

EXCHANGE TRADED FUNDS BY

LYXOR

SOCIETE GENERALE GROUP

LYXOR ETF MSCI KOREA* (*This is a synthetic ETF)

AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS

Fiscal year ending on 31 May 2011

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Investment company	LYXOR INTERNATIONAL ASSET MANAGEMENT 17, cours Valmy - 92800 Puteaux.
Depository and Custodian	SOCIÉTÉ GÉNÉRALE Tour Granite – 75886 Paris Cedex 18.
Underwriters	SOCIÉTÉ GÉNÉRALE Tour Granite – 75886 Paris Cedex 18.
Statutory auditors	PRICEWATERHOUSE COOPERS AUDIT 63, rue de Villiers - 92208 Neuilly-sur-Seine Cedex.

INFORMATION ON THE INVESTMENTS AND MANAGEMENT

Classification: International equities.

The MF is index-based.

Allocation of the earnings: The management company reserves the right to capitalise and/or distribute all or part of the revenues each year. Posting according to the collected coupons method.

Management objective: The MF's management objective is to obtain an exposure to the South Korean equities market by reproducing the evolution of the MSCI KOREA™ index, while insofar as possible minimizing the tracking error between the MF's performances and those of the MSCI KOREA™ index.

The tracking error objective, calculated over a period of 52 weeks, is less than 1%.

Should the tracking error nevertheless be higher than 1%, the objective is still to remain below 5% of the volatility of the MSCI KOREA™ index.

Benchmark indicator: The benchmark indicator is the MSCI KOREA™ index, listed in South Korean Won (KWR), Price Return, increased by the dividends possibly collected by the MF pursuant to the holding of the shares comprising the index.

The MSCI KOREA™ index is an equity index calculated and published by the supplier of international indices MSCI.

The MSCI KOREA™ index consists exclusively of securities from South Korea and retains the fundamental characteristics of the MSCI indices, i.e.: adjustment of the stock market capitalization of the securities in the index on the basis of the float, and sector classification according to the GICS (Global Industry Classification Standard) classification.

The objective of the MSCI KOREATM index is to represent 85% of the capitalization that is adjusted on the basis of the float, for each group of industries in the South Korean market.

By targeting 85% of the representativeness of each industry group, the MSCI KOREATM index measures 85% of the market capitalization of the South Korean market, while also reflecting the market's economic diversity.

The MSCI methodology and its calculation method entail the index being made up of a variable number of companies.

The complete construction methodology for the MSCI Standard indices is available on the MSCI web site <http://www.mscibarra.com>.

The monitored performance is that of the index closing prices.

Investment strategy:

1. Strategy employed

In order to provide the greatest possible correlation with the performance of the MSCI KOREATM index, the MF will purchase a basket of international shares and, up to a limit of 10% of its assets, a forward exchange contract negotiated over-the-counter involving shares and indices so as to transform the exposure to the shares that are the MF's assets into an exposure to the MSCI KOREATM index.

The shares held as assets by the MF will notably be shares that make up the MSCI KOREATM index, as well as other European shares, from all economic sectors, listed on all markets, including the small capitalisation markets.

The shares held as assets by the MF will be chosen in order to limit the costs associated with the replication of the index and in order to obtain a development of the basket of shares close to that of the MSCI KOREATM index.

The MF will therefore be at least 75% invested on one or more equity markets in one or more countries of the Euro zone and exposed to the MSCI KOREATM index.

As part of the management of the basket of shares, the MF benefits from the exceptional ratios of the index-based UCITS: it can use up to 20% of its assets to acquire shares from a single issuing entity. This 20% limit can be increased to 35% for a single issuing entity.

In the present case, the manager intends to primarily use the following assets:

2. Balance sheet assets (excluding integrated derivatives)

The MF manages, in compliance with the ratios contained in the regulation, shares from countries of the European Community (from all economic sectors, listed on all markets), for up to 100% of the net assets.

For up to 10% of its net assets, the fund can invest in the assets of UCITS that comply with Directive 85/611/ECC UCITS as amended according to Directives 2001/107/EC and 2001/108/EC.

As part of a future optimisation of the MF's management, the manager reserves the right to use other instruments within the limits of the regulations in order to achieve the management objective.

The MF can invest in undertakings for collective investment in transferable securities that comply with Directive 85/611/EC as amended by Directives 2001/107/EC and 2001/108/EC (UCITS Directive) and in other undertakings for collective investment within the meaning of article 19(1)(e) of the UCITS Directive up to a limit of 10% of the net assets.

3. Off-balance sheet assets (derivative instruments)

Up to the limit of 10% of its net assets, the MF will have recourse to equity-linked swaps negotiated over-the-counter, exchanging the value of the securities held as assets by the MF (or of any other financial instrument held as assets by the MF, where appropriate) against the value of the MSCI KOREATM index.

As part of a future optimisation of the MF management, the manager reserves the right to use other instruments within the limits of the regulations, such as to reach the management objective, for example including forward financial instruments other than equity-linked swaps.

This contract can be negotiated with the Société Générale, without open competition involving several counterparties. In order to limit the risk that such instruments might not be carried out under the best conditions, the Société Générale has accepted to include the MF in the "professional customer" category, which is more protective than the "eligible counterparty" category. When there is no open competition between several counterparties, the manager also requires the Société Générale to contractually commit to undertaking all reasonable measures in order to obtain, when placing orders, the best possible result for the MF, in compliance with article L. 533-18 of the [French] Monetary and Financial Code.

4. Securities with integrated derivatives

None.

As part of a future optimisation of the MF management, the manager reserves the right to use other instruments within the limits of the regulations in order to reach the management objective, for example including debt securities with integrated derivatives.

