



Semi Annual Report 2007

Contents

Five years Himalayan Fund N.V.	3
Profile	4
Directors' Report	5
Financial statements	7
Statement of assets and liabilities	8
Statement of operations	9
Statement of cashflows	10
Notes	11
Portfolio Breakdown	18
Supplementary information	20

Himalayan Fund N.V.

investment company with variable capital

Registered office:	De Ruyterkade 6 1013 AA Amsterdam The Netherlands
Board of Directors:	Ian McEvatt, Chairman Dwight Makins Robert Meijer * Joe Tabbers *
Administrator and Registrar:	Fastnet Netherlands N.V. De Ruyterkade 6 1013 AA Amsterdam The Netherlands
Investment Advisor:	Iceman Capital Advisors Ltd. PO Box 218 45 La Motte Street St. Helier Jersey JE4 8SD Channel Islands
Custodian:	Citibank 77 Ramnord House Dr. Annie Besant Road, Mumbai - 400 018 India
Listing Agent / Bank:	Fortis Bank (Nederland) N.V. Blaak 555 3011 GB Rotterdam The Netherlands
Auditor:	KPMG Accountants N.V. Burg. Rijnderslaan 10-20 1185 MC Amstelveen The Netherlands
<i>For information or prospectus:</i>	<i>Website: http://himalayan.fast-net.nl Email: nl-himalayan@eu.fastnetgroup.com Phone: +31 (0) 20 530 8300</i>

* Dutch resident

Five years Himalayan Fund N.V.

	30-06-2007	31-12-2006	31-12-2005	31-12-2004	31-12-2003
Net Asset Value (USD x 1,000)					
Net Asset Value according to statement of assets and liabilities	25,328	22,315	23,578	17,148	16,422
Less: value priority shares	1	1	53	61	57
	25,327	22,314	23,525	17,087	16,365
	01-01-2007				
	30-06-2007	2006	2005	2004	2003
Profit and loss (USD x 1,000)					
Income from investments	174	413	304	484	1,032
Capital gains/losses	4,881	9,264	5,479	4,328	6,410
Expenses	-416	-943	-642	-712	-716
Total investment result	4,639	8,734	5,141	4,100	6,726
Number of ordinary shares outstanding	553,862	588,746	892,419	870,551	1,060,506
Per ordinary share					
Net Asset Value share (USD)	45.73	37.90	26.36	19.63	15.43
Euronext Amsterdam quotation (USD)	44.20	37.00	32.01	17.81	16.99
Dividend (EUR)	-	-	-	-	0.10
Income from investments (USD)	0.31	0.70	0.34	0.56	0.97
Capital gains/losses (USD)	8.82	15.74	6.14	4.97	6.05
Expenses (USD)	-0.75	-1.60	-0.72	-0.82	-0.68
Total investment result (USD)	8.38	14.84	5.76	4.71	6.34

Profile

General

Himalayan Fund N.V. ('the Company') is an open-end investment fund with variable capital incorporated under Dutch law and has its registered office in Amsterdam. The Company is listed both at Euronext Amsterdam and at the London Stock Exchange.

Structure and Objective

The principal objective of the Company is long term capital appreciation for shareholders. Currently the majority of the funds are invested in India, directly utilising the benefits of the tax treaty between India and the Netherlands to maximise the ultimate return to investors. The remaining funds are invested in Sri Lanka.

Any balance can be invested in Bangladesh, Nepal and Bhutan if opportunities arise.

Open-ended status

Ordinary shares may be (re)purchased on monthly dealing days (a day on which ordinary shares can be purchased and/or repurchased, being the last Thursday of each month, provided that such day is a business day) via Euroclear Netherlands. Ordinary shares repurchased by the Company will be held in treasury and resold on subsequent dealing days, in priority to the issue of new shares. For details about purchase or repurchase of ordinary shares, please visit the company's website.

Investment advisor

The Investment Advisor, Iceman Capital Advisors Ltd. (Iceman) was appointed under an investment advisory agreement dated June 7, 2006. Iceman is regulated by the Jersey Financial Services Commission under the Collective Investment Funds (Jersey) Law 1998 and is authorised to act as Investment Advisor to the Fund. The Jersey Financial Services Commission is protected by this law against liability arising from the discharge of its functions under the Law.

