



SOCIETE GENERALE GROUP

LYXOR ETF MSCI AC ASIA-PACIFIC EX JAPAN

**AUDITOR'S REPORT
ON THE ANNUAL ACCOUNTS**

Fiscal year closing on 31 March 2008

LYXORETF
■ A NEW WAY TO OWN THE WORLD ■

**AUDITOR'S REPORT
ON THE ANNUAL ACCOUNTS
Fiscal year closing on 31 March 2008**

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
Téléphone 01 56 57 58 59
Fax 01 56 57 58 60

LYXOR ETF MSCI AC ASIA-PACIFIC EX JAPAN

Mutual fund governed by the
Monetary and Financial Code

Management Company

LYXOR INTERNATIONAL ASSET MANAGEMENT

Tour Société Générale

17, cours Valmy

92800 Puteaux

Ladies, Gentlemen,

As part of the mission entrusted to us by the management company's executive committees, we hereby present our report relative to the fiscal year closing on 31 March 2008,

- the verification of the annual accounts of the mutual fund **LYXOR ETF MSCI AC ASIA-PACIFIC EX JAPAN**, drawn up in euros, as they are attached to the present report,
- the bases of our assessments,
- the specific verifications and information required by law.

The annual accounts have been closed under the responsibility of the management company. It is our duty to express an opinion on these accounts based on our audit.

1. OPINION ON THE ANNUAL ACCOUNTS

We have conducted our audit in accordance with the generally accepted auditing standards in France; these standards require that we plan and perform the audit in order to obtain reasonable assurance that the annual accounts are free of material misstatements.

An audit includes examining, on a sample basis, evidence supporting the information contained in these accounts. As this is a mutual fund, it does not cover the databases provided by independent third parties for the preparation of the off-balance sheet report included in the annual accounts. An audit also involves assessing the accounting principles used and the significant estimates used for the establishment of the accounts, as well as their overall presentation. We feel that our verifications provide a reasonable basis for the opinion expressed below.

We certify that, in accordance with French accounting rules and principles, the annual accounts are truthful and in order, and present a fair picture of the operating profits and losses for the past fiscal year, as well as the fund's financial situation and assets at the end of said fiscal year.

2. JUSTIFICATION OF THE ASSESSMENTS

In application of the provisions of article L.823-9 of the [French] Commercial Code relative to the justification of our assessments, we draw your attention to the following elements:

Over-the-counter contracts are valued according to the methods described in note 1 of the appendix. On the basis of the elements leading to the determination of the adopted valuations, we have carried out an assessment of the approach used by the management company, as well as of the reasonable nature of these estimates.

The assessments made in this way are in line with our approach for the audit of the annual accounts, taken as a whole, and they therefore contributed to the formulation of our unreserved opinion as expressed in the first part of this report.

3. SPECIFIC INFORMATION AND AUDIT PROCEDURES

We have also conducted the auditing procedures required by law, in accordance with the applicable professional standards in France.

We have no observations to report regarding the truthfulness or consistency with the annual accounts of the information included in the annual report and in the documents sent to the shareholders concerning the company's situation and annual accounts.

Neuilly sur Seine, 10 July 2008

The auditor
PricewaterhouseCoopers Audit
(signature)
Marie-Christine Jetil

| |
|------------------------|
| ANNUAL ACCOUNTS |
|------------------------|

BALANCE SHEET assets

| | 31.03.2008 | 30.03.2007 |
|--|-----------------------|-----------------------|
| Currency | EUR | EUR |
| Net fixed assets | - | - |
| Deposits | - | - |
| Financial instruments | 207 416 125,22 | 154 564 817,60 |
| • SHARES AND SIMILAR SECURITIES | | |
| Negotiated on a regulated or similar market | 190 901 283,30 | 142 122 022,05 |
| Not negotiated on a regulated or similar market | - | - |
| • BONDS AND SIMILAR SECURITIES | | |
| Negotiated on a regulated or similar market | - | - |
| Not negotiated on a regulated or similar market | - | - |
| • DEBT INSTRUMENTS | | |
| Negotiated on a regulated or similar market | | |
| <i>Negotiable debt instruments</i> | - | - |
| <i>Other debt instruments</i> | - | - |
| Not negotiated on a regulated or similar market | - | - |
| • MUTUAL FUND SHARES | | |
| European co-ordinated UCITS | | |
| and French UCITS of a general nature | - | - |
| UCITS reserved for certain investors – FCPR (type of collective investment MF) – FCIMT (type of MF intervening on futures markets) | - | - |
| Listed SPVs and investment funds | - | - |
| Non-listed SPVs and investment funds | - | - |
| • TEMPORARY OPERATIONS INVOLVING SECURITIES | | |
| Receivables representing securities held in pension | - | - |
| Receivables representing loaned securities | - | - |
| Securities borrowed | - | - |
| Securities given in pension | - | - |
| Other temporary operations | - | - |
| • FUTURE FINANCIAL INSTRUMENTS | | |
| Operations on a regulated or similar market | - | - |
| Other positions | 16 514 841,92 | 12 442 795,55 |
| • OTHER FINANCIAL INSTRUMENTS | - | - |
| Liabilities | - | - |
| Future foreign currency operations | - | - |
| Other | - | - |
| Financial accounts | - | - |
| Liquidity | - | - |
| Total assets | 207 416 125,22 | 154 564 817,60 |