5. Deposits

Up to a maximum of 20% of its net assets, the MF can have recourse to deposits with lending institutions belonging to the same group as the depositary in order to optimise its cash management.

6. Cash borrowing

Up to a maximum of 10% of its net assets, the MF can turn to borrowing, notably in order to optimise its cash management.

7. Temporary stock acquisition and sale operations

None.

As part of a future optimisation of the MF's management, the manager reserves the right to use other instruments within the limits of the regulations in order to achieve the management objective, including for example:

- reverse repurchase agreements in exchange for cash, governed by articles R.214-16 et seq. of the [French] Monetary and Financial Code, up to 100% of the net assets;
- repurchase agreements in exchange for cash, governed by articles R.214-16 et seq. of the [French] Monetary and Financial Code, up to 100% of the net assets;
- lending and borrowing of securities, up to 100% of the net assets.

Any temporary acquisitions or sales of securities that are carried out, and any lending and borrowing of securities, will be all performed according to market conditions.

Risk profile: The bearer's money will primarily be invested in financial instruments selected by the management company. These instruments will be subject to the vagaries of the markets.

Through the MF, the bearer is primarily exposed to the following risks:

1. 100% to the market risks related to the fluctuations of the MSCI KOREA™. The bearer is therefore notably exposed to downward movements of the MSCI KOREA™ index. The MF therefore has a high risk profile.
2. The risk that the MF's management objective might only be partially reached.

Nothing guarantees that the MF's management objective will be reached. Indeed, no asset or financial instrument will allow an automatic and continuous replication of the MSCI KOREA™ index; any re-weighting of the MSCI KOREA™ index may result in miscellaneous transaction or friction costs. Similarly, the MF will not be able to perfectly reproduce the performance of the MSCI KOREA™

index notably because of the temporary unavailability of certain securities comprising the index or due to exceptional circumstances that might result in distortions in the weighting of the index, and notably in case of temporary suspension or interruption of the listing of the securities comprising the MSCI KOREATM index.

3. Risk of loss of the invested capital, since the initially invested capital is not guaranteed. Though the MF's management objective is to replicate the performance of the MSCI KOREATM index, there is a risk that the capital could be lost. The performance of the MSCI KOREATM index can be negative.

4. Counterparty risk: The MF will be exposed to the counterparty risk resulting from its use of forward financial instruments obtained through a lending institution. The MF is therefore exposed to the risk that this lending institution might be unable to honour its commitments relative to these instruments. The counterparty risk arising from the use of forward financial instruments is limited at all times to 10% of the MF's net assets per counterparty.

5. Risk related to the countries of the MF's investment or exposure: The MF's investments in the South Korean market and its exposure to this market could result in a greater risk of potential loss than would be the case with investments or exposure within developed markets, notably because of greater market volatility, the lower negotiation volume of the assets in question, possible economic and/or political instability, risks of the market's closing or of government restrictions on foreign investment, risk of interruption or limitation of currency convertibility or transferability by South Korea or the adoption of a moratorium on payments with regard to exchange operations and, more generally, due to operating and surveillance conditions within the markets that could differ from the standards that prevail on the major international marketplaces.

Units A (only):

6. EUR/KRW exchange risk since the value of the unit is calculated in EUR and the index replicated by the MF is expressed in South Korean Won (KWR). As such, the value of the unit could change from one day to the other due to fluctuations of the EUR/KRW exchange rate, even though the MSCI KOREATM index remains unchanged over the same period. The bearer is therefore notably exposed to the risk of upward movements of the Euro against the South Korean Won.

Units B and E (only):

7. USD/KRW exchange risk since the value of the unit is calculated in USD and the index replicated by the MF is expressed in South Korean Won (KWR). As such, the value of the unit could change from one day to the other due to fluctuations of the USD/KRW exchange rate, even though the MSCI KOREATM index remains unchanged over the same period. The bearer is therefore notably exposed to the risk of upward movements of the USD against the South Korean Won.

Subscribers concerned and typical investor profile: The MF is open to any subscriber.

An investor subscribing to this MF wishes to obtain an exposure to the South Korean equities market.

The amount that it is reasonable to invest in this MF depends on each investor's personal situation.

To determine this amount, the investor must take into account his/her personal wealth and/or estate, cash requirements at the present and for five years, but also his/her desire to take risks or, on the contrary, to prefer a cautious investment. It is also highly recommended to sufficiently diversify one's investments so as to avoid an exposure only to this MF's risks.

Investors are therefore recommended to study their individual situations with their usual estate management advisers.

The minimum recommended investment duration is greater than 5 years.

	A units	B units	E units
Listing currency	Euro	US dollar	US dollar

Tax system: According to the bearer's tax system, possible capital gains and earnings linked to the holding of the MF's units may be subject to taxation. We recommend that all bearers seek information in this regard from the MF marketer.

Units A (only):

The MF's A units are eligible for a PEA (stock savings plan).

The MF can serve as the support for a life insurance contract denominated in account units.

For more details, the complete prospectus can be obtained by requesting it from the management company.

