



KBL KEY FUND

**Half-yearly report
(Unaudited)
as at 30 June 2010**

Variable Capital Investment Fund Luxembourg

R.C.S. Luxembourg B 63 616

No subscription can be received on the basis of this financial report. Subscriptions are only valid if made on the basis of the current complete prospectus, the simplified prospectus supplemented by the subscription form, the latest annual report and the most recent half-yearly report, if published thereafter.

Organisation	2
General information	5
Consolidated statement of net assets	7
Consolidated statement of operations and other changes in net assets	8
KBL Key Fund - Far East	9
Statement of net assets	9
Statement of operations and other changes in net assets	10
Statistical information	11
Statement of investments and other net assets	12
Industrial and geographical classification of investments	13
KBL Key Fund - Europe	14
Statement of net assets	14
Statement of operations and other changes in net assets	15
Statistical information	16
Statement of investments and other net assets	17
Industrial and geographical classification of investments	18
KBL Key Fund - European Small Companies	19
Statement of net assets	19
Statement of operations and other changes in net assets	20
Statistical information	21
Statement of investments and other net assets	22
Industrial and geographical classification of investments	23
KBL Key Fund - Eastern Europe	24
Statement of net assets	24
Statement of operations and other changes in net assets	25
Statistical information	26
Statement of investments and other net assets	27
Industrial and geographical classification of investments	28
KBL Key Fund - Major Emerging Markets	29
Statement of net assets	29
Statement of operations and other changes in net assets	30
Statistical information	31
Statement of investments and other net assets	32
Industrial and geographical classification of investments	33
KBL Key Fund - Natural Resources Equities	34
Statement of net assets	34
Statement of operations and other changes in net assets	35
Statistical information	36
Statement of investments and other net assets	37
Industrial and geographical classification of investments	38
KBL Key Fund - North America	39
Statement of net assets	39
Statement of operations and other changes in net assets	40
Statistical information	41
Statement of investments and other net assets	42
Industrial and geographical classification of investments	43
Notes to the financial statements	44

KBL Key Fund

Organisation

Registered office

11, rue Aldringen
L-1118 LUXEMBOURG

Board of Directors

Chairman

Jean-Paul LOOS

Administrateur-Directeur
KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Directors

Serge D'ORAZIO

Sous-Directeur
KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Rafik FISCHER

Directeur
KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Management Company

KREDIETRUST LUXEMBOURG S.A.
11, rue Aldringen
L-2960 LUXEMBOURG

Board of Directors of the Management Company

Chairman

Jean-Paul LOOS

Directors

Rafik FISCHER
Olivier de JAMBLINNE de MEUX

Managing Director

Franck SARRE

Conducting officers of the Management Company

Wouter GESQUIERE
Franck SARRE

KBL Key Fund

Organisation (continued)

Custodian bank

KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Domiciliary, administrative, registrar and transfer agent

KREDIETRUST LUXEMBOURG S.A.
11, rue Aldringen
L-2960 LUXEMBOURG

Réviseur d'entreprises agréé

DELOITTE S.A.
560, rue de Neudorf
L-2220 LUXEMBOURG

Central correspondent in France

CM-CIC SECURITIES S.A.
6, avenue de Provence
F-75009 PARIS

Representative and paying agent in Switzerland

KBL (SWITZERLAND) LTD
7, boulevard Georges Favon
CH-1211 GENEVA 11

Representative and paying agent in the Netherlands

THEODOOR GILISSEN BANKIERS N.V.
Nieuwe Doelenstraat 12-14, CP 1012, Postbus 567
NL-1000 AN AMSTERDAM

Representative and paying agent in the Grand Duchy of Luxembourg

KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Information and paying agent in Germany

MERCK FINCK & CO, PRIVATBANKIERS
16 Pacellistrasse
D-80333 MUNICH

Financial services in Belgium

PUILAETCO DEWAAY PRIVATE BANKERS S.A.
46, avenue Herrmann Debroux
B-1160 AUDERGHEM

KBL Key Fund

General information

KBL Key Fund (hereinafter the "Sicav") is a Luxembourg variable capital investment company (Sicav), incorporated in accordance with the legislation of the Grand Duchy of Luxembourg on undertakings for collective investment under Part I of the amended Law of 20 December 2002, whose investment policy makes provision for the net assets to be invested in other undertakings for collective investment in transferable securities (UCITS).

KBL Key Fund was originally constituted in 1990 as an investment fund by KB LUX KEY FUND MANAGEMENT S.A. ("Management Company"). On 13 March 1998 the shareholders of the investment fund, pursuant to Article 110 (2) of the amended Law of 30 March 1988 on undertakings for collective investment, decided to transform the collective investment fund into a variable capital investment company (Sicav).

Its Articles of Association were filed with the Registrar of the Luxembourg Municipal Court on 27 March 1998 and were published in the *Mémorial, Recueil des Sociétés et Associations* on 27 April 1998.

The complete and simplified prospectus, annual reports and unaudited half-yearly reports, as well as the list of the purchases and sales effected by the Sicav are available at the Sicav's registered office, at the office of the representative and paying agents in the different countries of distribution of the Sicav, at the office of the information and paying agent in Germany and at the office of the financial services of the Sicav in Belgium.

Notices of general meetings and other notices are published in accordance with Luxembourg law in *Luxemburger Wort*.

The subscription and redemption price are held at the registered office of the Sicav.

Additional information for investors in Switzerland :

Supplementary information for Swiss investors concerning the SFA guidelines of 7 June 2005 on the transparency with regard to management fee :

We received from the Sicav's Board of Directors the description of the following inducements included in the distribution and the sub-agency agreements signed by the two exclusive distributors and their sub-agents :

- "Loyalty commission" paid to the distribution sub-agents, out of the management fee received by the Management Company, proportional to the average amount invested and held in the Sicav by these sub-agents;
- "Trading commission" paid to the distribution sub-agents, subsidiaries of KBL EUROPEAN PRIVATE BANKERS S.A., out of the income generated by the transactions transmitted to the KBL EUROPEAN PRIVATE BANKERS S.A. Trading Room, pro rata to the amounts held in the Sicav by the related party sub-agents.

Additional information for investors in Germany :

1. The paying and information agent in the Federal Republic of Germany is MERCK FINCK & CO, PRIVATBANKIERS, 16 Pacellistrasse, D-80333 MUNICH.
2. Redemptions to Shareholders will be in the currency of the sub-funds. Redemption and conversion orders for shares may be submitted to the German Paying Agent. Redemption and conversion orders, if they are addressed to the Sicav or the Paying Agent in Germany, must arrive no later than 5.00 p.m. Luxembourg time on the Transaction Day preceding the Valuation Day. Both the simplified and the complete Prospectus, the Articles of Incorporation of the Sicav, the half-yearly and audited annual reports, as well as the subscription, conversion and redemption prices may be obtained by Shareholders free of charge at MERCK FINCK & CO, PRIVATBANKIERS. In addition, the Custodian and Paying Agent Agreements with KBL EUROPEAN PRIVATE BANKERS S.A., LUXEMBOURG, the Domiciliary Agreement, the Administrative Agent Agreement, the Registrar & Transfer Agent Agreement with KREDIETRUST LUXEMBOURG S.A. and the Investment Management Agreement with KREDIETRUST LUXEMBOURG S.A. may be inspected there.
3. All payments by the Sicav to Shareholders in the Federal Republic of Germany (proceeds of redemptions, any distributions and other payments) may be transferred via the Paying Agent MERCK FINCK & CO, PRIVATBANKIERS. Publication in the Federal Republic of Germany of subscription and redemption prices and any other important information to Shareholders will be in the "*Handelsblatt*".
4. KBL Key Fund intends to fulfil its obligations to provide information which is included in the requirements for taxation of Shareholders subject to taxation in the Federal Republic of Germany pursuant to Section 5 of the German Investment Tax Act (InvStG) but assumes no liability for doing so. The Prospectus does not provide any information on the German taxation of Shareholders in respect of shares in KBL Key Fund. It should, however, be noted that distributions by the Sicav, income allocated for tax purposes but not distributed (including profits) in the Sicav, and the proceeds from the sale, conversion or redemption of shares and from the assignment of claims arising from the shares and equivalent cases are subject in the Federal Republic of Germany to taxation at the legally prescribed rates and may also be subject to a deduction of tax (investment income tax plus solidarity surcharge). Moreover, any other (German or non-German) taxation must be observed.