BALANCE SHEET liabilities

| | 31.03.2008 | 30.03.2007 |
|---|-----------------------|-----------------------|
| Currency | EUR | EUR |
| Shareholders equity | | |
| • Capital | 194 081 450,69 | 145 470 588,95 |
| • Carried forward | - | - |
| • Adjustment of carried forward | - | - |
| • Result | 13 037 755,03 | 8 769 289,54 |
| Total shareholders equity <i>(amount representing the net assets)</i> | 207 119 205,72 | 154 239 848,49 |
| Financial instruments | - | - |
| • Operations involving the sale of financial instruments | - | - |
| • Temporary operations involving securities | | |
| Debts representing securities given in pension | - | - |
| Debts representing borrowed securities | - | - |
| Other temporary operations | - | - |
| • Future financial operations | | |
| Operations on a regulated or similar exchange market | - | - |
| Other positions | - | - |
| Debts | 296 919,50 | 324 787,82 |
| Future foreign exchange operations | - | - |
| Other | 296 919,50 | 324 787,82 |
| Financial accounts | - | 181,29 |
| Current bank accommodations | - | 181,29 |
| Loans | - | - |
| Total liabilities | 207 416 125,22 | 154 564 817,60 |

Off-balance sheet commitments

| | 31.03.2008 | 30.03.2007 |
|---|----------------|----------------|
| Currency | EUR | EUR |
| Hedging operations | | |
| • Commitments on regulated or similar markets | | |
| - Futures market | - | - |
| - Options market | - | - |
| - Credit derivatives | - | - |
| - Swaps | - | - |
| - Contracts for Differences (CFD) | - | - |
| • Over-the-counter commitments | | |
| - Futures market | - | - |
| - Options market | - | - |
| - Credit derivatives | - | - |
| - Swaps | - | - |
| - Contracts for Differences (CFD) | - | - |
| • Other commitments | | |
| - Futures market | - | - |
| - Options market | - | - |
| - Credit derivatives | - | - |
| - Swaps | - | - |
| - Contracts for Differences (CFD) | - | - |
| Other operations | | |
| • Commitments on regulated or similar markets | | |
| - Futures market | - | - |
| - Options market | - | - |
| - Credit derivatives | - | - |
| - Swaps | - | - |
| - Contracts for Differences (CFD) | - | - |
| • Over-the-counter commitments | | |
| - Futures market | - | - |
| - Options market | - | - |
| - Credit derivatives | - | - |
| - Performance swaps | 196 652 550,63 | 139 159 000,00 |
| - Contracts for Differences (CFD) | - | - |
| • Other commitments | | |
| - Futures market | - | - |
| - Options market | - | - |
| - Credit derivatives | - | - |
| - Swaps | - | - |
| - Contracts for Differences (CFD) | - | - |

Profit and loss account

| | 31.03.2008 | 30.03.2007 |
|--|----------------------|---------------------|
| Currency | EUR | EUR |
| Earnings and financial operations | | |
| • Earnings on deposits and financial accounts | - | - |
| • Earnings on shares and similar securities | - | 88 923,60 |
| • Earnings on bonds and similar securities | - | - |
| • Earnings on debt instruments | 11 220 696,44 | 9 416 092,69 |
| • Earnings on temporary acquisitions and sales of securities | - | - |
| • Earnings on future financial instruments | - | - |
| • Other financial earnings | - | - |
| Total (I) | 11 220 696,44 | 9 505 016,29 |
| Charges on financial operations | | |
| • Charges on temporary acquisitions and sales of securities | - | - |
| • Charges on future financial instruments | - | - |
| • Charges on financial debts | -9 035,88 | -6 544,31 |
| • Other financial charges | - | - |
| Total (II) | -9 035,88 | -6 544,31 |
| Earnings on financial operations (I - II) | 11 211 660,56 | 9 498 471,98 |
| Other earnings (III) | - | - |
| Management fees and depreciation expenses (IV) | -1 484 543,54 | -729 182,44 |
| Net earnings of the fiscal year (L.214-9) (I - II + III - IV) | 9 727 117,02 | 8 769 289,54 |
| Adjustment of the fiscal year's earnings (V) | 3 310 638,01 | - |
| Advances paid for the fiscal year (VI) | - | - |
| Earnings (I - II + III - IV +/- V - VI): | 13 037 755,03 | 8 769 289,54 |

1 Accounting rules and methods

The annual accounts are presented in the format pursuant to the provisions of CRC Regulation no. 2003-02 of 2 October 2003 relative to the chart of accounts of UCITS, modified by CRC regulation no. 2005-07 03 of November 2005, and approved by the ministerial decree of 26 December 2005.