- *The net asset value is available from the head office of Lyxor International Asset Management. The UCITS' complete prospectus and the latest annual and periodic documents are sent within one week of the bearer's written request, submitted to Lyxor International Asset Management, 17, cours Valmy - 92800 Puteaux - France.*
- *Approval date by the AMF (Financial Markets Authority): 1 September 2006.*
- *MF creation date: Units A: 26 September 2006
Units B: 14 November 2006.
Units E: 5 August 2008.*

Management policy

Data as of 31 May 2011

EXCHANGE TRADED FUNDS BY
LYXOR
SOCIÉTÉ GÉNÉRALE GROUP

Lyxor ETF MSCI KOREA
MANAGEMENT REPORT from 31 May 2010 to 31 May 2011

AMF classification: International equities

Value code unit A (EUR): FR0010361691
Value code unit B (USD): FR0010375774
Value code unit E (USD): FR0010581447

Minimum investment duration		Over 5 years
Original net asset value Unit A	:	31.54
Original net asset value Unit B	:	4.16
Original net asset value Unit E	:	41.48
Net asset value Unit A on	31 May 2010:	31.75
Net asset value Unit B on	31 May 2010:	3.89
Net asset value Unit E on	31 May 2010:	38.95
Net asset value Unit A on	31 May 2011:	39.61
Net asset value Unit B on	31 May 2011:	5.69
Net asset value Unit E on	31 May 2011:	56.92
Performance since the start of the year Unit A	:	0.46%
Performance since the start of the year Unit B	:	8.17%
Performance since the start of the year Unit E	:	8.07%
Performance since the launch Unit A	:	25.59%
Performance since the launch Unit B	:	36.78%
Performance since the launch Unit E	:	37.22%
Performance Unit A since	31 May 2010:	24.76%
Performance Unit B since	31 May 2010:	46.27%
Performance Unit E since	31 May 2010:	46.14%

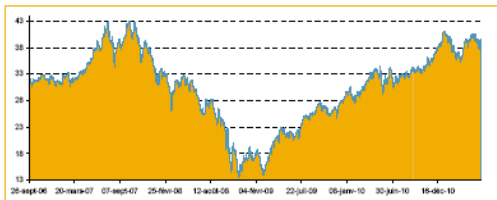
Management objective

The MF's management objective is to obtain an exposure to the South Korean equities market by reproducing the evolution of the MSCI KOREATM index, while insofar as possible minimizing the tracking error between the MF's performances and those of the MSCI KOREATM index.
The tracking error objective, calculated over a period of 52 weeks, is less than 1%. Should the tracking error nevertheless be higher than 1%, the objective is still to remain below 5% of the volatility of the MSCI KOREATM index.

Particular events

None

Fluctuation of the net asset value since inception



Explanation of the Net Asset Value

The net asset value of the unit A of the LYXOR ETF MSCI KOREA MF is up by 24.76% over the fiscal year and stands at EUR 39.61 on 31 May 2011, meaning a MF performance of +25.59% since its launch date.

The net asset value of unit B is up by 46.27% over the fiscal year and stands at USD 5.69 on 31 May 2011, meaning a MF performance of 36.78% since its launch date.

The net asset value of unit E is up by 46.14% over the fiscal year and stands at USD 56.92 on 31 May 2011, meaning a MF performance of 37.22% since its launch date.

The fund replicates the performance of the MSCI KOREATM index, listed in South Korean Won (KWR) consisting exclusively of South Korean securities, which is showing an evolution of +30.90% over the year. As the units are not valued in the index currency, the evolution of their net asset value is subject to an exchange risk. Over the year, the KWR has decreased by -4.43% against the EUR and increased by 10.60% against the USD.

Following the summary index-based management method, the replication of the index is provided via an index-linked swap. This forward swap contract negotiated over-the-counter and involving shares and indices serves to transform the exposure to the basket of international shares that comprise the MF's assets into an exposure to the MSCI KOREATM Index.

On 31 May 2011, the tracking error reached a level of 0.4933109%.

In compliance with the UCITS prospectus, as proposed by the investment advisor, the manager traded future financial instruments directly with the Société Générale, without carrying out an open competition between several counterparties.

Management policy (continuation and end)

Evolution of the basket since inception

	Performance	Closing price on	Initial price on
Unit A		31 May 2011	26 September 2006
higher			
MSCI KOREA	62.05%	611.07	377.08
Unit B			
	Performance	Closing price on	Initial price on
		31 May 2011	14 November 2006
higher			
MSCI KOREA	55.13%	611.07	393.90
Unit E			
	Performance	Closing price on	Initial price on
		31 May 2011	4 August 2008
Higher			
MSCI KOREA	44.53%	611.07	422.79

Regulatory information

Transfer commission (*not audited by the auditor*)

None.

Provisions for providing the investors with the various documents and reports relative to the management company's voting policy and its implementation.

The "voting policy" document, the report from the management company on the conditions whereby it exercised the voting rights of the UCITS that it manages and the information relative to the vote on each resolution can, pursuant to article 322-75, 322-76 and 322-77 of the AMF [Financial Markets Authority] General Regulations, be consulted either on the management company's website or at its head office (upon request).

In compliance with article 314-82 of the AMF General Regulations, the report relative to the intermediation expenses is available on our Internet site at the address: www.lyxor.fr

Auditor's report

PriceWaterhouseCoopers

**AUDITOR'S REPORT
ON THE ANNUAL ACCOUNTS
Fiscal year ending on 31 May 2011**

PriceWaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
Tel.: 01 56 57 58 59
Fax: 01 56 57 58 60

LYXOR ETF MSCI KOREA

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 ending on 31 May 2011 concerning:

- the verification of the annual accounts of the mutual fund LYXOR ETF MSCI KOREA, 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 apply the procedures necessary to obtain reasonable assurance that the annual financial statements do not include any significant misstatements. An audit involves verifying, by sampling and other selection methods, the elements underlying the amounts and information contained in the annual financial statements. It also involves assessing the implemented accounting principles, the significant estimates that have been used, and assessing the overall presentation of the financial statements. We feel that the collected evidence is sufficient and appropriate for the basis of our opinion.