Administrator

Fastnet Netherlands N.V. (Fastnet NL) established in Amsterdam, is appointed by the management of the Company as the Administrator of Himalayan Fund. Fastnet NL forms an integral part of an international network of fund administration offices, operating under the flag of Fastnet. Separately from the administrator tasks, Fastnet NL also provides domicile services for the Company.

Corporate Governance

The appointment and remuneration of directors and audit matters are dealt with by the full Board rather than being delegated to Committees of the Board.

Taxation

In order to qualify as a fiscal investment institution, the Company is obliged to distribute all of its fiscal income and will subsequently be subject to 0% rate of Dutch corporate income tax on its profits. For tax purposes, income is calculated in Euro.

Notification of this recognition was received from the Ministry of Finance on 8 January 1992. Interest receivable from the Mutual Fund are not subject to withholding tax.

Withholding taxes are levied on dividends received from Sri Lanka and Bangladesh; these withholding taxes are taken as expense in the profit and loss account. No capital gains taxes are due in Sri Lanka. In Bangladesh, the Company claims exemption from capital gains tax due to its tax exempt status in the Netherlands.

Directors' Report

The Fund

The Net Asset value (NAV) per share of your Fund closed at an all-time peak of \$45.73 on June 30, 2007. This represented a return of 20.7% to shareholders, after fees and charges. By comparison, the benchmark index, the CNX S&P Nifty made a return of 16.9% in US Dollar terms. The Nifty ended the half-year at a record closing level of 4318. Substantially due to excellent returns in the last twelve months, the Fund is now outperforming its benchmark over periods out to three years.

Trading in the Fund's shares on Euronext Amsterdam closed at \$44.20 on June 30, up from \$38.02 at the start of the year, for a gain of 16.3%. The high for the period was \$44.45 on January 26 and the low, \$32.26 of February 28. At the start of the period, the market price was equal to NAV and by the close it was at a discount of 3.3%. In the meantime, the high price was at a premium of 10% and the low was at a discount of 12.9% to NAV. It is clear that superior returns can be made by holding your Fund as a long-term investment and subscribing and redeeming on the monthly Dealing Days. It continues to be a matter for concern to your board that shareholders who trade shares in the market seem to make lower returns, particularly when the price achieved does not include transaction costs.

The market

In economic terms, the first half-year of 2007 has been affected by concern about an economic slowdown in the US and rising inflationary expectations in India. Against this background, the Indian markets showed five months of gains out of six, the only loss coming in February, following a shock to global markets from a sharp correction in China. Indian markets have shown some resilience by comparison with global market uncertainty, due to the power of domestic demand as a factor in sustaining its overall growth. With gross domestic product (GDP) growth widely expected to reach 9% again and corporate earnings growth forecast at more than 20% in the current year, the prospects for handsome returns from equity investment in India look excellent.

The main risk to returns from investment in India for the remainder of this year must be risk appetite adjustment by global investors leading to a withdrawal of liquidity from India. Over time, the risk from global flows will be mitigated by the growth in power of India's own institutional investment sector. Life insurance premiums are growing at more than 60% per annum and the accumulation of equity allocations from these flows will gradually offset the risk of volatility due to global liquidity. Otherwise, the substance and liquidity of the Indian markets continues to justify stable long-term exposure. Furthermore, the strength of earnings being generated by the corporate sector underpins market valuations with a consistent record of growth which extends to three years now. Your board is convinced that a commitment to the Indian markets will be fully rewarded in the long-term and urges shareholders not to be unsettled by global concerns.

Administration

In the first half-year, two important outstanding matters to do with your Fund have been resolved. On January 15, your Fund received its new license under the latest statutes in The Netherlands. This enabled us to file a new Prospectus, which became effective on 28th March and is posted on the Fund's website at <http://himalayan.fast-net.nl>. Shareholders are urged to read this and to take note of the current provisions under which the Fund operates.

The availability of a new Prospectus facilitates the promotion of the Fund to new investors. The Investment Advisor, Iceman Capital Advisors Ltd., is working on marketing initiatives as well as on the presentation of reporting and promotional materials. You may have noticed changes in the presentation of our monthly report already. We look forward to welcoming new investors before long.