Assessment rules

The MF's assets are assessed in compliance with the applicable laws and regulations, and more particularly with the rules defined in regulation no. 2003-02 of the Comité de la Réglementation Comptable dated 2 October 2003 relative to the chart of accounts of UCITS (1st part).

The financial instruments negotiated on a regulated market are assessed at the closing price on the day preceding the calculation date of the net asset value.

When these financial instruments are negotiated on several regulated markets at the same time, the chosen closing price is the one of the regulated market in which they are primarily negotiated.

However, in the absence of significant transactions on a regulated market, the following financial instruments are assessed using the following specific methods:

- negotiable debt securities ("NDS") having a residual life upon acquisition that is less than or equal to 3 months are assessed with a straight-line extension over the residual lifespan of the difference between the acquisition value and the redemption value. The management company nevertheless reserves the possibility of assessing these securities at the actual value in case of particular sensitivity to market risks (rates, etc.). The chosen rate is that of the equivalent security issues allocated to the risk margin related to the issuer;
- NDS, of which the residual lifespan at acquisition is greater than 3 months but of which the residual lifespan on the net asset value closing date is equal to or less than 3 months, are assessed by means of a linear distribution, over the residual lifespan, of the difference between the last adopted current value and the reimbursement value. The management company nevertheless reserves the possibility of assessing these securities at the actual value in case of particular sensitivity to market risks (rates, etc.). The chosen rate is that of the equivalent security issues allocated to the risk margin related to the issuer;
- NDS, of which the residual lifespan on the net asset value closing date is greater than 3 months, are assessed at their current value. The chosen rate is that of the equivalent security issues allocated to the risk margin related to the issuer.

Firm future financial instruments negotiated on organised markets are assessed at the clearing price on the day before the net asset value calculation date. Conditional future financial instruments negotiated on organised markets are assessed at the market value on the day before the net asset value calculation date. Over-the-counter firm or conditional future financial instruments are assessed at the price given by the financial instrument's counterparty. They are presented in the off-balance sheet on the basis of the nominal value defined in the contract.

In the event of the holding of an EMTN, it will be valued on the basis of a market price given by the financial instrument's counterparty.

The management company independently carries out a verification of this valuation.

Deposits are assessed at their nominal value, plus any related interest that has accrued.

Subscription warrants, cash certificates, promissory notes and mortgage notes are assessed at their probable negotiation value, under the management company's responsibility.

Temporary acquisitions and sales of securities are assessed at the market price.

Units and shares in undertakings for collective investment in transferable securities operating under French law are assessed at the last net asset value known on the calculation date of the MF's net asset value.

Units and shares of investment funds operating under foreign law are assessed at the last unit net asset value known on the calculation date of the MF's net asset value.

Financial instruments negotiated on a regulated market for which the price has not been determined or for which the price has been corrected are assessed at their probable negotiation value, under the management company's responsibility.

The exchange rate used for the assessment of financial instruments drafted in a currency other than the MF's reference currency are the exchange rates disseminated by WM Reuters at the fixing of the day before the closing date of the MF's net asset value.

Posting method for the negotiation fees

The chosen method is that of included fees.

Posting method of revenues from fixed revenue securities

The chosen method is that of the collected coupon.

Operation and management fees

These fees include all of the fees invoiced directly to the MF, except for the transaction fees. The transaction fees include intermediation fees (brokerage, stock market tax, etc.) and the transaction commission which, if relevant, may notably be collected by the custodian and management company. The following can be added to the operation and management fees:

- outperformance commissions. These reward the management company when the MF has exceeded its objectives. They are therefore invoiced to the MF;
- transaction commissions invoiced to the MF;
- a portion of the earnings from temporary acquisitions and sales of securities.

For more details on the fees actually invoiced to the MF, refer to the Statistical Part of the simplified prospectus.

| Fees invoiced to the MF | Basis | Schedule, rate |
|--|--------------------------------|------------------------|
| Operation and management fees, tax incl. ⁽¹⁾ | Net assets | maximum 0.65% per year |
| Outperformance commissions | Net assets | None |
| Service providers collecting commissions on transactions | Collection on each transaction | None |

(1) including all fees excluding transaction fees, outperformance commissions and fees related to investments in UCITS or investment funds.