We certify that, in accordance with French accounting rules and principles, the annual financial statements 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 company'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, 9 September 2011

The auditor

PricewaterhouseCoopers Audit

(signature)

Marie-Christine Jetil

ANNUAL ACCOUNTS

BALANCE SHEET assets

	31.05.2011	31.05.2010
Currency	EUR	EUR
Net fixed assets	-	-
Deposits	-	-
Financial instruments	224 912 784,05	214 765 280,26
• SHARES AND SIMILAR SECURITIES		
Negotiated on a regulated or similar market	224 603 272,82	199 563 748,99
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 under reverse repurchase		
agreements	-	-
Receivables representing loaned securities	-	-
Securities borrowed	-	-
Securities under repurchase agreements		
Other temporary operations	-	-
• FUTURE FINANCIAL INSTRUMENTS	309 511,23	15 201 531,27
Operations on a regulated or similar market		
Other operations	-	-
• OTHER FINANCIAL INSTRUMENTS	11 716 721,69	10 536 603,13
	-	-
Liabilities	11 716 721,69	10 536 603,13
Future foreign currency operations		
Other	-	8 397 982,55
	-	8 397 982,55
Financial accounts		
Liquidities		
Total assets	236 629 505,74	233 699 865,94

BALANCE SHEET liabilities

	31.05.2011	31.05.2010
Currency	EUR	EUR
Shareholders' equity		
• Capital	226 112 190,75	215 862 993,06
• Carried forward	-	-
• Adjustment of carried forward	-	-
• Result	-1 326 749,17	-1 213 737,11
Total shareholders' equity <i>(amount representing the net assets)</i>	224 785 441,58	214 649 255,95
Financial instruments	-	-
• OPERATIONS INVOLVING THE SALE OF FINANCIAL INSTRUMENTS	-	-
• TEMPORARY OPERATIONS INVOLVING SECURITIES		
Debts representing securities under repurchase agreements	-	-
Debts representing borrowed securities	-	-
Other temporary operations	-	-
• FUTURE FINANCIAL OPERATIONS		
Operations on a regulated or similar exchange market	-	-
Other operations	-	-
Debts	11 844 063,39	19 050 609,99
Future foreign exchange operations	-	-
Other	11 844 063,39	19 050 609,99
Financial accounts	0,77	-
Current bank accommodations	0,77	-
Loans	-	-
Total liabilities	236 629 505,74	233 699 865,94

Off-balance sheet commitments

	31.05.2011	31.05.2010
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	178 101 927,47	213 590 903,15
- Contracts for Differences (CFD)	-	-
• Other commitments		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-

Profit and loss account

	31.05.2011	31.05.2010
Currency	EUR	EUR
Earnings on financial operations		
• Earnings on deposits and financial accounts	-	-
• Earnings on shares and similar securities	-	-
• Earnings on bonds and similar securities	-	-
• Earnings on debt instruments	-	-
• Earnings on temporary acquisitions and sales of securities	-	-
• Earnings on future financial instruments	-	-
• Other financial earnings	-	-
Total (I)	-	-
Charges on financial operations		
• Charges on temporary acquisitions and sales of securities	-	-
• Charges on future financial instruments	-	-
• Charges on financial debts	-	-
• Other financial charges	-	-
Total (II)	-	-
Earnings on financial operations (I - II)	-	-
Other earnings (III)	-	-
Management fees and depreciation expenses (IV)	-1 386 529,58	-897 173,98
Net earnings of the fiscal year (L.214-9) (I - II + III - IV)	-1 386 529,58	-897 173,98
Adjustment of the fiscal year's earnings (V)	59 780,41	-316 563,13
Advances paid for the fiscal year (VI)	-	-
Earnings (I - II + III - IV +/- V - VI):	-1 326 749,17	-1 213 737,11

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 of 3 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 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 linear distribution, 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 current 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 current 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 of the net asset value. Conditional future financial instruments negotiated on organised markets are assessed at the market value on the day of the net asset value. 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 assessed on the basis of a market price given by the financial instrument's counterparty.

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

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 market 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 market value, under the management company's responsibility.

The exchange rates 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 the day of the MF's net asset value.

Posting method for the trading 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.

Valuation methods for off-balance sheet commitments

Off-balance sheet operations are valued at the commitment value.

The commitment value for firm futures contracts is equal to the price (in the currency of the UCITS) multiplied by the number of contracts multiplied by the face value.

The commitment value for conditional operations is equal to the price of the underlying security (in the currency of the UCITS) multiplied by the number of contracts multiplied by the delta multiplied by the underlying face value.

The commitment value for the swap contracts is equal to the contract's nominal amount (in the currency of the UCITS).

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 transaction commissions	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 MF.

Accounting currency

The UCITS' accounting is carried out in EUR.

Indication of accountancy changes declared to each of the bearers individually

- Occurred change: None.

- Future change: None.

Indication of other changes declared to each of the bearers individually *(Not certified by the auditor)*

- 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.