By the time you read this report, there will have been an extraordinary general meeting (EGM), to consider and vote on a resolution to reduce the authorized capital of the Fund. This is one of a series of changes to be undertaken which are intended to increase the frequency of dealing in the Fund's shares, without prejudicing the excellent performance record which has now been established. Upon adoption of the resolution, the board will meet to decide on a proposal to:

1. introduce weekly dealing as soon as the Euronext Fund Service permits;
2. confirm that 10% of the authorized capital must remain in third party hands;
3. limit redemptions to 5% of the issued capital on any dealing day.

These measures will be effective with the move to weekly dealing. As a consequence, your board believes that there will be sufficient liquidity in the shares of the Fund to ensure that shareholders will not be disadvantaged by swings in market sentiment that periodically affect investments in emerging markets. Euronext Fund Service will introduce a facility for weekly dealing at NAV on or around November 15 this year. Your Fund intends to join the service at the outset, enhancing the dealing procedures and providing value for shareholders.

Of course your board recommends that shareholders should hold their investment in the Fund for long-term benefit, rather than trading the shares in the market. India's growth prospects continue to be excellent, with corporate earnings continuing to support market valuations. Government commitment to reform and infrastructure development, burgeoning consumer demand and a thriving corporate sector continue to attract an increasing share of global liquidity. In the first half of this year inflows of foreign portfolio investment amounted to more than \$9 billion, exceeding the previous annual peak in 2005. As mentioned above, this liquidity can pose a risk of volatility but it nonetheless confirms global recognition of the prospects for investment in India.

The Fund website at <http://himalayan.fast-net.nl> is now the primary means of communication with shareholders. Weekly market commentaries are posted to keep you abreast of market developments. Monthly reports now also appear on the website to provide detailed portfolio information. All regulatory and statutory documentation is also published on the website.

Amsterdam, August 7, 2007

Board of Directors
Ian McEvatt, Chairman
Dwight Makins
Robert Meijer
Joe Tabbers

Financial statements
Himalayan Fund N.V.

Statement of assets and liabilities

(before profit appropriation)

	30-06-2007		31-12-2006
	USD	Notes	USD
Investments			
Securities	24,833,587	4	22,348,428
Short term receivables			
Receivables from subscription	446,200	5.1	-
Other debtors, prepayments and accrued income	32,580	5.2	<u>62,245</u>
	478,780		62,245
Other assets			
Cash at banks	2,027,318	6	2,072,365
Current liabilities (due within one year)			
Payable on redemptions	1,061,778	7.1	1,876,772
Other liabilities, accruals and deferred income	950,167	7.2	<u>291,067</u>
	2,011,945		2,167,839
Total of receivables and other assets less current liabilities	<u>494,153</u>		<u>-33,229</u>
Total assets less current liabilities	<u>25,327,740</u>		<u>22,315,199</u>
Shareholders' equity			
Issued capital	8,154	8.1	8,422
Share premium	30,499,984	8.2	32,125,707
Legal reserve	-		498
General reserve	-9,819,428	8.3	-18,553,954
Undistributed result current year	4,639,030	8.4	<u>8,734,526</u>
	<u>25,327,740</u>		<u>22,315,199</u>
Net Asset Value per share	45.73		37.90

Statement of operations

	01-01-2007 30-06-2007 USD	Notes	01-01-2006 30-06-2006 USD
Income from investments			
Dividends	137,355	10.1	140,735
Interest income	3,798	10.2	23,330
Other income	<u>32,760</u>	10.3	<u>61,307</u>
	173,913		225,372
Capital gains/losses			
Unrealised price gains/losses on investments	-8,220	4	12,626
Unrealised currency gains/losses on investments	891,236	4	-136,512
Realised price gains/losses on investments	3,777,259	4	2,536,172
Realised currency gains/losses on investments	216,159	4	-150,346
Other exchange differences	<u>4,501</u>		<u>13,087</u>
	4,880,935		2,275,030
Expenses			
Investment management fees	195,714	11.1	162,374
Other expenses	<u>220,104</u>	11.2	<u>242,964</u>
	415,818		405,338
Total investment result	<u>4,639,030</u>		<u>2,095,064</u>
Total investment result per ordinary share	8.38		2.97