No transaction commission will be charged to the Fund.

Accounting currency

The UCITS' accounting is carried out in Euros.

Indication of changes having to be declared to the bearers

- Occurred change: None
- Future change: None

Indication and justification of the changes to estimates and application provisions

None.

Indication of the nature of the errors corrected during the fiscal year

None.

Indication of the rights and conditions attached to each category of units

The management company reserves the right to capitalise and/or distribute all or part of the revenues each year.

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THOUGH MSCI OBTAINS INFORMATION FOR INTEGRATION OR USE IN THE CALCULATION OF THE INDICES FROM SOURCES THAT MSCI CONSIDERS TO BE RELIABLE, NEITHER MSCI NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE EXACTNESS AND/OR EXHAUSTIVE NATURE OF THE INDICES OR OF ANY INCLUDED DATA. NEITHER MSCI NOR ANY OTHER PARTY INVOLVED IN THE CREATION OF A CALCULATION FOR THE MSCI INDICES GIVES ANY EXPRESS OR IMPLICIT GUARANTEE AS TO THE RESULTS THAT MAY BE OBTAINED BY THE HOLDER OF A MSCI LICENCE, THE CUSTOMERS OF THE SAID LICENSEE AS WELL AS THE COUNTERPARTIES, UNIT HOLDERS IN THE FUND OR ANY OTHER PERSON OR ENTITY, BASED ON THE USAGE OF THE INDICES OR OF ANY DATA INCLUDED WITH REGARD TO THE RIGHTS GRANTED BY LICENCE OR FOR ANY OTHER USAGE. NEITHER MSCI NOR ANY OTHER PARTY GIVES EXPRESS OR IMPLICIT GUARANTEES AND MSCI REJECTS ALL GUARANTEES REGARDING THE COMMERCIAL VALUE OR ADEQUACY FOR A SPECIFIC USAGE OF THE INDICES OR INCLUDED DATA. NOTWITHSTANDING THE ABOVE, UNDER NO CIRCUMSTANCES MAY THE LIABILITY OF MSCI OR OF ANY OTHER PARTY BE SOUGHT WITH REGARD TO ANY DAMAGES, WHETHER DIRECT, INDIRECT OR OTHER (INCLUDING THE LOSS OF EARNINGS), EVEN IN CASE OF KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES.

2. Evolution of the net assets

| | 31.03.2008 | 30.03.2007 |
|---|-----------------------|-----------------------|
| Currency | EUR | EUR |
| Net assets at the start of the fiscal year | 154 239 848,49 | - |
| Subscriptions (including subscription commission acquired by the UCITS) | 169 248 861,31 | 139 335 806,00 |
| Redemptions (less the redemption commission acquired by the UCITS) | -109 424 423,55 | - |
| Capital gains generated on deposits and financial instruments | 43 864 303,44 | 18 231 736,62 |
| Capital losses generated on deposits and financial instruments | -72 023 953,96 | -19 685 511,36 |
| Capital gains generated on future financial instruments | 188 730 718,03 | 10 799 921,79 |
| Capital losses generated on future financial instruments | -153 334 271,96 | -8 792 035,54 |
| Negotiation fees | - | - |
| Exchange differentials | -9 649,73 | -51 646,72 |
| Changes to the estimate difference of the deposits and financial instruments: | -18 101 070,68 | 2 716 404,68 |
| - <i>Estimate difference fiscal year N</i> | -15 384 666,00 | 2 716 404,68 |
| - <i>Estimate difference fiscal year N-1</i> | 2 716 404,68 | - |
| Changes to the estimate difference of future financial instruments: | -948 074,33 | 2 915 883,48 |
| - <i>Estimate difference fiscal year N</i> | 1 967 809,15 | 2 915 883,48 |
| - <i>Estimate difference fiscal year N-1</i> | 2 915 883,48 | - |
| Distribution from the previous fiscal year | -4 850 198,36 | - |
| Net earnings of the fiscal year before adjustment account | 9 727 117,02 | 8 769 289,54 |
| Advance(s) paid during the fiscal year | - | - |
| Other elements | - | - |
| Net assets at the end of the fiscal year | 207 119 205,72 | 154 239 848,49 |

3. Information supplements

3.1 Financial instruments: breakdown by the instrument's legal or economic type

3.1.1 Breakdown of the "Bonds and similar securities" item

| | Negotiated on a regulated or similar market | Not negotiated on a regulated or similar market |
|---------------------|--|--|
| Indexed bonds | - | - |
| Convertible bonds | - | - |
| Fixed-rate bonds | - | - |
| Variable-rate bonds | - | - |
| Zero coupon bonds | - | - |
| Equity interests | - | - |
| Other instruments | - | - |