LYXOR ETF MSCI KOREA (the "Fund") is in no way sponsored, endorsed, sold or promoted by Dow Jones & Company, Inc. ("Dow Jones"), or by any Dow Jones subsidiary, or by any of the entities involved in the establishment of the Dow Jones indices. The Dow Jones indices are the exclusive property of Dow Jones, nor by any of the entities involved in the establishment of the Dow Jones indices [sic.]. The Dow Jones indices and indices are Dow Jones trademarks, nor by any of the entities involved in the establishment of the Dow Jones indices [sic.]. The indices or of its subsidiaries and have been the subject of a licence granted, for certain requirements, to Lyxor Asset Management. Neither Dow Jones, nor any Dow Jones subsidiary, nor any of the entities involved in the establishment and calculation of the Dow Jones indices makes any declaration or issues any express or implicit guarantee relative to bearers of the Fund's units or more generally to the public, with regard to the timeliness of a transaction involving mutual fund units in general or the Fund's units in particular, or regarding the ability of any Dow Jones index to replicate the performance of the overall equity market. Dow Jones or its subsidiaries are the owners of certain names, registered trademarks and of the Dow Jones indices that are determined, composed and calculated by Dow Jones without discussion with Lyxor International Asset Management or the Fund. Neither Dow Jones, nor any Dow Jones subsidiary, nor any of the entities involved in the establishment of the Dow Jones indices is required to take into consideration the needs of Lyxor International Asset Management or of the bearers of the Fund's units when determining, composing or calculating the Dow Jones indices. Neither Dow Jones, nor any Dow Jones subsidiary, nor any of the entities involved in the establishment of the Dow Jones indices makes any decision regarding the launch date, the price, the quantity of the Fund's units, or even the determination and calculation of the formula used to establish the Fund's net asset value. Neither Dow Jones, nor any Dow Jones subsidiary, nor any of the entities involved in the establishment of the Dow Jones indices assumes any liability or obligation with regard to the administration, management or marketing of the Fund.

THOUGH DOW JONES OBTAINS INFORMATION FOR INTEGRATION OR USE IN THE CALCULATION OF THE INDICES FROM SOURCES THAT DOW JONES CONSIDERS TO BE RELIABLE, NEITHER DOW JONES NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE DOW JONES INDICES GUARANTEES THE ACCURACY AND/OR EXHAUSTIVE NATURE OF THE INDICES OR OF ANY INCLUDED DATA. NEITHER DOW JONES NOR ANY OTHER PARTY INVOLVED IN THE CREATION OF A CALCULATION FOR THE DOW JONES INDICES GIVES ANY EXPRESS OR IMPLICIT GUARANTEE REGARDING THE RESULTS THAT MAY BE OBTAINED BY THE HOLDER OF A DOW JONES LICENCE, THE CUSTOMERS OF THE SAID LICENSEE AS WELL AS THE COUNTERPARTS, BEARERS OF THE FUND'S UNITS 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 DOW JONES NOR ANY OTHER PARTY GIVES EXPRESS OR IMPLICIT GUARANTEES AND DOW JONES REJECTS ALL GUARANTEES REGARDING THE COMMERCIAL VALUE OR ADEQUACY FOR SPECIFIC USAGE OF THE INDICES OR INCLUDED DATA. NOTWITHSTANDING THE ABOVE, UNDER NO CIRCUMSTANCES MAY DOW JONES OR ANY OTHER PARTY BE HELD LIABLE 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

	31.05.2011	31.05.2010
Currency	EUR	EUR
Net assets at the start of the fiscal year	214 649 255,95	84 248 788,39
Subscriptions (including subscription commission acquired by the UCITS)	11 895 285,30	110 284 100,33
Redemptions (less the redemption commission acquired by the UCITS)	-48 496 425,66	-29 070 568,32
Capital gains generated on deposits and financial instruments	48 231 783,36	38 722 138,03
Capital losses generated on deposits and financial instruments	-26 793 750,25	-37 705 339,18
Capital gains generated on future financial instruments	329 357 844,49	271 801 482,76
Capital losses generated on future financial instruments	-299 748 376,54	-224 602 067,93
Trading fees	-	-
Exchange differentials	1 178 682,77	3 331 906,01
Changes to the estimate difference of the deposits and financial instruments:		
- <i>Estimate difference fiscal year N</i>	-2 336 501,00	-4 395 628,00
- <i>Estimate difference fiscal year N-1</i>	-6 010 449,55	-3 673 948,55
	-3 673 948,55	721 679,45
Changes to the estimate difference of future financial instruments:		
- <i>Estimate difference fiscal year N</i>	-1 765 827,26	2 931 617,84
- <i>Estimate difference fiscal year N-1</i>	309 511,23	2 075 338,49
	2 075 338,49	-856 279,35
Distribution from the previous fiscal year	-	-
Net earnings of the fiscal year before adjustment account	-1 386 529,58	-897 173,98
Advance(s) paid during the fiscal year	-	-
Other elements	-	-
Net assets at the end of the fiscal year	224 785 441,58	214 649 255,95

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 by instrument type

	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 "Debt securities" 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	-	-
Negotiable medium-term notes ("BMTN")	-	-
Other instruments	-	-

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

	Securities under reverse repurchase agreements sold	Securities borrowed sold	Securities acquired with redemption right sold	Short sales
Equities	-	-	-	-
Bonds	-	-	-	-
Debt securities	-	-	-	-
Other instruments	-	-	-	-

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	-	-	-	178 101 927,47
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	-	-	-	0,77
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	0,77	-	-	-	-
Off-balance sheet					
Hedging operations	-	-	-	-	-
Other operations	-	-	-	-	178 101 927,47

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	JPY	SEK	AUD	Other currencies
Assets				
Deposits	-	-	-	-
Equities and similar securities	24 908 670,45	2 610 749,70	1 096 973,17	554 934,39
Bonds and similar securities	-	-	-	-
Debt instruments	-	-	-	-
MF shares	-	-	-	-
Temporary operations on securities	-	-	-	-
Forward financial instruments on the asset side	-	-	-	-
Receivables	-	-	-	-
Financial accounts	-	-	-	-
Liabilities				
Sale operations on financial instruments	-	-	-	-
Temporary operations on securities	-	-	-	-
Forward financial instruments on the liability side	-	-	-	-
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	11 716 721,69
Future currency exchange operations	
Future purchases of currency	-
Total negotiated amount of future currency sales	-
Other receivables:	
Deferred settlement sales	11 716 721,69
-	-
-	-
-	-
-	-
Other operations	-
Debts	11 844 063,39
Future currency exchange operations	
Future sales of currency	-
Total negotiated amount of future currency purchases	-
Other debts:	
Deferred settlement purchases	11 716 721,69
Provisioned costs	127 341,70
-	-
-	-
-	-
Other operations	-

