Indexed management | 47.52 | | |

BONDS, ALTERNATIVE, CASH

| Convertibles Bonds | % Total |
|--------------------------------|---------|
| TREETOP Convertible Intern | 1.95 |
| TREETOP Convertible Pacific | 1.05 |
| Total | 3.00 |
| | |
| Alternative | % Total |
| D Global Int Flexible | 5.69 |
| D Equ World Flexible | 4.13 |
| D Alt FOHF Low volatility | 1.80 |
| Phaunos Timber Fund Ltd | 0.94 |
| Reliance Multi-Advisor Fnd-B | 0.25 |
| AIMS Low Volatility-usd | 0.25 |
| Total | 13.07 |
| | |
| Total convert. and alternative | 16.06 |

| Bonds | % Total |
|-----------------------------|----------------|
| OLO 31 28/03/28, 5.5% | 0.33 |
| Iboxx 100 FRN 22/06/09 | 0.20 |
| GEC 20/01/10, 4.375 % | 0.10 |
| Fortis Fin. 7/04/09, 4.625% | 0.07 |
| Future Bund | -0.31 |
| Euro | 0.39 |
| Nykredit 01/10/35, 5% | 0.06 |
| Denmark | 0.06 |
| Total Bonds | 0.45 |

| Cash | % Total |
|-------------------|-------------|
| Euro | -2.57 |
| USD | 1.43 |
| GBP | 0.05 |
| Yen | -0.05 |
| Others | 1.32 |
| Total Cash | 0.18 |

| | |
|-----------------------------|-------------|
| Total bonds and cash | 0.63 |
|-----------------------------|-------------|