Statement of Cash Flows

	01-01-2007 30-06-2007 USD	notes	01-01-2006 30-06-2006 USD
Cash flow from investing activities			
Income from investments	173,913	10	225,372
Expenses	<u>-415,818</u>	11	<u>-405,338</u>
Result of operations	-241,905		-179,966
Purchases	-4,753,054	4	-4,195,699
Sales	<u>7,144,329</u>	4	<u>5,424,598</u>
	2,391,275		1,228,899
Change in short term receivables	-416,535	5	1,278,789
Change in current liabilities	<u>-155,894</u>	7	<u>24,942</u>
	<u>-572,429</u>		<u>1,303,731</u>
<i>Cash flow from investment activities</i>	1,576,941		2,352,664
Cash flow from financing activities			
Received on shares issued	1,731,046	8	246,794
Paid on shares repurchased	-3,357,535	8	-6,177,576
Dividend distribution	<u>-</u>		<u>-</u>
<i>Cash flow from financing activities</i>	-1,626,489		-5,930,782
Other exchange differences	<u>4,501</u>		<u>13,087</u>
Change in cash and cash equivalents	-45,047		-3,565,031
Cash and cash equivalents as at 1 January	<u>2,072,365</u>		<u>3,947,993</u>
Cash and cash equivalents as at 30 June	<u>2,027,318</u>		<u>382,962</u>

Notes

1.1 General

Himalayan Fund N.V. ('the Company') is an open-end investment fund with variable capital incorporated under Dutch law and has its registered office in Amsterdam. The Company is listed both at Euronext Amsterdam and at the London Stock Exchange.

The format of these financial statements is in conformity with legal financial reporting requirements and the Guiding Principles for Investment Institutions of the Council for Reporting. The financial year is concurrent with the calendar year.

1.2 Cash flow statement

The Cash Flow statement has been prepared according to the indirect method.

2. Principles of valuation

2.1 Investments

The investments are valued based on the following principles:

- listed Securities are valued at the most recent stockmarket price as at the end of the accounting period which can be considered fair value;
- non or low marketable securities are, according to the judgement of the Investment Advisor valued at the best effort estimated price, taking into account the standards which the asset manager thinks fit for the valuation of such investments.

Expenses related to the purchase of investments are included in the cost of investments.

Sales charges, if any, are deducted from gross proceeds and will be expressed in the capital gains/-losses.

2.2 Foreign currency translation

Assets and liabilities in foreign currencies are translated into dollars at the rate of exchange as at the balance sheet date.

All exchange differences are taken to the income statement. Income and expenses in foreign currencies are translated at the exchange rate as per transaction date.

Rates of exchange as at 30 June 2007, equivalent of 1 US dollar:

Euro	0.74044	Srilanka Rupee	111.38499
Indian Rupee	40.72752	Bangladesh Taka	68.81000

2.3 Other assets and liabilities

Other assets and liabilities are stated at nominal value. If required, provisions have been taken for irrecoverable receivables.

2.4 Income recognition principles

The result is determined by deducting expenses from the proceeds of dividend, interest and other income in the period under review. The realized revaluations of investments are determined by deducting the purchase price or the balance sheet value at the start of the period under review from the sale proceeds.

The unrealized revaluations of investments are determined by deducting the purchase price or the balance sheet value at the start of the period under review from the balance sheet value at the end of the period under review.

Brokerage fees payable on the acquisition on investments, if any, are considered to be part of the investments costs, and as a result, are not taken to the profit and loss account.

3. Risk Management

3.1 Financial Instruments

The Company is exposed to market price risk, interest rate risk, credit risk, liquidity risk and foreign currency risk arising from the financial instruments it holds. The Company may use derivatives and other instruments in connection with its risk management activities.

The Company has investment guidelines that set out its overall business. Daily reviews are undertaken to ensure that the Company's guidelines are adhered to.

3.2 Market price risk

The Company's investments are susceptible to market price risk arising from market fluctuations due to uncertainties about market prospects. The positions held by the Company at the report date are disclosed under 'Investment portfolio'.

3.3 Interest rate risk

The Company is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

3.4 Credit risk

Credit risk is the risk that an issuer or counterparty will be unable to meet a commitment that it has entered into with the Company. This risk for contracts regarding financial instruments (including Equity Linked Notes and Depository Receipts) is limited. It is the Company's policy to enter into such contracts with several different counterparties and to assign a great importance to the parties' credit-worthiness in the selection process. For further details on the credit risk we refer to the 'Investment portfolio'.