3.6 Shareholders' equity

Category of units issued/redeemed during the fiscal year:	Subscriptions		Redemptions	
	Number of units	Amount	Number of units	Amount
UNIT A / FR0010361691	230 000	7 233 275,00	795 000	26 176 026,00
UNIT B / FR0010375774	2 000	6 336,97	6 500 000	22 320 399,66
UNIT E / FR0010581447	130 000	4 655 673,33	-	-
Subscription / redemption commission by share category:		Amount		Amount
UNIT A / FR0010361691		-		-
UNIT B / FR0010375774		-		-
UNIT E / FR0010581447		-		-
Retrocessions by share category:		Amount		Amount
UNIT A / FR0010361691		-		-
UNIT B / FR0010375774		-		-
UNIT E / FR0010581447		-		-
Commissions acquired by the UCITS by share category:		Amount		Amount
UNIT A / FR0010361691		-		-
UNIT B / FR0010375774		-		-
UNIT E / FR0010581447		-		-

3.7 Management fees

Operating and management fees (fixed fees) as % of the average net assets:	%
Share category:	
UNIT A / FR0010361691	0,65
UNIT B / FR0010375774	0,65
UNIT E / FR0010581447	0,65
Performance commissions (variable fees): amount of costs for the year	Amount
Share category:	
UNIT A / FR0010361691	-
UNIT B / FR0010375774	-
UNIT E / FR0010581447	-
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 under reverse 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 instruments 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

- Swap	309 511,23
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3.10 Allocation of the earnings table (in the UCITS' currency of account)

Advances paid during the fiscal year

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

LYXOR ETF MSCI KOREA* (*This is a synthetic ETF)

	31.05.2011	31.05.2010
Allocation of the profit/loss	EUR	EUR
Sums still to be allocated		
Carried forward	-	-
Adjustment of carried forward	-	-
Earnings	-1 326 749,17	-1 213 737,11
Total	-1 326 749,17	-1 213 737,11

UNIT A / FR0010361691	31.05.2011	31.05.2010
Currency	EUR	EUR
Allocation		
Distribution	-	-
Carried forward for the fiscal year	-	-
Capitalisation	-994 660,39	-865 444,00
Total	-994 660,39	-865 444,00
Information relative to the units giving rise to a distribution right		
	4 255 000,00	4 820 000,00
Number of units	-	-
Distribution per unit	-	-
Tax credits	-	-

LYXOR ETF MSCI KOREA* (*This is a synthetic ETF)

UNIT B / FR0010375774	31.05.2011	31.05.2010
Currency	EUR	EUR
Allocation		
Distribution	-	-
Carried forward for the fiscal year	-	-
Capitalisation	-240 952,89	-301 625,66
Total	-240 952,89	-301 625,66
Information relative to the units giving rise to a distribution right		
	10 316 215,00	16 814 215,00
Number of units	-	-
Distribution per unit		
Tax credits	-	-

UNIT E / FR0010581447	31.05.2011	31.05.2010
Currency	EUR	EUR
Allocation		
Distribution	-	-
Carried forward for the fiscal year	-	-
Capitalisation	-91 135,89	-46 667,45
Total	-91 135,89	-46 667,45
Information relative to the units giving rise to a distribution right		
	390 000,00	260 000,00
Number of units	-	-
Distribution per unit		
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 September 2006; Units B: 14 November 2006; Units E: 5 August 2008.

UCITS currency

EUR	31.05.2011	31.05.2010	29.05.2009	30.05.2008	31.05.2007
Net assets	224 785 441,58	214 649 255,95	84 248 788,39	87 931 470,05	101 159 627,55

UNIT A / FR0010361691

Currency of the unit and of the NAV: EUR

	31.05.2011	31.05.2010	29.05.2009	30.05.2008	31.05.2007
Number of outstanding units	4 255 000,00	4 820 000,00	2 089 679,00	1 349 679,00	1 600 000,00
Net asset value	39,6053	31,75	21,44	31,62	35,74
Unit distribution (including advances)*	-	-	-	-	-
Unit tax credit transferred to unit holders (natural persons)⁽¹⁾	-	-	-	-	-
Unit capitalization *	-0,23	-0,17	-0,13	3,72	1,48

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

(1) Fiscal year closed; 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 outstanding on that date.

UNIT B / FR0010375774

Currency of the unit and of the NAV: USD

	31.05.2011	31.05.2010	29.05.2009	30.05.2008	31.05.2007
Number of outstanding units	10 316 215,00	16 814 215,00	17 314 215,00	14 314 215,00	12 300 000,00
Net asset value	5,6889	3,89	3,03	4,90	4,80
Unit distribution (including advances)*	-	-	-	-	-
Unit tax credit transferred to unit holders (natural persons)⁽¹⁾	-	-	-	-	-
Unit capitalization *	-0,02	-0,01	-0,01	0,37	0,15

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

(1) Fiscal year closed; 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 outstanding on that date.