3.1.2 Breakdown of the "Receivables" item by legal or economic type

| | Negotiated on a regulated or similar market | Not negotiated on a regulated or similar market |
|---------------------------------|--|--|
| Treasury Bonds | - | - |
| Commercial paper | - | - |
| Deposit certificates | - | - |
| Euro Medium Term Notes ("EMTN") | - | - |
| Other instruments | - | - |

3.1.3 Breakdown of the "Sale operations on financial instruments" item by instrument type

| | Securities received in pension sold | Securities borrowed sold | Securities acquired with redemption right sold | Short sales |
|-------------------|--|-----------------------------|--|-------------|
| Equities | - | - | - | - |
| Bonds | - | - | - | - |
| Debt securities | - | - | - | - |
| Other investments | - | - | - | - |

3.1.4 Breakdown of the off-balance sheet headings by market type (notably rates, equities)

| | Rate | Equities | Exchange | Other |
|---|------|----------|----------|----------------|
| Hedging operations | | | | |
| Commitments on regulated or similar markets | - | - | - | - |
| Over-the-counter commitments | - | - | - | - |
| Other commitments | - | - | - | - |
| Other operations | | | | |
| Commitments on regulated or similar markets | - | - | - | - |
| Over-the-counter commitments | - | - | - | 196 652 550,63 |
| Other commitments | - | - | - | - |

3.2 Breakdown by rate types of the asset, liability and off-balance sheet items

| | Fixed rate | Variable rate | Revisable rate | Other |
|------------------------------------|------------|---------------|----------------|-------|
| Assets | | | | |
| Deposits | - | - | - | - |
| Bonds and similar securities | - | - | - | - |
| Debt instruments | - | - | - | - |
| Temporary operations on securities | - | - | - | - |
| Financial accounts | - | - | - | - |
| Liabilities | | | | |
| Temporary operations on securities | - | - | - | - |
| Financial accounts | - | - | - | - |
| Off-balance sheet | | | | |
| Hedging operations | - | - | - | - |
| Other operations | - | - | - | - |

3.3 Breakdown by residual maturity of the asset, liability and off-balance sheet items

| | 0-3 months | 3 months - 1 year | 1-3 years | 3-5 years | >5 years |
|------------------------------------|------------|----------------------|-----------|-----------|----------------|
| Assets | | | | | |
| Deposits | - | - | - | - | - |
| Bonds and similar securities | - | - | - | - | - |
| Debt instruments | - | - | - | - | - |
| Temporary operations on securities | - | - | - | - | - |
| Financial accounts | - | - | - | - | - |
| Liabilities | | | | | |
| Temporary operations on securities | - | - | - | - | - |
| Financial accounts | - | - | - | - | - |
| Off-balance sheet | | | | | |
| Hedging operations | - | - | - | - | - |
| Other operations | - | - | - | - | 196 652 550,63 |

3.4 Breakdown by listing or assessment currency of the asset, liability and off-balance sheet items

This breakdown is given for the main listing or assessment currencies, with the exception of the currency in which the accounting is maintained.

| | | | | |
|--|--------------|---|---|---|
| By main currency | CHF | - | - | - |
| Assets | | | | |
| Deposits | - | - | - | - |
| Equities and similar securities | 1 426 384,50 | - | - | - |
| Bonds and similar securities | - | - | - | - |
| Debt instruments | - | - | - | - |
| MF shares | - | - | - | - |
| Temporary operations on securities | - | - | - | - |
| Receivables | - | - | - | - |
| Financial accounts | - | - | - | - |
| Liabilities | | | | |
| Sale operations on financial instruments | - | - | - | - |
| Temporary operations on securities | - | - | - | - |
| Debts | - | - | - | - |
| Financial accounts | - | - | - | - |
| Off-balance sheet | | | | |
| Hedging operations | - | - | - | - |
| Other operations | - | - | - | - |

3.5 Receivables and Debts: breakdown by type

Details of the elements comprising the "other receivables" and "other debts" items, notably breakdown of the future currency exchange operations by type of operation (purchase/sale).

| | | |
|--|--|------------|
| Receivables | | |
| Future currency exchange operations | | - |
| Future purchases of currency | | - |
| Total negotiated amount of future currency sales | | - |
| Other receivables: | | |
| Suspense accounts | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| Other operations | | - |
| Debts | | 296 919,50 |
| Future currency exchange operations | | - |
| Future sales of currency | | - |
| Total negotiated amount of future currency purchases | | - |
| Other debts: | | |
| Provisioned costs | | 296 919,50 |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| Other operations | | - |