3.5 Liquidity risk

The Company's investments are considered to be readily realisable or actively traded in the OTC market. The exposure to liquidity risk is mainly related to the Company's investments in unlisted securities.

3.6 Foreign currency risk

The Company invests in securities and other investments that are denominated in currencies other than the currency in which the Company's shares are denominated. The Company can use forward currency transactions and interest rate swaps to cover risks related to currency fluctuations. A significant portion of the Company's investments in securities is not denominated in US Dollar but in other currencies. Accordingly, the value of the Company's assets may be affected considerably, favourable as well as unfavourable, by fluctuations in currency rates.

Notes to the statement of assets and liabilities

	30-06-2007	31-12-2006
	USD	USD
4. Investments		
<i>4.1 Statement of changes in securities</i>		
Position as at 1 January	22,348,428	18,383,916
Purchases	4,753,054	6,428,709
Sales	-7,144,329	-11,715,997
Unrealised price gains/losses on investments	-8,220	3,516,738
Unrealised currency gains/losses on investments	891,236	322,944
Realised price gains/losses on investments	3,777,259	5,635,900
Realised currency gains/losses on investments	216,159	-223,782
	<u>24,833,587</u>	<u>22,348,428</u>
Position as at 30 June		
Historical cost	11,967,026	10,364,883
<p>All the Indian and Sri Lanka investments are held directly by the Company. The total investments in unlisted shares and unlisted debentures held by the Mutual Fund amounted to USD 0 (31 December 2006: USD 0) and unlisted investments directly held by the Company to USD 130,794 (31 December 2006: USD 2,578,591). The portfolio breakdown as at 30 June 2007 is specified on pages 18 to 19 of this report.</p>		
<i>4.2 Transaction costs</i>		
<p>Transaction costs in the first half of 2007 are: USD 55,809, in 2006 USD 72,767.</p>		
5. Short term receivables		
<i>5.1 Receivables from subscriptions</i>		
<p>This includes the receivables from unsettled share subscriptions as per balance sheet.</p>		
<i>5.2 Other debtors, prepayments and accrued income</i>		
Dividend receivable	32,580	48,135
Prepayments and other debtors	-	14,110
	<u>32,580</u>	<u>62,245</u>
6. Cash at banks		
<p>This includes demand deposits at banks.</p>		
7. Current liabilities (due within one year)		
<i>7.1 Payable on redemptions</i>		
<p>This includes the payables from unsettled share redemptions as per balance sheet.</p>		
<i>7.2 Other liabilities, accruals and deferred income</i>		
Payable investment management fee	94,730	89,377
Payable administration fee	13,883	49,037
Payable auditors fee	84,686	77,141
Payable on security transactions	705,285	-
Other expenses payable	51,583	75,512
	<u>950,167</u>	<u>291,067</u>

8. Shareholders' equity

The authorised share capital of the Company is EUR 60,000 (30 June 2006: EUR 445,000) and consists of:

- Ordinary shares of EUR 0.01 each	5,950,005
- Priority shares of EUR 0.01 each	49,995

		30-06-2007	31-12-2006
	number	USD	USD
<i>8.1 Issued capital</i>			
Ordinary shares:			
Position as at 1 January	588,746	7,763	10,530
Issued	41,800	418	172
Repurchased	-76,684	-767	-3,209
Revaluation		65	270
	<hr/>	<hr/>	<hr/>
Position as at 30 June	553,862	7,479	7,763
Priority shares:			
Position as at 1 January	49,995	659	53,080
Issued		-	500
Repurchased	-	-	-45,000
Revaluation		16	-7,921
	<hr/>	<hr/>	<hr/>
Position as at 30 June	49,995	675	659
	<hr/>	<hr/>	<hr/>
Total issued capital		8,154	8,422

As at 30 June 2007 the subscribed share capital amounts to:

		EUR	EUR
Ordinary shares, par value EUR 0.01 (31 December 2005: EUR 0.01)	4,450,005	44,500	44,500
Priority shares, par value EUR 0.01 (31 December 2005: EUR 0.45)	49,995	500	500
		<hr/>	<hr/>
		45,000	45,000

The Company became open-ended at 7 April 2000. As at 30 June 2007 a total of 3,896,143 ordinary shares were repurchased, meaning that 553,862 ordinary shares are still outstanding as at 30 June 2007. Repurchased ordinary shares by the Company are directly charged against capital and share premium.