LYXOR ETF MSCI KOREA* (*This is a synthetic ETF)

UNIT E / FR0010581447		Currency of the unit and of the NAV: USD			
	31.05.2011	31.05.2010	29.05.2009	30.05.2008	31.05.2007
Number of outstanding units	390 000,00	260 000,00	110 000,00	-	-
Net asset value	56,9169	38,95	30,33	-	-
Unit distribution (including advances)*	-	-	-	-	-
Unit tax credit transferred to unit holders (natural persons) ⁽¹⁾	-	-	-	-	-
Unit capitalization *	-0,23	-0,17	-0,10	-	-

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

(1) Fiscal year closed; 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 outstanding on that date.

4. UCITS inventory

appendix

Security code	Name of the security	Security status	Quantity	Market value	Listing currency	% Net Assets
LYXOR ETF MSCI KOREA						
<i>Investment Securities</i>						
<i>Equity</i>						
AU000000WPL2	WOODSIDE PETROLEUM	OWN SPECIFIC	31 740.00	1 096 973.17	AUD	0.49
BE000793107	AINEUEXER-BUSH INBEV	OWN SPECIFIC	120 744.00	5 061 588.48	EUR	2.25
CH0045039655	CIE FIN RICHIE-MONT	OWN SPECIFIC	12 238.00	554 934.39	CHF	0.25
DE0007037129	RWE AG	OWN SPECIFIC	220 291.00	8 928 394.23	EUR	3.97
DE0005200000	BEIERSDORF	OWN SPECIFIC	65 657.00	3 023 176.57	EUR	1.35
DE0005190003	BEIERSDORF MOTORENWERKE	OWN SPECIFIC	108 258.00	6 532 741.84	EUR	2.91
DE0007100000	DAMLER	OWN SPECIFIC	373 765.00	18 353 730.33	EUR	8.17
DE0007236101	SIEMENS AG-NOM	OWN SPECIFIC	221 984.00	20 642 652.00	EUR	9.18
DE0008430026	MUECHENER RUECKVERSICHERUNGS AG-NOM	OWN SPECIFIC	85 685.00	9 134 021.00	EUR	4.06
GB00B03MLX29	ROYAL DUTCH SHELL PLC-A	OWN SPECIFIC	69 452.00	1 720 326.04	EUR	0.77
FR0000120578	SANOFI	OWN SPECIFIC	58 873.00	3 239 192.46	EUR	1.44
FR0009000681	NOKIA OYJ	OWN SPECIFIC	1 572 689.00	7 470 272.75	EUR	3.32
ES0173516115	REPSOL YPF SA	OWN SPECIFIC	670 685.00	15 883 715.20	EUR	7.07
ES011390L037	BANCO SANTANDER SA	OWN SPECIFIC	566 727.00	4 600 791.93	EUR	2.05
ES0113211835	BANCO BILBAO VIZCAYA ARGENTA	OWN SPECIFIC	1 112 663.00	9 029 260.25	EUR	4.02
DE0007UAG000	TUI	OWN SPECIFIC	2 305.00	17 743.89	EUR	0.01
DE000BA01077	BAYER AG	OWN SPECIFIC	184 429.00	10 503 231.55	EUR	4.67
DE000BAS1F11	BASF SE	OWN SPECIFIC	132 063.00	9 771 568.38	EUR	4.35
JP3680400001	MITSUBISHI CORPORATION	OWN SPECIFIC	360 105.00	6 342 428.11	JPY	2.82
JP3630800003	BRIDGESTONE CORP	OWN SPECIFIC	65 944.00	1 042 315.25	JPY	0.46
JP3802400006	FANUC LTD	OWN SPECIFIC	13 767.00	1 472 291.69	JPY	0.66
JP3787000003	HITACHI CONSTRUCTION MACHINERY	OWN SPECIFIC	42 227.00	620 078.20	JPY	0.28
JP3754300006	NIPPON PAPER GROUP INC	OWN SPECIFIC	37 408.00	550 274.97	JPY	0.25
JP3676000007	NISSIN STEEL CO LTD	OWN SPECIFIC	306 869.00	409 892.27	JPY	0.18
JP3544000007	TEIJIN LTD	OWN SPECIFIC	22 260.00	71 283.48	JPY	0.03
JP3538800008	TDK CORPORATION	OWN SPECIFIC	257 671.00	9 442 813.72	JPY	4.20
JP3496400007	KDDI CORP	OWN SPECIFIC	160.00	797 324.44	JPY	0.36
SE0000566765	TELIASONERA AB	OWN SPECIFIC	128 581.00	695 427.34	SEK	0.31
SE0000193120	SVENSKA HANDELSBANKEN A	OWN SPECIFIC	19 058.00	444 934.69	SEK	0.20
SE0000163628	ELEKTRA AB B	OWN SPECIFIC	1 004.00	30 319.15	SEK	0.01
SE0000146894	SEB A	OWN SPECIFIC	231 450.00	1 440 088.52	SEK	0.64
NL0000959603	WOLTERS KLUWER CVA	OWN SPECIFIC	11 897.00	186 842.39	EUR	0.08
NL0000303660	ING GROEP NV-CVA	OWN SPECIFIC	1 593 882.00	13 348 434.08	EUR	5.94
NL0000006536	ROYAL PHILIPS ELECTRONICS NV	OWN SPECIFIC	467 186.00	9 005 010.15	EUR	4.01
NL0000009165	HEINEKEN NV	OWN SPECIFIC	201 219.00	8 414 978.58	EUR	3.74

LYXOR ETF MSCI KOREA* (*This is a synthetic ETF)