3.6 Shareholders equity

| Number of units issued/redeemed during the fiscal year: | Subscriptions | | Redemptions | |
|---|-----------------|----------------|-----------------|---------------|
| | Number of units | Amount | Number of units | Amount |
| Unit A | 4 211 070 | 143 576 468,70 | 2 155 500 | 77 149 950,00 |
| Unit B | 8 426 600 | 25 672 392,61 | 8 760 000 | 32 274 473,55 |
| Subscription / redemption commission by share category: | | Amount | | Amount |
| Unit A | | - | | - |
| Unit B | | - | | - |
| Remittances by share category: | | Amount | | Amount |
| Unit A | | - | | - |
| Unit B | | - | | - |
| Commissions acquired by the UCITS by share category: | | Amount | | Amount |
| Unit A | | - | | - |
| Unit B | | - | | - |

3.7 Management fees

| | |
|--|---------------|
| Operating and management fees (fixed fees) as % of the average net assets: | % |
| Share category: | |
| Unit A | 0,65 |
| Unit B | 0,65 |
| Performance commissions (variable fees): amount of costs for the year | Amount |
| Share category: | |
| Unit A | - |
| Unit B | - |
| Retrocession of management fees: | |
| - Total amount of fees retroceded to the UCITS | - |
| - Breakdown by "target" UCITS | |
| - UCITS 1 | - |
| - UCITS 2 | - |
| - UCITS 3 | - |
| - UCITS 4 | - |

3.8 Commitments given and received

3.8.1 Description of guarantees received by the UCITS with indication of the capital guarantees .. **None**

3.8.2 Description of the other commitments received and/or given.....**None**

3.9 Other information

| | | |
|-------|---|---------------|
| 3.9.1 | Current value of the financial instruments that are the subject of temporary acquisition: | |
| | - Financial instruments sold under forward repurchase agreements | - |
| | - Other temporary operations..... | - |
| 3.9.2 | Current value of the financial instruments comprising security deposits: | |
| | Financial instruments received as guarantees and not included in the balance sheet: | |
| | - equities | - |
| | - bonds | - |
| | - debt instruments | - |
| | - other financial instruments..... | - |
| | Financial estimates given as guarantees and maintained in their original item: | |
| | - equities | - |
| | - bonds | - |
| | - debt instruments | - |
| | - other financial instruments..... | - |
| 3.9.3 | Financial instruments held in the portfolio, issued by entities linked to the management company (fund) or to the financial managers (MF) and UCITS managed by these entities | |
| | - UCITS securities | - |
| | - Swap..... | 16 514 841,92 |

3.10 Allocation of the earnings table (in the UCITS' currency of account)

Advances paid during the fiscal year

| Date | Unit category | Overall amount | Unit amount | Total tax credits | Unit tax credits |
|-----------------------|---------------|----------------|-------------|-------------------|------------------|
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| Total advances | | - | - | - | - |

| | 31.03.2008 | 30.03.2007 |
|-----------------------------------|----------------------|---------------------|
| Allocation of the profit/loss | EUR | EUR |
| Sums still to be allocated | | |
| Carried forward | - | - |
| Adjustment of carried forward | - | - |
| Earnings | 13 037 755,03 | 8 769 289,54 |
| Total | 13 037 755,03 | 8 769 289,54 |

LYXOR ETF MSCI AC ASIA-PACIFIC EX-JAPAN

| Unit category: Unit A | 31.03.2008 | 30.03.2007 |
|--|----------------------|---------------------|
| Currency | EUR | EUR |
| Allocation | | |
| Distribution | 3 111 119,20 | 2 485 000,00 |
| Carried forward for the fiscal year | - | - |
| Capitalisation | 7 261 039,99 | 3 657 083,70 |
| Total | 10 372 159,19 | 6 142 083,70 |
| Information relative to the units resulting in a distribution right | | |
| Number of circulating units | 5 555 570 | 3 500 000 |
| Distribution per unit | 0,56 | 0,71 |
| Tax credits | - | - |

| Unit category: Unit B | 31.03.2008 | 30.03.2007 |
|--|---------------------|---------------------|
| Currency | EUR | EUR |
| Allocation | | |
| Distribution | 725 366,55 | 983 569,74 |
| Carried forward for the fiscal year | - | - |
| Capitalisation | 1 940 229,29 | 1 643 636,10 |
| Total | 2 665 595,84 | 2 627 205,84 |
| Information relative to the units resulting in a distribution right | | |
| Number of circulating units | 14 266 600 | 14 600 000 |
| Distribution per unit | 0,05 | 0,07 |
| Tax credits | - | - |