Investors are recommended to contact their tax advisor in respect of taxation details relating to shares in KBL Key Fund.

Information on the right of withdrawal pursuant to § 126 of the Investment Law (InvG) (only applies to clients domiciled in Germany) :

If the shares are purchased through oral negotiation away from the permanent business premises of the person who is selling the shares or who has arranged the sale, the buyer may cancel his purchase within a period of two weeks by writing to the investment company (right of withdrawal); the same applies when the person who is selling the shares or who has arranged the sale, has no permanent business premises. If it is distance selling within the meaning of § 312b of the Civil Code (Bürgerlichen Gesetzbuch), there is no right of withdrawal for the purchase of financial services, the price of which is subject to financial market fluctuations (§ 312d Abs. 4 Nr. 6 BGB). To meet the deadline it is enough to send the notice of cancellation in due time. The cancellation should be made in writing to KBL Key Fund specifying the person cancelling and signed by the same; no reason need be given.

The withdrawal period shall begin to run, when the copy of the application is presented to the buyer on signature of the contract or a statement of purchase is sent to him containing an explanation of the right of withdrawal like the present one.

If the beginning of the withdrawal period is debatable, the burden of proof shall lie with the seller.

There is no right of withdrawal if the seller can prove that, either the buyer has purchased the shares in the framework of his business or that he sought out the buyer for the negotiations, which led to the sale of the shares, on the basis of a preceding order pursuant to § 55 Abs. 1 of the Industrial Code.

If the purchase is cancelled and the buyer has already made payment, then the investment company must refund the buyer, if necessary step by step against retrocession of the purchased shares, the sum paid and a further sum corresponding to the value of the paid up shares on the day after notification of the cancellation.

The right of withdrawal may not be waived.

KBL Key Fund

Consolidated statement of net assets (in EUR)

as at 30 June 2010

Assets

Securities portfolio at market value	360,603,003.58
Cash at banks	785,800.54
Receivable on sales of securities	5,692,362.78
Receivable on issues of shares	438,771.36
Income receivable on portfolio	12,155.08
Other income receivable	470,354.13
Other receivables	6,185.34
Prepaid expenses	134,979.31
Total assets	368,143,612.12

Liabilities

Bank liabilities	7,283,465.21
Payable on redemptions of shares	795,119.86
Unrealised loss on forward foreign exchange contracts	12,743.41
Interest on bank liabilities and expenses payable	1,174,701.66
Other liabilities	5,564.27
Total liabilities	9,271,594.41
Net assets at the end of the period	358,872,017.71

The accompanying notes are an integral part of these financial statements.

KBL Key Fund

Consolidated statement of operations and other changes in net assets (in EUR)

from 1 January 2010 to 30 June 2010

Income

Dividends, net	271,858.12
Interest on bank accounts	21.37
Commissions received	868,001.42
Other income	4,149.73
Total income	1,144,030.64

Expenses

Management fees	2,341,821.01
Custodian fees	96,969.61
Banking charges and other fees	9,430.44
Transaction fees	1.62
Central administration costs	282,661.75
Audit fees	36,114.73
Other administration costs	173,473.50
Subscription duty ("taxe d'abonnement")	48,854.97
Other taxes	865.21
Interest paid on bank liabilities	23,563.17
Other expenses	9,680.85
Total expenses	3,023,436.86

Net investment income	-1,879,406.22
-----------------------	---------------

Net realised gain/(loss)

- on securities portfolio	27,436,723.81
- on forward foreign exchange contracts	-1,024,736.56
- on foreign exchange	-74,326.32
Realised result	24,458,254.71

Net variation of the unrealised gain/(loss)

- on securities portfolio	-34,239,808.47
- on forward foreign exchange contracts	171,618.59
Result of operations	-9,609,935.17

Subscriptions	43,702,102.27
---------------	---------------

Redemptions	-95,955,930.80
-------------	----------------

Total changes in net assets	-61,863,763.70
-----------------------------	----------------

Total net assets at the beginning of the period	391,117,416.64
---	----------------

Revaluation difference	29,618,364.77
------------------------	---------------

Total net assets at the end of the period	358,872,017.71
---	----------------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Far East

Statement of net assets (in USD)

as at 30 June 2010

Assets

Securities portfolio at market value	14,485,024.93
Other income receivable	19,123.55
Prepaid expenses	4,964.20
Total assets	14,509,112.68

Liabilities

Bank liabilities	73,702.82
Payable on redemptions of shares	12,205.17
Interest on bank liabilities and expenses payable	40,815.11
Total liabilities	126,723.10

Net assets at the end of the period	14,382,389.58
-------------------------------------	---------------

Number of shares outstanding	10,456.546
Net asset value per share	1,375.44

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Far East

Statement of operations and other changes in net assets (in USD)

from 1 January 2010 to 30 June 2010

Income

Dividends, net	6,850.31
Commissions received	42,362.01
Total income	49,212.32

Expenses

Management fees	96,714.07
Custodian fees	3,914.72
Banking charges and other fees	470.63
Central administration costs	22,452.04
Audit fees	1,416.11
Other administration costs	14,181.44
Subscription duty ("taxe d'abonnement")	1,645.98
Other taxes	211.72
Interest paid on bank liabilities	475.57
Other expenses	863.29
Total expenses	142,345.57

Net investment income	-93,133.25
-----------------------	------------

Net realised gain/(loss)

- on securities portfolio	268,371.99
- on foreign exchange	-1,287.42
Realised result	173,951.32

Net variation of the unrealised gain/(loss)

- on securities portfolio	-1,180,681.28
---------------------------	---------------

Result of operations	-1,006,729.96
----------------------	---------------

Subscriptions	257,020.30
---------------	------------

Redemptions	-2,233,535.73
-------------	---------------

Total changes in net assets	-2,983,245.39
-----------------------------	---------------

Total net assets at the beginning of the period	17,365,634.97
---	---------------

Total net assets at the end of the period	14,382,389.58
---	---------------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Far East

Statistical information (in USD)

as at 30 June 2010

Total net assets

- as at 30.06.2010	14,382,389.58
- as at 31.12.2009	17,365,634.97
- as at 31.12.2008	12,749,141.72

Portfolio Turnover Rate (in %)

(subscriptions and redemptions are netted by NAV calculation)

- as at 30.06.2010	75.71
--------------------	-------

Number of shares

- outstanding at the beginning of the period	11,864.919
- issued	181.627
- redeemed	-1,590.000
- outstanding at the end of the period	10,456.546

Net asset value per share

- as at 30.06.2010	1,375.44
- as at 31.12.2009	1,463.61
- as at 31.12.2008	902.21

Synthetic TER per share (in %)

- as at 30.06.2010	3.24
--------------------	------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Far East

Statement of investments and other net assets (in USD)

as at 30 June 2010

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Investments in securities</u>					
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
GBP	31,800	Aberdeen GI SICAV Asian Smaller Co Fd D2 Cap	501,936.56	912,659.78	6.35
USD	67,000	Asia Pacific Performance SICAV D USD Cap	2,272,286.63	2,155,390.00	14.99
USD	26,600	F Templeton Inv Fds Asian Growth Fd A Cap	727,285.98	735,490.00	5.11
USD	225,000	Fidelity Fds South East Asia A USD Dist	1,258,609.35	1,238,850.00	8.61
USD	18,000	Invesco Fds Asia Opportunities Equity A Cap	1,559,913.03	1,419,300.00	9.87
USD	304,000	Invesco Fds Ser Asian Equity Fd A	1,025,348.03	1,419,680.00	9.87
USD	6,565	Legg Mason Global Fds Plc Batterymarch Asia Pac Eq A Dist	1,605,233.92	1,194,239.15	8.30
USD	62,300	Occam Umbrella Fund Plc Asia Focus B USD Cap	728,879.66	699,006.00	4.86
USD	103,000	Schroder Intl Select Fd SICAV Emerging Asia C Cap	2,307,441.31	2,237,160.00	15.55
USD	325,000	Traditional Fds Plc Emerging Asia B Cap USD	1,586,411.48	2,473,250.00	17.20
			13,071,409.39	13,572,365.15	94.36
Total investments in securities			13,573,345.95	14,485,024.93	100.71
Bank liabilities				-73,702.82	-0.51
Other net assets/(liabilities)				-28,932.53	-0.20
Total				14,382,389.58	100.00

