

Performance Commentary FIRST QUARTER 2010

For the first quarter of 2010, the Fund returned 4.32%, underperforming the S&P 500 Index return of 5.39%.

The Fund's relative performance was helped the most by its positions in the following companies:

- The information technology company **JDS Uniphase**, whose stock returned more than 51% for the quarter. The company reported solid results for the fourth quarter of 2009, driven by improved margins, better top-line strength, and increased order output.
- The chemical company **Lubrizol**, whose stock returned more than 24%. The company announced strong fourth-quarter results, and its stock benefited from the market's reaction to Lubrizol's buyback of shares.
- **Macy's**, whose stock rose more than 30% for the quarter.

The Fund's relative performance was hurt the most by its positions in the following companies:

- **Southwestern Energy**, whose stock declined more than 15% for the quarter.
- **National-Oilwell Varco**, which reported a decline in fourth-quarter profits as oil companies reduced their need for oilfield services amid economic turmoil and weak energy demand.
- **Bank of America**, whose stock declined during the period in which it was held by the Fund.

The Fund benefited the most from its stock selection in the consumer staples, utilities, and materials sectors. The Fund's relative performance was hurt by its stock selection in the industrials and energy sectors, and by its stock selection and overweighting in telecommunication services.

As of March 31, 2010, JDS Uniphase, Lubrizol, Macy's, National-Oilwell Varco, and Southwestern Energy represented 0.2%, 0.7%, 0.9%, 1.7%, and 1.1%, respectively, of the Fund's portfolio. Bank of America was not held by the Fund at the end of the period. The composition of the Fund's portfolio is subject to change. The Standard & Poor's 500 Index is an unmanaged index of common stocks. You cannot invest directly in an index. Obtain a copy of the Fund's most recent Annual or Semi-Annual Report, containing a complete description of the Fund's portfolio, by calling 1-800-762-6814 or at www.domini.com. This commentary should not be considered a recommendation of the financial attractiveness as an investment of any of the companies mentioned.

This material must be preceded or accompanied by a prospectus. Please read it carefully before investing.

DSIL Investment Services LLC, Distributor. 04/10

MONTHLY TOTAL RETURNS

| | DSEFX | S&P 500 |
|----------|--------|---------|
| January | -4.42% | -3.60% |
| February | 3.46% | 3.10% |
| March | 5.48% | 6.03% |

TOTAL RETURNS THROUGH 3/31/10

| | DSEFX | S&P 500 |
|--|--------|---------|
| Latest Quarter | 4.32% | 5.39% |
| Year to Date | 4.32% | 5.39% |
| One Year | 57.29% | 49.77% |
| Three Year ^{*†} | -3.99% | -4.17% |
| Five Year ^{*†} | 1.47% | 1.92% |
| Ten Year ^{*†} | -2.04% | -0.65% |
| Since Inception (6/3/91) ^{*†} | 7.55% | 8.18% |

*Average annual total returns

Past performance is no guarantee of future results. The Fund's returns quoted above represent past performance after all expenses. Investment return, principal value, and yield will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Total return for the Fund is based on the Fund's net asset values and assumes all dividends and capital gains were reinvested. Current performance may be lower or higher than the performance data quoted. For performance information current to the most recent month-end, call 1-800-762-6814 or visit www.domini.com.

For the period reported in its current prospectus, during which net operating expenses were capped by the Fund's Manager, the Fund's gross annual operating expenses totaled 1.31% of net assets. Until November 30, 2010, Domini Social Investments LLC has contractually agreed to waive certain fees and/or reimburse certain expenses, including management fees, so that expenses paid by the Fund will not exceed, on a per annum basis, 1.25% of the daily net assets representing Investor shares, absent an earlier modification by the Fund's Board of Trustees. The Advisor waived certain fees payable by the Fund during the periods reported above and the Fund's average total returns would have been lower had these not been waived. Each Domini Fund charges a 2.00% redemption fee on sales or exchanges of shares made less than 30 days after the settlement of purchase or acquisition through exchange, with certain exceptions. See the Fund's current prospectus for further information. **High double digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future.**

[†]On November 30, 2006, the Domini Social Equity Fund, formerly a passively managed index fund, transitioned to an active management strategy. Past performance before November 30, 2006 represents the former passive investment strategy, and is not indicative of future results.