		USD	USD
<i>8.2 Share premium</i>			
Position as at 1 January		32,125,707	42,068,114
Received on shares issued		1,730,628	503,655
Paid on shares repurchased		-3,356,768	-10,453,661
Revaluation of outstanding capital		417	7,101
Revaluation of legal reserve		-	498
		<hr/>	<hr/>
Position as at 30 June		30,499,984	32,125,707

	30-06-2007	31-12-2006
	USD	USD
<i>8.3 General reserve</i>		
Position as at 1 January	-18,553,954	-23,695,466
Transferred from undistributed result	<u>8,734,526</u>	<u>5,141,512</u>
Position as at 30 June	<u>-9,819,428</u>	<u>-18,553,954</u>

<i>8.4 Undistributed result</i>		
Position as at 1 January	8,734,526	5,141,512
Dividend distribution	-	-
Transferred to/from general reserve	-8,734,526	-5,141,512
Total investment result	<u>4,639,030</u>	<u>8,734,526</u>
Position as at 30 June	<u>4,639,030</u>	<u>8,734,526</u>

Three years Himalayan Fund N.V.

	30-06-2007	2006	2005
Net Asset Value (USD x 1,000)			
Net Asset Value according to statement of assets and liabilities	25,328	22,315	23,578
Less: value priority shares	<u>1</u>	<u>1</u>	<u>53</u>
	<u>25,327</u>	<u>22,314</u>	<u>23,525</u>
Number of ordinary shares outstanding	553,862	588,746	892,419
Per ordinary share			
Net Asset Value share (USD)	45.73	37.90	26.36

Notes to the statement of operations

10. Income from investments

10.1 Dividends

This refers to net cash dividends including withholding tax. Stock dividends are considered to be cost free shares. Therefore stockdividends are not presented as income.

10.2 Interest income

Most of this amount was received on outstanding cash balances.

10.3 Other income

Up to April this refers to the upcount of 0.5% received on shares issued and discount of 1.0% calculated on shares repurchased. From May this refers to the charges of 0.35% received on shares issued and repurchased. These costs are to cover transaction costs in relation with the subscriptions/redemptions and are booked as an income for the Company.

	01-01-2007	01-01-2006
	30-06-2007	30-06-2006
	USD	USD
11. Expenses		
<i>11.1 Investment management fees</i>		
Management fee	184,294	148,451
Other investment management fees	11,420	13,923
	195,714	162,374

Expenses directly related to the management of investments, like custody fees and transfer charges as well as other paying agent fees are deducted from the result. These expenses are included in other investment management fees with the exception of the transfer charges. Transfer charges are accounted for in the investment revaluation reserve.

11.2 Other expenses

Administration fee	70,746	79,297
Domicile fee	14,875	14,875
Commission and bank expenses	16,074	1,050
Marketing, advisory and advertising fees	23,228	78,679
Register fees Chamber of Commerce and the Authority for the Financial Markets	8,371	8,214
Auditor and fiscal advisor fees	38,477	36,940
Directors' fee (including liability insurance fee)	46,327	18,655
Miscellaneous	2,006	5,254
	220,104	242,964

Expense ratio

The expense ratio (cost ratio) is calculated as follows: the total expenses of the Company divided by the average Net Asset Value *.

- The total expenses include the expenses that are deducted from the result as well as from the shareholders' equity in the period under review.

The expense ratio of the Company for the reporting period is equal to: 3.52 % (30 June 2006: 3.43%).

Turnover ratio

The turnover ratio is calculated as follows: the total sum of purchases plus sales minus subscriptions minus redemptions divided by the average Net Asset Value *.

The turnover ratio of the Company for the reporting period is equal to: 28.84 % (30 June 2006: 13.51 %).

- * - The average Net Asset Value of the Company for reporting period is calculated as the sum of the Net Asset Value as per 31 December 2006, 31 March 2007, 30 June 2007 in the proportion 0.5 : 1 : 0.5, divided by the weighted number of observations.