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Far East

Industrial and geographical classification of investments

as at 30 June 2010

Industrial classification

(in percentage of net assets)

Investment funds	100.71 %
Total	<u>100.71 %</u>

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Grand Duchy of Luxembourg	60.48 %
Ireland	40.23 %
Total	<u>100.71 %</u>

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Europe

Statement of net assets (in EUR)

as at 30 June 2010

Assets

Securities portfolio at market value	65,746,611.52
Receivable on sales of securities	5,692,362.78
Receivable on issues of shares	78,909.89
Other income receivable	94,932.37
Prepaid expenses	27,458.38
	<hr/>
Total assets	71,640,274.94

Liabilities

Bank liabilities	7,123,507.99
Payable on redemptions of shares	196,576.95
Interest on bank liabilities and expenses payable	228,226.43
Other liabilities	5,564.27
	<hr/>
Total liabilities	7,553,875.64

Net assets at the end of the period	64,086,399.30
-------------------------------------	---------------

Number of shares outstanding	99,791.390
Net asset value per share	642.20

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Europe

Statement of operations and other changes in net assets (in EUR)

from 1 January 2010 to 30 June 2010

Income

Dividends, net	122,631.95
Commissions received	163,748.70
Total income	286,380.65

Expenses

Management fees	454,747.47
Custodian fees	18,941.83
Banking charges and other fees	3,864.67
Central administration costs	52,191.96
Audit fees	7,079.35
Other administration costs	33,821.61
Subscription duty ("taxe d'abonnement")	13,389.27
Other taxes	12.09
Interest paid on bank liabilities	5,070.38
Other expenses	1,678.00
Total expenses	590,796.63

Net investment income	-304,415.98
-----------------------	-------------

Net realised gain/(loss)

- on securities portfolio	4,232,929.03
Realised result	3,928,513.05

Net variation of the unrealised gain/(loss)

- on securities portfolio	-3,436,340.76
Result of operations	492,172.29

Subscriptions	6,978,644.13
---------------	--------------

Redemptions	-29,661,329.08
-------------	----------------

Total changes in net assets	-22,190,512.66
-----------------------------	----------------

Total net assets at the beginning of the period	86,276,911.96
---	---------------

Total net assets at the end of the period	64,086,399.30
---	---------------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Europe

Statistical information (in EUR)

as at 30 June 2010

Total net assets

- as at 30.06.2010	64,086,399.30
- as at 31.12.2009	86,276,911.96
- as at 31.12.2008	91,284,260.16

Portfolio Turnover Rate (in %)

(subscriptions and redemptions are netted by NAV calculation)

- as at 30.06.2010	192.92
--------------------	--------

Number of shares

- outstanding at the beginning of the period	133,958.074
- issued	10,408.626
- redeemed	-44,575.310
- outstanding at the end of the period	99,791.390

Net asset value per share

- as at 30.06.2010	642.20
- as at 31.12.2009	644.06
- as at 31.12.2008	518.80

Synthetic TER per share (in %)

- as at 30.06.2010	2.76
--------------------	------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Europe

Statement of investments and other net assets (in EUR)

as at 30 June 2010

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Investments in securities</u>					
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
EUR	250,570	Alexandre C Cap	2,460,818.02	2,450,574.60	3.82
EUR	181,000	Comgest Growth Plc Europe Fd	1,473,472.96	1,820,860.00	2.84
EUR	170,500	Degroof Equities SICAV Europe Behavioral Value A	3,527,135.32	4,596,680.00	7.17
EUR	26,000	Entrepreneurs FCP C Cap	7,982,660.76	7,269,600.00	11.34
EUR	210,000	Fidelity Fds European Aggressive A	3,615,122.25	2,234,400.00	3.49
EUR	385,550	Invesco Fds Pan European Structured Equity Fd C Cap	3,687,499.18	3,323,441.00	5.19
EUR	520,000	Jupiter Global Fd (The) European Absolute Return L B Cap	5,215,850.00	5,122,000.00	7.99
EUR	550,000	Jupiter Global Fd (The) European Growth L Cap	7,414,250.00	7,133,500.00	11.13
EUR	31,300	Marshall Wace UCITS Fds Plc Eur Opportunities A EUR Cap	3,269,828.82	3,117,480.00	4.86
EUR	40,000	Metzler Intl Invest Plc Euro Small Cap A Dist	4,283,564.84	4,450,800.00	6.95
EUR	2,108,000	Montanaro European Smaller Co Plc Eur Smaller Co Fd Dist	4,143,860.14	5,459,720.00	8.52
EUR	29,000	Norden Cap	2,949,082.07	2,955,970.00	4.61
EUR	11,240	OFI Cible FCP I	3,867,580.59	3,625,686.80	5.66
EUR	30,320	Tocqueville Value Eur FCP	2,887,823.87	3,523,790.40	5.50
EUR	28,900	York Lion Merger Arbitrage Liquidity Fd UI A EUR Dist	2,913,659.00	2,882,197.00	4.50
			59,692,207.82	59,966,699.80	93.57
NOK	42,458	Pareto Verdi Units Dist	5,674,064.92	5,779,911.72	9.02
Total investments in securities			65,366,272.74	65,746,611.52	102.59
Bank liabilities				-7,123,507.99	-11.12
Other net assets/(liabilities)				5,463,295.77	8.53
Total				64,086,399.30	100.00

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Europe

Industrial and geographical classification of investments

as at 30 June 2010

Industrial classification

(in percentage of net assets)

Investment funds	102.59 %
Total	<u>102.59 %</u>

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Grand Duchy of Luxembourg	34.97 %
France	30.93 %
Ireland	23.17 %
Norway	9.02 %
Germany	4.50 %
Total	<u>102.59 %</u>

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - European Small Companies

Statement of net assets (in EUR)

as at 30 June 2010

Assets

Securities portfolio at market value	12,950,368.20
Other income receivable	10,111.40
Prepaid expenses	5,005.98
Total assets	12,965,485.58

Liabilities

Bank liabilities	24,877.28
Payable on redemptions of shares	39,605.96
Interest on bank liabilities and expenses payable	36,233.19
Total liabilities	100,716.43

Net assets at the end of the period	12,864,769.15
-------------------------------------	---------------

Number of shares outstanding	13,696.277
Net asset value per share	939.29

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - European Small Companies

Statement of operations and other changes in net assets (in EUR)

from 1 January 2010 to 30 June 2010

Income

Commissions received	29,206.32
Other income	4,149.73
Total income	33,356.05

Expenses

Management fees	79,746.36
Custodian fees	3,251.96
Banking charges and other fees	412.53
Central administration costs	18,521.30
Audit fees	1,166.90
Other administration costs	10,231.29
Subscription duty ("taxe d'abonnement")	1,469.69
Other taxes	36.83
Interest paid on bank liabilities	851.15
Other expenses	705.08
Total expenses	116,393.09

Net investment income	-83,037.04
-----------------------	------------

Net realised gain/(loss)

- on securities portfolio	338,815.71
Realised result	255,778.67

Net variation of the unrealised gain/(loss)

- on securities portfolio	462,716.32
Result of operations	718,494.99

Subscriptions	5,957,598.12
---------------	--------------

Redemptions	-4,779,314.89
-------------	---------------

Total changes in net assets	1,896,778.22
-----------------------------	--------------

Total net assets at the beginning of the period	10,967,990.93
---	---------------

Total net assets at the end of the period	12,864,769.15
---	---------------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - European Small Companies

Statistical information (in EUR)

as at 30 June 2010

Total net assets

- as at 30.06.2010	12,864,769.15
- as at 31.12.2009	10,967,990.93
- as at 31.12.2008	5,610,412.04

Portfolio Turnover Rate (in %)

(subscriptions and redemptions are netted by NAV calculation)