Security code	Name of the security	Security status	Quantity	Market value	Listing currency	% Net Assets
NL0000090082	KONINK LIJKE KPN NV	OWN SPECIFIC	1 080 618.00	11 027 706.69	EUR	4.91
JP5942400007	ASTELAS PHARMA INC	OWN SPECIFIC	93 212.00	2 474 147.75	JPY	1.10
JP5940000007	YAMATO HOLDINGS	OWN SPECIFIC	8 527.00	50 241.61	JPY	0.04
JP5450000006	DANIPPON SUMITOMO PHARMA	OWN SPECIFIC	16 741.00	109 739.58	JPY	0.05
JP3449000001	TAIHEYO CEMENT CORP	OWN SPECIFIC	40 931.00	53 621.12	JPY	0.02
JP3351600006	SHISEIDO CO LTD	OWN SPECIFIC	103 944.00	1 240 664.37	JPY	0.55
JP3180400008	OSAKA GAS CO LTD	OWN SPECIFIC	77 655.00	191 493.49	JPY	0.09
IT0004644743	FIAT INDUSTRIAL SPA	OWN SPECIFIC	4 739.00	43 314.46	EUR	0.02
IT0003826473	PARMALAT SPA	OWN SPECIFIC	329 161.00	848 577.06	EUR	0.38
IT0003497168	TELECOM ITALIA SPA	OWN SPECIFIC	213 109.00	210 018.92	EUR	0.09
IT0003126367	ENEL SPA	OWN SPECIFIC	278 473.00	1 329 430.10	EUR	0.59
DE0008404005	ALLIANZ SE-NOM	OWN SPECIFIC	100 049.00	9 622 712.82	EUR	4.28
DE0007162000	K & S AG	OWN SPECIFIC	135 161.00	7 482 512.96	EUR	3.33
Total Equities				224 603 272.82		99.92
Total Investment Securities				224 603 272.82		99.92
Interest rate swap						
SWAP0062372	OTHER 0.00000	OWN SPECIFIC	5 676 503.00	309 511.23	EUR	0.14
Total Interest rate swap				309 511.23		0.14
Cash						
AT BANK OR PENDING						
	Def. purchases EUR securities	OWN SPECIFIC		-11 716 721.69	EUR	-5.21
	Def. sales EUR securities	OWN SPECIFIC		11 716 721.69	EUR	5.21
	EUR 357 bank	OWN SPECIFIC		-0.77	EUR	
Total AT BANK OR PENDING				-0.77		
MANAGEMENT FEES						
	PtComGestAdm	OWN SPECIFIC		-127 341.70	EUR	-0.06
Total MANAGEMENT FEES				-127 341.70		-0.06
Total Cash				-127 342.47		-0.06
Total LYXOR ETF MSCI KOREA				224 785 441.58		100.00

APPENDIX TO THE REPORT
intended for Swiss subscribers

This appendix makes the annual report compliant with the FINMA requirements for the marketing in Switzerland. **It has not been certified by the auditors.**

Country of origin of the Fund

France

Representative of the Swiss Fund

Société Générale (Zurich) has been authorised by the Federal Banking Commission as the Fund's representative in Switzerland, and is also in charge of the payment service.

The Fund's prospectus, articles of association, annual and semi-annual reports, as well as a list of the purchases and sales carried out by the Fund during the fiscal year, can be requested at no charge from the head office of the representative in Switzerland, Société Générale Paris, Zurich Branch, Talacker 50, P. O. Box 1928, 8021 Zürich.

Calculation of the Total Expense Ratio and of the PTR

Annual closing of the fund: 31/05/2011

UCITS management commission: 0.65% tax included

Average assets of the Fund for

the period (from 01/06/10 to 31/05/11): 213 016 922.87

Extract from the profit and loss account

Expenses in thousands of euros	Annual report	Half-yearly report	Annual report
	01/06/2010	30/11/2010	31/05/2011
UCITS management commission	897 173.98	662 999.56	1 386 529.58
Remuneration depending on the performance	0.00	0.00	0.00
Custodian bank commission	0.00	0.00	0.00
Other charges	0.00	0.00	0.00
Taxes	0.00	0.00	0.00
Total operating expenses	897 173.98	662 999.56	1 386 529.58

$$(1386529.58/213016922.87)*100$$

TER including bonus depending on the performance

TER **0.65** %

Calculation of the PTR (Portfolio Turnover Rate) from 01/06/10 to 31/05/11:

PTR **1 390.74** %

Purchases and sales of securities	3 022 908 128.33
Issues and redemptions of fund units	60 391 710.96
Average net assets	213 016 922.87

Performance of the fund

The details of the performance of the Fund's units calculated in compliance with the principles of the Swiss Fund Association are given below:

	Annual performance from 31/05/2010 to 31/05/2011	Performance since inception on 31/05/2011
LYXOR ETF MSCI KOREA		
Unit A (EUR)	+24.76%	+25.59%
Unit B (USD)	+46.27%	+36.78%
Unit E (USD)	+46.14%	+37.22%
MSCI KOREA™ (KRW)		
Unit A (EUR)	+30.90%	+62.05%
Unit B (USD)	+30.90%	+55.13%
Unit E (USD)	+30.90%	+44.53%

Past performances are no indicator of future performances. The performances indicated here do not take into account the impact of possible subscription and redemption commissions and costs of Fund units.

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				
From May 31, 2010 to May 31, 2011				
Société Générale	3 022 908 128.33	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 KOREA is 24.76% up for shares A (EUR) from 31/05/2010 to 31/05/2011, is 46.27% up for shares B (USD) from 31/05/2010 to 31/05/2011 and is 46.14% up for shares E (USD) from 31/05/2010 to 31/05/2011 on the relevant (fiscal) period.

On the period from 31/05/2010 to 31/05/2011, the MSCI KOREA™ INDEX returned a performance equal to +30.90%.

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