Comparison of real cost with cost according to prospectus

	According to prospectus	Real costs
Management fee (1)	184,294	184,294
Administration fee (2)	85,621	85,621
Directors fee (3)	100,000	46,327

1) The Investment Advisor receives an annual fee of 1.5 per cent (calculated on a daily basis of the Net Asset Value of the Company).

2) The Company pays to Fastnet NL a monthly administration fee (excluding VAT) equal to 1/12 of 0.2% of the average Net Asset Value with a minimal fee of EUR 100,000 per year. The Company also pays to Fastnet NL a fixed monthly domicile fee (exclusive VAT) equal to EUR 25,000 per year. The average Net Asset Value of the Company is calculated as the sum of the total Net Asset Values at the beginning of the month and at the end of the month, divided by 2.

3) According to the prospectus the Directors fee will not exceed USD 100,000. The actual Directors cost (untill 30 June) were 53.673 less than in the prospectus.

Employees

The Company has no employees.

Amsterdam, August 7, 2007

Board of Directors
Ian McEvatt, Chairman
Dwight Makins
Robert Meijer
Joe Tabbers

Portfolio breakdown

As per June 30, 2007

<u>India</u>	Market value USD	percentage of total Net Asset Value
Capital goods		
80,000 Crompton Greaves	497,747	
60,000 Bharat Heavy Electrical	2,265,569	
14,400 Larsen & Toubro	<u>777,145</u>	
	<u>3,540,461</u>	13.98%
Financials		
26,000 HDFC Bank	732,073	
40,000 Housing Development Financing Corporation	1,997,372	
69,000 ICICI Bank	1,618,710	
10 Canbank mutual fund *	<u>17,460</u>	
	<u>4,365,615</u>	17.24%
Materials		
10,500 Grasim Industries	<u>679,590</u>	
	<u>679,590</u>	2.68%
Metals		
7,000 Jindal Steel & Power	594,968	
36,300 Tata Iron & Steel	<u>532,456</u>	
	<u>1,127,424</u>	4.45%
Oil & Gas		
67,000 Oil & Natural Gas	1,489,702	
72,000 Reliance Industries	<u>3,006,311</u>	
	<u>4,496,013</u>	17.75%
Pharmaceuticals		
35,000 Sun Pharmaceuticals *	113,334	
35,000 Sun Pharmaceuticals	<u>881,284</u>	
	<u>994,618</u>	3.93%

* Unlisted securities

Power			
75,000	Tata Power	1,235,007	
		<u>1,235,007</u>	4.88%
Technology			
38,500	Infosys Technologies	1,823,539	
30,000	Tata Consultancy	846,614	
100,000	Vakrangee Softwares	434,718	
		<u>3,104,871</u>	12.25%
Telecommunication			
101,655	Bharti Airtel	2,086,513	
75,000	Reliance Communications	952,888	
		<u>3,039,401</u>	12.00%
Other industry			
18,000	Allcargo Global Logistics	434,051	
63,000	Jain Irrigation Systems	743,501	
		<u>1,177,552</u>	4.65%
Total India		<u>23,760,552</u>	93.81%
Sri Lanka			
Other industry			
822,857	John Keells Holdings	1,073,035	4.24%
Total Sri Lanka		<u>1,073,035</u>	4.24%
Total Investments		24,833,587	98.05%
Other net assets		494,153	1.95%
Total Net Asset Value		<u>25,327,740</u>	<u>100.00%</u>

Supplementary information

Personal interest

At the end of, or during the reporting period, non of the members of the Board of Directors had any interests in securities also being a part of the investments of the Fund.

Special controlling rights

Special rights are assigned to holders of priority shares. The most important rights are:

- to submit a binding nomination for the appointment of the Directors
- to give their approval in advance of amendments in the Articles of Association, legal merger, legal split and dissolving the Fund.

The priority shares are held in the name of Iceman Capital Advisors Ltd..

Priority Shares

During 2007 49.995 Priority Shares of Eur 0.01 each were held by Iceman Capital Advisors Ltd.

The directors of Iceman Capital Advisors Ltd. are Messrs. I. McEvatt, P.J. Nicolle, M.T. Cordwell, J.W. Owen, E.H. Jostrom, T. Mequillet.

The directors of the Company and the directors of Iceman Capital Advisors Ltd. declare that to the best of their knowledge and belief Appendix X, paragraph C, article 10 of the listing Rules of Euronext Amsterdam NV is complied with.