- as at 30.06.2010	9.81
--------------------	------

Number of shares

- outstanding at the beginning of the period	12,252.878
- issued	6,349.912
- redeemed	-4,906.513
- outstanding at the end of the period	13,696.277

Net asset value per share

- as at 30.06.2010	939.29
- as at 31.12.2009	895.14
- as at 31.12.2008	628.76

Synthetic TER per share (in %)

- as at 30.06.2010	3.32
--------------------	------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - European Small Companies

Statement of investments and other net assets (in EUR)

as at 30 June 2010

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Investments in securities</u>					
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
EUR	4,770	Digital Fds Stars Europe Acc Cap	1,848,217.46	1,561,221.00	12.14
EUR	96,800	Fidelity Fds SICAV European Smaller Companies GI Certif A	1,810,472.47	2,050,224.00	15.94
EUR	112,900	Henderson Horizon Fd SICAV Pan European Small Co A Cap Reg	1,995,677.02	2,081,876.00	16.18
EUR	14,960	Metzler Intl Invest Plc Euro Small Cap A Dist	1,650,018.15	1,664,599.20	12.94
EUR	6,070	Nordea 1 SICAV Eur Small & Mid Cap Equity Fd BI Cap	1,735,839.87	1,744,032.40	13.56
EUR	482,000	Threadneedle Inv Fds European Smaller Cies EUR Istl	1,741,902.66	1,673,889.60	13.01
EUR	55,800	Wanger Inv Co Plc European Sm Co Fd	1,942,554.01	2,174,526.00	16.90
Total investments in securities			12,724,681.64	12,950,368.20	100.67
Bank liabilities				-24,877.28	-0.19
Other net assets/(liabilities)				-60,721.77	-0.48
Total				12,864,769.15	100.00

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - European Small Companies

Industrial and geographical classification of investments

as at 30 June 2010

Industrial classification

(in percentage of net assets)

Investment funds	100.67 %
Total	<u>100.67 %</u>

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Grand Duchy of Luxembourg	57.82 %
Ireland	29.84 %
United Kingdom	13.01 %
Total	<u>100.67 %</u>

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Eastern Europe

Statement of net assets (in EUR)

as at 30 June 2010

Assets

Securities portfolio at market value	23,172,777.23
Cash at banks	57,413.12
Income receivable on portfolio	12,155.08
Other income receivable	21,968.67
Prepaid expenses	8,843.25
Total assets	23,273,157.35

Liabilities

Payable on redemptions of shares	99,014.38
Interest on bank liabilities and expenses payable	72,914.74
Total liabilities	171,929.12

Net assets at the end of the period	23,101,228.23
-------------------------------------	---------------

Number of shares outstanding	10,066.567
Net asset value per share	2,294.85

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Eastern Europe

Statement of operations and other changes in net assets (in EUR)

from 1 January 2010 to 30 June 2010

Income

Dividends, net	35,239.35
Interest on bank accounts	21.13
Commissions received	59,457.63
Total income	94,718.11

Expenses

Management fees	148,203.43
Custodian fees	6,239.73
Banking charges and other fees	514.60
Central administration costs	17,388.48
Audit fees	2,240.29
Other administration costs	14,039.21
Subscription duty ("taxe d'abonnement")	5,008.78
Other taxes	89.62
Interest paid on bank liabilities	4,535.38
Other expenses	879.50
Total expenses	199,139.02

Net investment income	-104,420.91
-----------------------	-------------

Net realised gain/(loss)

- on securities portfolio	-27,961.43
- on foreign exchange	23,945.49
Realised result	-108,436.85

Net variation of the unrealised gain/(loss)

- on securities portfolio	1,943,679.82
---------------------------	--------------

Result of operations	1,835,242.97
----------------------	--------------

Subscriptions	269,138.64
---------------	------------

Redemptions	-4,439,279.56
-------------	---------------

Total changes in net assets	-2,334,897.95
-----------------------------	---------------

Total net assets at the beginning of the period	25,436,126.18
---	---------------

Total net assets at the end of the period	23,101,228.23
---	---------------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Eastern Europe

Statistical information (in EUR)

as at 30 June 2010

Total net assets

- as at 30.06.2010	23,101,228.23
- as at 31.12.2009	25,436,126.18
- as at 31.12.2008	17,977,602.71

Portfolio Turnover Rate (in %)

(subscriptions and redemptions are netted by NAV calculation)

- as at 30.06.2010	92.47
--------------------	-------

Number of shares

- outstanding at the beginning of the period	11,877.542
- issued	115.000
- redeemed	-1,925.975
- outstanding at the end of the period	10,066.567

Net asset value per share

- as at 30.06.2010	2,294.85
- as at 31.12.2009	2,141.53
- as at 31.12.2008	1,058.19

Synthetic TER per share (in %)

- as at 30.06.2010	3.13
--------------------	------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Eastern Europe

Statement of investments and other net assets (in EUR)

as at 30 June 2010

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Investments in securities</u>					
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
EUR	52,000	Baring Global Umbrella Fd Eastern Europe A EUR	4,973,404.84	4,064,840.00	17.60
EUR	141,400	JPMorgan Fds Eastern Europe Equity A Cap	3,180,478.41	2,532,474.00	10.96
EUR	30,400	Magna Umbrella Fd Plc East Eur C	1,193,879.38	1,146,353.60	4.96
EUR	22,011.762	Seligson & Co Russi Pro Fd EUR Units K Cap	1,831,250.00	1,743,153.26	7.54
			11,179,012.63	9,486,820.86	41.06
SEK	781,110.000041	East Capital Eastern Eur Fd Units	2,348,180.26	3,123,137.73	13.52
SEK	14,049.99999	East Capital Russian Fd Units	1,945,243.20	1,867,937.49	8.09
			4,293,423.46	4,991,075.22	21.61
USD	41,631.76	Baring Russia Fd SICAV A USD Cap	2,341,135.82	2,025,944.19	8.77
USD	3,940	PineBridge Global Fds Emerging Europe Equity Fd Y	1,191,817.03	1,270,310.16	5.50
USD	78,007.63	Traditional Fds Plc Eastern European	2,534,090.33	4,339,876.80	18.79
			6,067,043.18	7,636,131.15	33.06
Total investment funds (UCITS)			21,539,479.27	22,114,027.23	95.73
Tracker funds (UCITS)					
EUR	38,500	iShares II Plc MSCI Turkey Fd	913,697.61	1,058,750.00	4.58
Total tracker funds (UCITS)			913,697.61	1,058,750.00	4.58
Total investments in securities			22,453,176.88	23,172,777.23	100.31
Cash at banks				57,413.12	0.25
Other net assets/(liabilities)				-128,962.12	-0.56
Total				23,101,228.23	100.00

The accompanying notes are an integral part of these financial statements.

Industrial and geographical classification of investments

as at 30 June 2010

Industrial classification

(in percentage of net assets)

Investment funds	100.31 %
Total	<u>100.31 %</u>

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Ireland	51.43 %
Sweden	21.61 %
Grand Duchy of Luxembourg	19.73 %
Finland	7.54 %
Total	<u>100.31 %</u>

KBL Key Fund - Major Emerging Markets

Statement of net assets (in USD)

as at 30 June 2010

Assets

Securities portfolio at market value	104,571,696.03
Cash at banks	51,125.15
Receivable on issues of shares	110,679.50
Other income receivable	139,095.28
Prepaid expenses	37,124.35
Total assets	104,909,720.31

Liabilities

Bank liabilities	91,790.37
Payable on redemptions of shares	212,444.11
Interest on bank liabilities and expenses payable	331,796.24
Total liabilities	636,030.72

Net assets at the end of the period	104,273,689.59
-------------------------------------	----------------

Number of shares outstanding	162,360.851
Net asset value per share	634.36

Number of shares in EUR outstanding	2,016.601
Net asset value per share in EUR	EUR 517.78

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Major Emerging Markets

Statement of operations and other changes in net assets (in USD)

from 1 January 2010 to 30 June 2010

Income

Dividends, net	15,620.53
Commissions received	210,475.70
Total income	226,096.23

Expenses

Management fees	676,481.01
Custodian fees	27,604.86
Banking charges and other fees	1,822.73
Central administration costs	75,014.70
Audit fees	10,469.36
Other administration costs	44,895.58
Subscription duty ("taxe d'abonnement")	6,554.37
Other taxes	545.18
Interest paid on bank liabilities	7,892.42
Other expenses	2,370.83
Total expenses	853,651.04