3.11 Table of the earnings and other characteristic elements of the MF during the last 5 fiscal years

UCITS creation date: Units A: 26 April 2006. Units B: 28 September 2006.

| | | |
|--|--|----------------|
| UCITS currency | | |
| EUR | 31.03.2008 | 30.03.2007 |
| Net assets | 207 119 205,72 | 154 239 848,49 |
| Unit category: Unit A / Isin: FR0010312124 | Currency of the unit and of the net asset value: EUR | |
| | 31.03.2008 | 30.03.2007 |
| Number of circulating units | 5 555 570,00 | 3 500 000,00 |
| Net asset value | 29,66 | 31,09 |
| Unit distribution (including advances)* | 0,56 | 0,71 |
| Unit tax credit transferred to unit holders (natural persons)⁽¹⁾ | - | - |
| Unit capitalization * | 1,30 | 1,04 |

* The amounts of the unit distribution, the unit capitalisation and the tax credits are indicated in the accounting currency of the UCITS.

(1) Pursuant to the Fiscal Instruction of 4 March 1993 from the General Tax Department, the unit tax credit will be determined on the day of the dividend's detachment by distribution of the total amount of the fiscal tax credits between the securities in circulation on that date.

| | | |
|--|--|---------------|
| Unit category: Unit B / Isin: FR0010372185 | Currency of the unit and of the net asset value: USD | |
| | 31.03.2008 | 30.03.2007 |
| Number of circulating units | 14 266 600,00 | 14 600 000,00 |
| Net asset value | 4,67 | 4,14 |
| Unit distribution (including advances)* | ** 0,05 | ***0,07 |
| Unit tax credit transferred to unit holders (natural persons)⁽¹⁾ | - | - |
| Unit capitalization * | 0,13 | -0,12 |

* The amounts of the unit distribution, the unit capitalisation and the tax credits are indicated in the accounting currency of the UCITS.

(1) Pursuant to the Fiscal Instruction of 4 March 1993 from the General Tax Department, the unit tax credit will be determined on the day of the dividend's detachment by distribution of the total amount of the fiscal tax credits between the securities in circulation on that date.

** The amount of the unit dividend stems from the conversion of the dividend paid in USD of USD 0.08, and converted into euros with the WM Reuters EUR/USD fixing on 6 June 2008 at 1.57345.

*** The amount of the unit dividend stems from the conversion of the dividend paid in USD of USD 0.09, and converted into euros with the WM Reuters EUR/USD fixing on 8 June 2007 at 1.33595.

4. UCITS inventory

appendix

Fonds : LYXOR ETF MSCI ASIA PACIFIC EX-JAPAN

Date : 31/03/2008

| Security code | Name | Quantity | Stock market value | Listing currency | % Assets |
|--------------------------------------|-------------------------------|---------------|--------------------|------------------|----------|
| LYXOR ETF MSCI ASIA PACIFIC EX-JAPAN | | | | | |
| Cash | | | | | |
| OTHER | | | | | |
| PLUSEUR00 | PALETTI SWAPHorsPTF | 1 957 809.15 | 1 957 809.15 | EUR | 0.95 |
| SWPEUR00 | Swp treat pos EUR GD | 14 547 032.77 | 14 547 032.77 | EUR | 7.02 |
| Total OTHER | | | 16 514 841.92 | | 7.97 |
| MANAGEMENT FEES | | | | | |
| FXEURUR | PComGestAdm | -206 916.50 | -206 916.50 | EUR | -0.14 |
| Total MANAGEMENT FEES | | | -206 916.50 | | -0.14 |
| Total Cash | | | 16 217 922.42 | | 7.83 |
| Investment Securities | | | | | |
| Equity | | | | | |
| FR0000120271 | TOTAL | 181 422.00 | 8 510 506.02 | EUR | 4.11 |
| FR0000131104 | BNP PARIBAS | 20 095.00 | 1 235 926.55 | EUR | 0.63 |
| DE0005140068 | DEUTSCHE BANK | 215 915.00 | 15 627 927.70 | EUR | 7.54 |
| CH0012731458 | CIE FINANCIERE RICHEMONT UNIT | 25 204.00 | 888 440.90 | CHF | 0.43 |
| DE0006562004 | DEUTSCHE POST | 350 290.00 | 7 022 052.10 | EUR | 3.39 |
| DE0007656005 | VOLKSWAGEN | 69 068.00 | 12 677 431.40 | EUR | 6.12 |
| FR0000120644 | DANONE | 63 383.00 | 3 551 909.79 | EUR | 1.72 |
| FR0000133308 | FRANCE TELECOM | 374 236.00 | 8 012 392.76 | EUR | 3.87 |
| DE0007100000 | DAMLERCHRYSLER N | 235 996.00 | 12 961 065.08 | EUR | 6.26 |
| FR0000120172 | CARREFOUR | 66 756.00 | 3 187 850.88 | EUR | 1.54 |
| DE0005752000 | BAYER | 159 590.00 | 8 113 047.20 | EUR | 3.92 |
| DE0007164500 | SAP | 206 875.00 | 9 399 052.50 | EUR | 4.54 |
| FR0000190529 | SUEZ | 191 265.00 | 7 821 643.65 | EUR | 3.78 |
| FR0010245311 | EDF | 65 692.00 | 3 593 373.60 | EUR | 1.74 |
| IT0003497168 | TELECOM ITALIA | 180 226.00 | 238 258.77 | EUR | 0.12 |
| DE0002296101 | SIEMENS | 107 213.00 | 7 384 831.44 | EUR | 3.57 |
| BE0003801184 | FORTIS | 650 535.00 | 10 427 509.30 | EUR | 5.04 |
| LU00313400P | ARCELMITTAL A (PARIS) | 116 554.00 | 5 979 220.20 | EUR | 2.89 |
| NL0000286223 | STMICROELECTRONICS | 830 232.00 | 5 504 438.16 | EUR | 2.66 |
| DE0005557508 | DEUTSCHE TELEKOM | 438 590.00 | 4 712 404.90 | EUR | 2.28 |
| DE0008404005 | ALLIANZ N | 64 206.00 | 8 093 808.36 | EUR | 3.91 |
| FI0009000681 | NOKIA | 538 398.00 | 10 805 647.66 | EUR | 5.22 |