Net investment income	-627,554.81
-----------------------	-------------

Net realised gain/(loss)

- on securities portfolio	13,017,836.50
- on foreign exchange	12,147.69
Realised result	12,402,429.38

Net variation of the unrealised gain/(loss)

- on securities portfolio	-20,682,061.83
---------------------------	----------------

Result of operations	-8,279,632.45
----------------------	---------------

Subscriptions	8,027,784.94
---------------	--------------

Redemptions	-27,361,665.71
-------------	----------------

Total changes in net assets	-27,613,513.22
-----------------------------	----------------

Total net assets at the beginning of the period	131,887,202.81
---	----------------

Total net assets at the end of the period	104,273,689.59
---	----------------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Major Emerging Markets

Statistical information (in USD)

as at 30 June 2010

Total net assets

- as at 30.06.2010	104,273,689.59
- as at 31.12.2009	131,887,202.81
- as at 31.12.2008	55,155,113.64

Portfolio Turnover Rate (in %)

(subscriptions and redemptions are netted by NAV calculation)

- as at 30.06.2010	130.92
--------------------	--------

Number of shares

- outstanding at the beginning of the period	191,528.792
- issued	10,432.703
- redeemed	-39,600.644
- outstanding at the end of the period	162,360.851

Net asset value per share

- as at 30.06.2010	634.36
- as at 31.12.2009	681.61
- as at 31.12.2008	342.63

Synthetic TER per share (in %)

- as at 30.06.2010	2.80
--------------------	------

Number of shares in EUR

- outstanding at the beginning of the period	1,965.027
- issued	1,622.740
- redeemed	-1,571.166
- outstanding at the end of the period	2,016.601

Net asset value per share in EUR

- as at 30.06.2010	EUR 517.78
- as at 31.12.2009	EUR 475.14
- as at 31.12.2008	EUR 246.25

Synthetic TER per share in EUR (in %)

- as at 30.06.2010	2.81
--------------------	------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Major Emerging Markets

Statement of investments and other net assets (in USD)

as at 30 June 2010

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
Investments in securities					
Open-ended investment funds					
Investment funds (UCITS)					
EUR	16,000	Carlson Fund India Units A Cap	2,158,153.39	2,159,759.11	2.07
EUR	16,940	DWS Brazil FCP Cap Units	3,092,333.67	3,083,012.79	2.96
			5,250,487.06	5,242,771.90	5.03
USD	35,200	Aberdeen Global Indian Equity Fd I2 Cap	2,101,935.13	3,200,384.00	3.07
USD	5,050	Amund Fds Brazil Instl Cap	5,200,132.76	5,055,050.00	4.85
USD	3,340	Amundi Fds India I Cap	4,985,365.73	5,374,293.80	5.15
USD	5,435	Baring Intl Umbrella Fd Hong Kong China Units	4,717,780.80	4,362,674.50	4.18
USD	156,000	Baring Russia Fd SICAV A USD Cap	8,117,174.64	9,300,720.00	8.92
USD	34,630	DWS Invest Chinese Equities E2 Cap	4,707,732.44	5,325,055.10	5.11
USD	86,000	East Capital (Lux) SICAV Russian Fd C Cap	6,451,436.89	6,255,493.80	6.00
USD	314,480	Fidelity Fds Korea A USD Dist	4,989,726.84	5,217,223.20	5.00
USD	128,900	Fidelity Fds SICAV China Focus A USD Dist	4,716,210.13	5,234,629.00	5.02
USD	73,600	First State GI Umbrella Fd Plc China Growth I	6,108,512.33	6,538,624.00	6.27
USD	93,000	Fortis L Fd Eq Brazil C Cap	6,284,375.33	7,060,560.00	6.77
USD	36,280	HSBC Global Inv Fds Indian Equity AD Dist	4,800,041.60	6,369,389.36	6.11
USD	16,200	PineBridge Global Fds India Equity Y	4,177,941.79	4,384,538.10	4.20
USD	280,000	Schroder Intl Select Fd Taiwanese Equity C Cap	2,674,307.98	2,634,800.00	2.53
USD	37,170	UBS (Lux) Equity SICAV Russia P (USD) Cap	2,808,960.37	4,180,138.20	4.01
			72,841,634.76	80,493,573.06	77.19
		Total investment funds (UCITS)	78,092,121.82	85,736,344.96	82.22
Tracker funds (UCITS)					
USD	180,500	db x-trackers MSCI EM EMEA TRN Index 1C Cap	4,845,936.03	5,039,874.07	4.83
		Total tracker funds (UCITS)	4,845,936.03	5,039,874.07	4.83
Investment funds (UCI)					
USD	59,300	The MC Russian Market Fd A Dist	4,320,836.54	6,211,082.00	5.96
		Total investment funds (UCI)	4,320,836.54	6,211,082.00	5.96
Tracker funds (UCI)					
USD	81,375	iShares Inc MSCI Brasil (Free) Idx Fd	4,949,478.87	5,041,995.00	4.84
USD	227,000	iShares Inc MSCI Taiwan Idx Fd	2,541,696.62	2,542,400.00	2.44
		Total tracker funds (UCI)	7,491,175.49	7,584,395.00	7.28
Total investments in securities			94,750,069.88	104,571,696.03	100.29
Cash at banks				51,125.15	0.05
Bank liabilities				-91,790.37	-0.09
Other net assets/(liabilities)				-257,341.22	-0.25
Total				104,273,689.59	100.00

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Major Emerging Markets

Industrial and geographical classification of investments

as at 30 June 2010

Industrial classification

(in percentage of net assets)

Investment funds	100.29 %
Total	<u>100.29 %</u>

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Grand Duchy of Luxembourg	78.36 %
Ireland	14.65 %
United States of America	7.28 %
Total	<u>100.29 %</u>

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Natural Resources Equities

Statement of net assets (in EUR)

as at 30 June 2010

Assets

Securities portfolio at market value	85,326,791.19
Cash at banks	241,861.30
Receivable on issues of shares	88,501.64
Other income receivable	150,713.57
Prepaid expenses	32,126.95
Total assets	85,839,994.65

Liabilities

Payable on redemptions of shares	146,695.12
Interest on bank liabilities and expenses payable	277,272.54
Total liabilities	423,967.66

Net assets at the end of the period	85,416,026.99
-------------------------------------	---------------

Number of shares outstanding	127,917.401
Net asset value per share	489.23

Number of shares in USD outstanding	61,368.064
Net asset value per share in USD	USD 455.89

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Natural Resources Equities

Statement of operations and other changes in net assets (in EUR)

from 1 January 2010 to 30 June 2010

Income

Dividends, net	95,645.52
Commissions received	258,205.66
Total income	353,851.18

Expenses

Management fees	538,471.23
Custodian fees	21,907.83
Banking charges and other fees	968.00
Central administration costs	57,693.97
Audit fees	8,352.94
Other administration costs	33,929.99
Subscription duty ("taxe d'abonnement")	6,422.00
Other taxes	72.81
Interest paid on bank liabilities	3,949.74
Other expenses	2,013.43
Total expenses	673,781.94

Net investment income	-319,930.76
-----------------------	-------------

Net realised gain/(loss)

- on securities portfolio	5,684,990.20
- on foreign exchange	-108,394.11
Realised result	5,256,665.33

Net variation of the unrealised gain/(loss)

- on securities portfolio	-3,476,237.59
---------------------------	---------------

Result of operations	1,780,427.74
----------------------	--------------

Subscriptions	8,976,309.72
---------------	--------------

Redemptions	-20,487,033.24
-------------	----------------

Total changes in net assets	-9,730,295.78
-----------------------------	---------------

Total net assets at the beginning of the period	95,146,322.77
---	---------------

Total net assets at the end of the period	85,416,026.99
---	---------------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Natural Resources Equities

Statistical information (in EUR)

as at 30 June 2010

Total net assets

- as at 30.06.2010	85,416,026.99
- as at 31.12.2009	95,146,322.77
- as at 31.12.2008	42,597,869.63

Portfolio Turnover Rate (in %)

(subscriptions and redemptions are netted by NAV calculation)

- as at 30.06.2010	199.78
--------------------	--------

Number of shares

- outstanding at the beginning of the period	139,903.454
- issued	16,384.677
- redeemed	-28,370.730
- outstanding at the end of the period	127,917.401

Net asset value per share

- as at 30.06.2010	489.23
- as at 31.12.2009	481.79
- as at 31.12.2008	340.64

Synthetic TER per share (in %)

- as at 30.06.2010	2.25
--------------------	------

Number of shares in USD

- outstanding at the beginning of the period	75,703.901
- issued	2,435.286
- redeemed	-16,771.123
- outstanding at the end of the period	61,368.064

Net asset value per share in USD

- as at 30.06.2010	USD 455.89
- as at 31.12.2009	USD 525.70
- as at 31.12.2008	USD 360.51

Synthetic TER per share in USD (in %)

- as at 30.06.2010	2.25
--------------------	------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Natural Resources Equities

Statement of investments and other net assets (in EUR)

as at 30 June 2010

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
Investments in securities					
Transferable securities admitted to an official stock exchange listing					
Investment certificates					
EUR	28,000	Royal Bank of Scotland NV Cert RICI Enhanc Wheat Idx Perpet	2,100,025.33	1,919,960.00	2.25
USD	257,500	ETFS Commodity Securities Ltd Gold Certif 31.12.Perpetual	2,860,647.19	3,506,300.25	4.11
Total investment certificates			4,960,672.52	5,426,260.25	6.36
Open-ended investment funds					
Investment funds (UCITS)					
EUR	12,000	Earth Gold Fd UI Cap	979,692.16	1,163,040.00	1.36
EUR	9,800,000	First State Investments ICVC Global Resources Fd A EUR Cap	8,283,246.19	8,320,200.00	9.74
EUR	148,800	Investec Global Strategy Fd GI Dyn Res Fd I Cap	4,505,155.66	5,632,080.00	6.59
EUR	433,500	JPMorgan Fds SICAV Global Natural Resources A EUR Cap	6,597,676.92	8,366,550.00	9.80
EUR	281,500	Julius Baer Multipartner SAM Smart Energy Fd C Cap	4,923,075.00	4,762,980.00	5.58
EUR	49,800	Robeco Capital Growth Fds Agribusiness Equities D EUR Cap	4,793,902.00	4,436,682.00	5.19
			30,082,747.93	32,681,532.00	38.26
NOK	34,352.0039	Pareto Verdi Units Dist	5,137,706.08	4,676,422.58	5.47
USD	66,000	BlackRock Global Fds World Gold A2 Cap	1,952,666.53	2,876,708.97	3.37
USD	152,000	BlackRock Global Fds World Mining A2 Cap	5,326,017.99	7,198,334.90	8.43
USD	36,300	Investec Global Strateg Fd Energy Dist	7,594,459.01	7,994,503.53	9.36
USD	100,000	Martin Currie GI Fds Global Resources Fd	1,657,207.69	1,581,030.89	1.85
USD	446,100	Schroder Intl Select Fd Global Energy C Cap	10,589,012.95	11,182,084.64	13.09
			27,119,364.17	30,832,662.93	36.10
Total investment funds (UCITS)			62,339,818.18	68,190,617.51	79.83
Investment funds (UCI)					
EUR	21,190.74	BlackRock Agriculture Fd I EUR Hedged Cap	2,271,880.04	1,653,937.26	1.94
USD	51,500	Schroder Alternative Solutions Commodity Fd C Cap	4,723,027.90	4,870,252.62	5.70
Total investment funds (UCI)			6,994,907.94	6,524,189.88	7.64
Tracker funds (UCI)					
USD	80,000	iShares S&P Global Utilities Sector Index Fd Dist	2,741,809.57	2,599,518.43	3.04
USD	66,148	iShares Trust DJ US Oil & Gas Explor & Production Index Fd	2,669,492.63	2,586,205.12	3.03
Total tracker funds (UCI)			5,411,302.20	5,185,723.55	6.07
Total investments in securities			79,706,700.84	85,326,791.19	99.90
Cash at banks				241,861.30	0.28
Other net assets/(liabilities)				-152,625.50	-0.18
Total				85,416,026.99	100.00

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - Natural Resources Equities

Industrial and geographical classification of investments

as at 30 June 2010

Industrial classification

(in percentage of net assets)

Investment funds	93.54 %
Investment companies	4.11 %
Banks	2.25 %
Total	<u>99.90 %</u>

Geographical classification

(by domicile of the issuer)
(in percentage of net assets)

Grand Duchy of Luxembourg	70.90 %
United Kingdom	9.74 %
United States of America	6.07 %
Norway	5.47 %
Jersey	4.11 %
The Netherlands	2.25 %
Germany	1.36 %
Total	<u>99.90 %</u>

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - North America

Statement of net assets (in USD)

as at 30 June 2010

Assets

Securities portfolio at market value	93,392,197.91
Cash at banks	544,942.32
Receivable on issues of shares	221,777.00
Other income receivable	77,779.50
Other receivables	7,577.97
Prepaid expenses	33,313.00
Total assets	94,277,587.70

Liabilities

Payable on redemptions of shares	159,101.33
Unrealised loss on forward foreign exchange contracts	15,612.59
Interest on bank liabilities and expenses payable	313,539.74
Total liabilities	488,253.66
Net assets at the end of the period	93,789,334.04

Number of shares outstanding	225,013.861
Net asset value per share	396.09
Number of shares in EUR outstanding	10,273.291
Net asset value per share in EUR	EUR 370.47

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - North America

Statement of operations and other changes in net assets (in USD)

from 1 January 2010 to 30 June 2010

Income

Interest on bank accounts	0.30
Commissions received	185,010.21
Total income	185,010.51

Expenses

Management fees	599,772.36
Custodian fees	25,607.03
Banking charges and other fees	2,203.73
Transaction fees	1.99
Central administration costs	70,214.69
Audit fees	9,279.30
Other administration costs	40,713.16
Subscription duty ("taxe d'abonnement")	19,445.44
Other taxes	44.18
Interest paid on bank liabilities	2,850.13
Other expenses	2,162.48
Total expenses	772,294.49

Net investment income	-587,283.98
-----------------------	-------------

Net realised gain/(loss)

- on securities portfolio	7,796,111.83
- on forward foreign exchange contracts	-1,255,456.00
- on foreign exchange	1,541.07
Realised result	5,954,912.92

Net variation of the unrealised gain/(loss)

- on securities portfolio	-14,565,409.10
- on forward foreign exchange contracts	210,258.51

Result of operations	-8,400,237.67
----------------------	---------------

Subscriptions	18,080,927.11
---------------	---------------

Redemptions	-15,231,780.09
-------------	----------------

Total changes in net assets	-5,551,090.65
-----------------------------	---------------

Total net assets at the beginning of the period	99,340,424.69
---	---------------

Total net assets at the end of the period	93,789,334.04
---	---------------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - North America

Statistical information (in USD)

as at 30 June 2010

Total net assets

- as at 30.06.2010	93,789,334.04
- as at 31.12.2009	99,340,424.69
- as at 31.12.2008	78,795,667.61

Portfolio Turnover Rate (in %)

(subscriptions and redemptions are netted by NAV calculation)

- as at 30.06.2010	149.74
--------------------	--------

Number of shares

- outstanding at the beginning of the period	220,515.747
- issued	33,105.498
- redeemed	-28,607.384
- outstanding at the end of the period	225,013.861

Net asset value per share

- as at 30.06.2010	396.09
- as at 31.12.2009	428.88
- as at 31.12.2008	332.93

Synthetic TER per share (in %)

- as at 30.06.2010	2.90
--------------------	------

Number of shares in EUR

- outstanding at the beginning of the period	8,259.920
- issued	7,585.756
- redeemed	-5,572.385
- outstanding at the end of the period	10,273.291

Net asset value per share in EUR

- as at 30.06.2010	EUR 370.47
- as at 31.12.2009	EUR 402.19
- as at 31.12.2008	EUR 318.90

Synthetic TER per share in EUR (in %)

- as at 30.06.2010	2.90
--------------------	------

The accompanying notes are an integral part of these financial statements.