| Security code | Name | Quantity | Stock market value | Listing currency | % Assets |
|---|--------------------|--------------|--------------------|------------------|----------|
| IT0004231566 | BANCO POPOLARE SPA | 626 984.00 | 7 231 633.46 | EUR | 3.49 |
| DE0007614406 | E.ON | 2 445.00 | 289 292.40 | EUR | 0.14 |
| CH0012221716 | ABE N | 31 411.00 | 537 943.70 | CHF | 0.26 |
| IT0000664654 | UNICREDIT SPA | 1 694 563.00 | 7 252 729.64 | EUR | 3.50 |
| IT0003125967 | ENEL | 1 516 950.00 | 10 187 836.20 | EUR | 4.92 |
| IT0003132476 | ENI | 363 642.00 | 7 625 900.94 | EUR | 3.68 |
| NL0000303600 | ING GROEP CVA | 82 961.00 | 1 961 198.04 | EUR | 0.95 |
| Total Equities | | | 150 901 283.30 | | 92.17 |
| Total Investment Securities | | | 150 901 283.30 | | 92.17 |
| Total LYXOR ETF MSCI ASIA PACIFIC EX-JAPAN | | | 207 119 205.72 | | 100.00 |

The following notes relate to the marketing of the fund in Hong-Kong

4. Transactions with Manager and its connected persons

4.1. Investment transactions with connected persons of the Manager

The following note is a summary of the transactions entered into during the year between the Fund and the Manager and its connected persons.

Connected persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong. All such transactions were entered into in the ordinary course of business and on normal commercial terms.

Investment transactions with connected persons of the Manager:

| Name of company | Aggregate value of purchases and sales of securities | % of the Fund's total transactions | % of the Fund's total commission paid in the year | Average rate of commission |
|----------------------------------|--|---------------------------------------|---|-------------------------------|
| EUR | | | | |
| F Period ended March 31, 2008 | | | | |
| Société Générale | 3 635 422 258.80 | 100% | 0 | 0 |

4.2. Fees on investment transactions with connected persons of the Manager

The Fund utilises the brokerage, custodian, agency and banking services of Société Générale, connected persons of the Manager.

There are no Investment transaction fees paid by the fund to Lyxor International Asset Management and to Société Générale.

5. Soft commission arrangements

The Manager is not aware of any agreements with third parties involving soft commissions and based on investment transactions.

6. Constituent stocks of the basket which represent more than 10 percent at year-end date

As at year-end, none of the constituent stocks represents more than 10 percent of the portfolio.

7. Performance of the fund vs performance of the Index

The LYXOR ETF MSCI ASIA AC PACIFIC EX-JAPAN is 4.60 % down for shares A (EUR) from 30/03/2007 to 31/03/2008 and is 12.80 % up for shares B (USD) from 30/03/2007 to 31/03/2008 on the relevant (fiscal) Year.

On the period from 30/03/2007 to 31/03/2008, the MSCI AC Asia Excluding Japan Index (USD) returned a performance equal to +12.85%.

Note: Since the index and the fund are not valued in the same currency, the performance of share A (in EUR) is shifted accordingly.