KBL Key Fund - North America

Statement of investments and other net assets (in USD)

as at 30 June 2010

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
Investments in securities					
Open-ended investment funds					
Investment funds (UCITS)					
EUR	13,300	Degroef Equities US Behavioral Value Benelux Istl	8,537,613.37	7,994,893.97	8.52
USD	385,648	GAM Star Fd Plc US All Cap Equity USD Cap	3,336,370.26	2,891,010.23	3.08
USD	647,000	JPMorgan Fds Highbridge US Steep Up A USD Cap	6,259,152.46	5,661,250.00	6.04
USD	864,000	Janus Cap Fds Plc US Twenty A Cap	9,370,122.22	9,244,800.00	9.86
USD	705,200	Janus Cap Fds Plc Perkins US Strategic Value A Cap	9,965,201.07	9,111,184.00	9.71
USD	502,000	Jupiter Global Fd Nth America Eq L Cap	5,060,469.61	4,708,760.00	5.02
USD	63,500	Legg Mason Global Fds Plc Royce Smaller Companies A Dist	10,040,835.43	8,971,280.00	9.57
USD	32,500	Natixis Intl Fds (Lux) I Vaugh Nels US Sm C Val I/A(USD) Cap	4,713,391.01	4,652,700.00	4.96
USD	8	Neuflyze USA Opportunitites \$ I Cap	4,183,689.35	4,451,354.16	4.75
USD	453,800	Nordea 1 North American Growth Fd BP Base Currency Cap	3,927,353.51	3,680,318.00	3.92
USD	123,490	PineBridge Global Fds US Focus Equity Y USD Dist	10,358,993.97	10,009,704.23	10.67
USD	1,750,000	Threadneedle Inv Fds American Select Ser 2	2,272,047.13	2,855,650.00	3.04
USD	8,773	UBAM Neuberger Berman US Equity Value A Cap	5,843,780.95	4,734,261.72	5.05
USD	99,624	York Lion Merger Arbitrage Liquidity Fd UI E USD	9,960,913.07	9,927,531.60	10.59
			85,292,320.04	80,899,803.94	86.26
Total investment funds (UCITS)			93,829,933.41	88,894,697.91	94.78
Investment funds (UCI)					
USD	25,700	Gutzwiller One	5,070,495.58	4,497,500.00	4.80
Total investment funds (UCI)			5,070,495.58	4,497,500.00	4.80
Total investments in securities			98,900,428.99	93,392,197.91	99.58
Cash at banks				544,942.32	0.58
Other net assets/(liabilities)				-147,806.19	-0.16
Total				93,789,334.04	100.00

The accompanying notes are an integral part of these financial statements.

Industrial and geographical classification of investments

as at 30 June 2010

Industrial classification

(in percentage of net assets)

Investment funds	99.58 %
Total	<u>99.58 %</u>

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Ireland	42.89 %
Grand Duchy of Luxembourg	24.99 %
Germany	10.59 %
Belgium	8.52 %
Switzerland	4.80 %
France	4.75 %
United Kingdom	3.04 %
Total	<u>99.58 %</u>

1. General

Over the period, the following sub-funds were offered :

- KBL Key Fund - Far East
- KBL Key Fund - Europe
- KBL Key Fund - European Small Companies
- KBL Key Fund - Eastern Europe
- KBL Key Fund - Major Emerging Markets
- KBL Key Fund - Natural Resources Equities
- KBL Key Fund - North America

KBL Key Fund - Far East invests mainly, in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in countries of the Far East, with no restriction as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets is invested in such stocks on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the amended Law of 20 December 2002 on undertakings for collective investment. The net asset value of this sub-fund is expressed in USD.

KBL Key Fund - Europe invests mainly, in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in countries in the European Union, with no restrictions as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets is invested in such stocks on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the amended Law of 20 December 2002 on undertakings for collective investment. The net asset value is expressed in EUR.

KBL Key Fund - European Small Companies invests mainly, in particular through UCITS shares or units, in small cap stocks of issuers (EUR 5 billion maximum) having their head office or carrying out a large part of their economic activity in Europe, with no restrictions as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets is invested in such stocks on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the amended Law of 20 December 2002 on undertakings for collective investment. The net asset value is expressed in EUR.

KBL Key Fund - Eastern Europe invests mainly, in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in eastern European countries, with no restrictions as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets is invested in such stocks on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the amended Law of 20 December 2002 on undertakings for collective investment. The net asset value is expressed in EUR. Investors' attention is drawn to the fact that investing in the KBL Key Fund - Eastern Europe sub-fund involves risks which are not generally encountered in companies listed on mature stock markets. These risks are of an economic, political and regulatory nature.

KBL Key Fund - Major Emerging Markets invests mainly, in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in major emerging market countries, with no restrictions as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets is invested in the stocks of issuers having their head office or carrying out a large part of their economic activity in the major emerging markets (i.e. Brazil, Russia, India, China, South Korea, Taiwan, South Africa, Turkey and Mexico) on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the amended Law of 20 December 2002 on undertakings for collective investment. The net asset value of this sub-fund is expressed in USD. The sub-fund offers also a share category in EUR.

KBL Key Fund - Natural Resources Equities invests mainly, in particular through UCITS shares or units, in stocks of issuers deriving most or a major part of their revenue from natural resources. The sub-fund will ensure that at least 2/3 of its net assets are invested in the securities issued by companies active in natural resources on a consolidated basis. The term 'natural resources' is taken to mean utilities (metals, precious metals, oil and natural gas, water and alternative sources of energy). The sub-fund may invest in other UCI in compliance with Article 41 (e) of the amended Law of 20 December 2002 on undertakings for collective investment. The net asset value is expressed in EUR. The sub-fund offers also a share category in USD.

KBL Key Fund - North America invests mainly, in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in the USA, with no restrictions as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets is invested in the stocks of issuers having their head office or carrying out a large part of their economic activity in the USA on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the amended Law of 20 December 2002 on undertakings for collective investment. The net asset value is expressed in USD. The sub-fund offers also a share category in EUR for which the exchange risk is hedged with forward foreign exchange contracts.

2. Summary of significant accounting policies

a) Presentation of the financial statements

The financial statements of the Sicav are drawn up in accordance with the Luxembourg legal and regulatory requirements concerning undertakings for collective investment.

b) Conversion of foreign currencies for each sub-fund

The accounts for the various sub-funds are kept in the following currencies :

Sub-funds	Currencies
- KBL Key Fund - Far East	in USD
- KBL Key Fund - Europe	in EUR
- KBL Key Fund - European Small Companies	in EUR
- KBL Key Fund - Eastern Europe	in EUR
- KBL Key Fund - Major Emerging Markets	in USD
- KBL Key Fund - Natural Resources Equities	in EUR
- KBL Key Fund - North America	in USD

The financial statements for the sub-funds are drawn up in the above mentioned currencies.

Cash at banks, other net assets and also the valuation value of the securities' portfolios expressed in currencies other than that of the sub-fund are converted into this currency at the exchange rate in force on the day of the date of the carry-over. Income and costs shown in currencies other than the sub-fund's own currency are converted into this currency at the exchange rate prevailing on the date of the transaction.

c) Valuation of securities

- 1) The value of any transferable securities traded or listed on a stock exchange is made on the basis of the closing price on the Valuation Day.
- 2) The value of any transferable securities traded on another regulated market is made on the closing price on the Valuation Day in question.
- 3) UCITS and other UCI are valued on the basis of their last available net asset value.
- 4) To the extent that the securities held in portfolio on the Valuation Day are not traded or listed on a stock exchange or on another regulated market, or if the price determined according to (1) or (2) for securities listed or traded on a stock exchange or on another regulated market is not representative of the real value of these securities, these are valued on the basis of the probable value of sales, which must be estimated prudently and in good faith.
- 5) Options and "financial futures" are valued at the last known price on the relevant stock exchanges or regulated markets.

Notes to the financial statements (continued)

as at 30 June 2010

- 6) If, as a result of particular circumstances, valuation based on the preceding rules becomes impractical or inaccurate, other valuation criteria, which are generally accepted and verifiable will be applied in order to obtain a fair valuation.
- 7) Forward foreign exchange contracts are valued by reference to the forward rate of exchange applicable to the outstanding life of the contract.

d) Net realised gain/(loss) on sales of securities

The net realised gain/(loss) on sales of securities is determined on the basis of the average cost of securities sold.

e) Purchase price of securities in the portfolio

The purchase price of the securities in each sub-fund denominated in currencies other than that of the sub-fund is converted into this currency at the average exchange rate in force on the day of the purchase.

f) Incorporation costs

The costs of organisation and incorporation were depreciated on a straight-line basis at 20% per year.

3. Consolidation

The different items in the Sicav's consolidated financial statements are equal to the sum of the corresponding items of each sub-fund in the financial statements and are expressed in EUR.

Items in the statement of net assets and in the statement of operations and other changes in net assets of each sub-fund not expressed in EUR are converted at the following exchange rates at the date of the report :

1	EUR	=	1.2251500	USD	US Dollar
---	-----	---	-----------	-----	-----------

4. Subscription duty ("*taxe d'abonnement*")

The Sicav is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the Sicav is subject to an annual subscription duty ("*taxe d'abonnement*") of 0.05% which is payable quarterly and calculated on the basis of the net assets of each sub-fund on the last day of each quarter.

Pursuant to Article 129 (3) of the amended Law of 20 December 2002 the net assets invested in undertakings for collective investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

5. Belgian subscription tax

Belgian law (Inheritance Tax code, Volume IIa) imposes an annual tax on undertakings for collective investment subject to Luxembourg law, which are authorised to market their shares publicly in Belgium. This tax amounts to 0.08% on the total of the net sums invested in Belgium as at 31 December of the previous year, starting from their registration with the *Commission Bancaire, Financière et des Assurances* (Banking, Finance and Insurance Commission).

The Sicav pays the tax on 31 March each year.

6. Management fee

The Sicav's Board of Directors appointed KREDIETRUST LUXEMBOURG S.A. as Management Company by means of a contract dated 28 April 2006 to provide management, administration and marketing services. The Management Company is registered as a management company pursuant to the stipulations of Chapter 13 of the amended Law of 20 December 2002.

For its intellectual management services KREDIETRUST LUXEMBOURG S.A. receives an annual fee of 1.15%, payable quarterly on the average net asset value of each sub-fund for the quarter in question.

7. Management fee receivable

Taking into consideration the regulation regarding the retrocession of management fees in certain countries of registration ("*pays d'enregistrement*") of the Sicav, the Board of Directors decided by circular way on 11 December 2006 to include in the Sicav's accounts a receivable provision (on the basis of total net assets of each sub-fund).

This provision is included each month on the basis of the end of month net assets of each sub-fund.

The following annual rates are accrued per sub-fund :

- KBL Key Fund - Far East	0.50%
- KBL Key Fund - Europe	0.50%
- KBL Key Fund - European Small Companies	0.30%
- KBL Key Fund - Eastern Europe	0.35%
- KBL Key Fund - Major Emerging Markets	0.50%
- KBL Key Fund - Natural Resources	0.65%
- KBL Key Fund - America	0.30%

These amounts are recorded in the statement of net assets under the item "other income receivable".

8. Commissions on issue and redemption of shares

Shares are issued at a price equal to the net asset value per share. The agents involved in the placing of the shares are free to set their own commissions, which may not, however, exceed 5% of the applicable net asset value. The price thus obtained may be rounded up to the nearest hundredth in the currency of the sub-fund in question.

Redemptions are made at net asset value less a maximum commission of 0.5% in favour of the professional intermediary.

9. Costs and expenses

The Sicav's investment policy is to invest in UCI, which duplicates some costs that are charged to both the underlying UCI and the Sicav, by their respective service providers. These expenses include, among other things, creation, deposit and domiciliation costs, management commissions, audit costs and other associated costs.

However, in any case, no commissions are charged in duplicate if the Sicav invests in UCI managed by KBL EUROPEAN PRIVATE BANKERS S.A. or in one of its affiliated companies. Consequently, the Sicav bears no fees or costs payable to such UCI.

10. Distribution in Switzerland

The Swiss Financial Market Supervisory Authority (FINMA) has authorised KBL (SWITZERLAND) LTD to offer and distribute shares of the Sicav in Switzerland or from Switzerland pursuant to Article 120 of the Federal Law of 23 June 2006 on collective investment schemes.

The Sicav has been authorised in Switzerland as a foreign investment fund pursuant to Directive 85/611/EEC of 20 December 1985 on undertakings for collective investment in transferable securities (UCITS), as subsequently amended.

11. Representation in Switzerland

KBL (SWITZERLAND) LTD, GENEVA, has been authorised by the Swiss Financial Market Supervisory Authority (FINMA) as representative for the Sicav in Switzerland and is also responsible for the payment service. The complete and simplified prospectus, Articles of Association, annual and half-yearly reports of the Sicav, as well as the list of purchases and sales effected by the Sicav during the financial year, may be obtained free of charge from the Head Office of the representative in Switzerland, KBL (SWITZERLAND) LTD, 7, boulevard Georges Favon, CH-1211 GENEVA 11.

12. Distributor in the Netherlands

THEODOOR GILISSEN BANKIERS N.V., Nieuwe Doelenstraat 12-14, CP 1012, Postbus 567, NL-1000 AN AMSTERDAM is the distributor for the Netherlands. The complete and simplified prospectus, Articles of Association, annual and half-yearly reports of the Sicav, as well as the list of purchases and sales effected by the Sicav during the period in reference to the report, may be obtained on request and free of charge from the internal distributor in the Netherlands.

13. Central correspondent in France

CM-CIC SECURITIES S.A., 6, avenue de Provence, F-75009 PARIS assumes the function of the central correspondent in France.

14. Total expenses ratio ("TER") and portfolio turnover ratio ("PTR")

The synthetic TER and the PTR disclosed under "Statistical information" of this report are calculated in accordance with the "Guidelines on the calculation and disclosure of the TER and PTR" issued by the Swiss Funds Association "SFA" on 16 May 2008.

The synthetic TER and the PTR are calculated for the last 12 months preceding the date of this report.

Transaction fees are not taken into account in the calculation of the synthetic TER.

The PTR has been calculated according to the following formula $(\text{Total 1} - \text{Total 2})/M \times 100$

with Total 1 = Total securities transactions = X + Y
 X = Securities purchases
 Y = Securities sales

Total 2 = Total subscriptions and redemptions = S + T

S = subscriptions

T = redemptions

S+T: subscriptions and redemptions are netted per NAV calculation day.

M = average net assets

KBL Key Fund

Notes to the financial statements (continued)

as at 30 June 2010

15. Forward foreign exchange contracts

As at 30 June 2010, the Sicav is committed in the following forward foreign exchange contracts :

KBL Key Fund - North America					
Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in USD)
Forward foreign exchange contracts linked to shares in EUR					
EUR	200,000.00	USD	268,720.00	15.07.2010	-23,677.09
EUR	170,000.00	USD	228,276.00	15.07.2010	-19,989.52
USD	2,309,875.00	EUR	1,700,000.00	15.07.2010	227,010.23
EUR	7,050,000.00	USD	8,938,695.00	16.08.2010	-299,392.80
USD	241,775.00	EUR	190,000.00	16.08.2010	8,942.74
USD	212,755.00	EUR	170,000.00	16.08.2010	4,431.40
USD	1,245,735.00	EUR	950,000.00	16.08.2010	81,573.71
EUR	360,000.00	USD	436,392.00	15.09.2010	4,847.39
USD	282,877.00	EUR	230,000.00	15.09.2010	974.05
USD	195,040.00	EUR	160,000.00	15.09.2010	-1,066.40
USD	270,380.00	EUR	220,000.00	15.09.2010	733.70
					<u>-15,612.59</u>

16. Statement of changes in the investments portfolio

The statement of changes in the investments portfolio for the period referred to in the report is available free of charge at the registered office, at the office of the representative and paying agents in the Sicav's various countries of distribution, at the office of the information and paying agent in Germany and at the office of the Sicav's financial services in Belgium.