

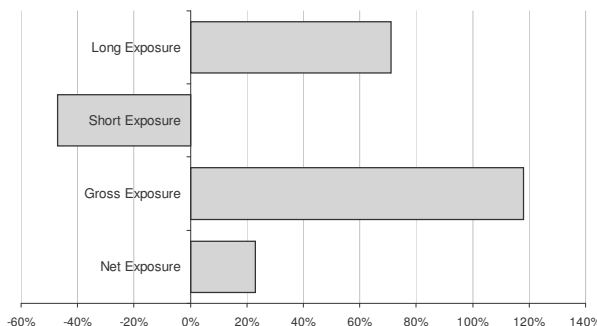
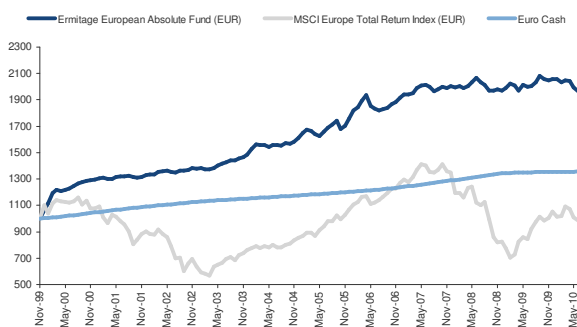
NAV	One Month Return	YTD	Since Inception	Standard Deviation	Overall Fund Size
€ 29.46	-1.50%	-4.51%	96.40%	5.26%	€ 69,844,824

Investment Objective

To seek long term capital appreciation by investing in a diversified portfolio of European focused hedge funds. The Fund's methodology is geared towards achieving superior risk adjusted returns, as measured by Sharpe Ratio, when compared to European equity markets. Risk is reduced through limiting net equity exposure, hedging currency risk and through diversification of strategy and style.

Cumulative Performance of €1,000

Strategy Breakdown as at June 2010



Investment allocations may be changed or modified at any time without notice to you at the sole discretion of the Investment Manager.

Monthly Commentary

The Ermitage European Absolute Fund fell 1.45% in June. We are disappointed with the return for the first half of the year and although the equity market is down significantly more over the period, we would have expected to have delivered a better return. Looking first at June, most fund returns were in the +/-2% range. We had a couple of outlier returns to the downside - these funds generally had a more net long stance and were also exposed to the more cyclical areas of the market. Looking at performance year-to-date, while there have been some poor individual fund performances, what has been perhaps more surprising is that we have seen losses across a range of manager styles from shorter duration traders and statistical arbitrage managers to more fundamentally driven stock pickers. The top-down dynamic managers which tend to be more directional in nature have also struggled with the market gyrations and have found themselves whipsawed on a number of occasions. The bright spot has been the small cap stock pickers who have all made money year-to-date.

Quantitative Analysis

Risk	Fund	MSCI	Cash	Return	Fund	MSCI	Cash
Sharpe Ratio	0.68	(0.09)	-	Average Annual Return	6.59	(0.16)	2.93
Standard Deviation	5.26	17.12	0.37	Average Monthly Return	0.54	0.11	0.24
Sortino Ratio	1.48	(0.24)	-	Largest Monthly Return	7.36	12.75	0.41
Downside-Deviation (below 0%)	2.53	12.84	-	Largest Monthly Loss	(4.07)	(14.24)	-
Maximum Drawdown	(5.89)	(50.90)	-	Cumulative Return	96.40	(1.70)	35.73
Months In Maximum Drawdown	3.00	31.00	-	% Of Positive Months	65.35	54.33	100.00
Months To Recover	6.00	36.00	-				
Correlation	-	0.36	0.03				

Monthly Performance (%) Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	(0.03)	(1.04)	0.62	(0.26)	(2.35)	(1.50)							(4.51)
2009	1.19	1.64	(0.69)	(1.89)	2.13	(0.83)	0.30	1.46	2.33	(1.12)	(0.45)	0.49	4.54
2008	(0.66)	0.54	(0.63)	0.74	1.43	1.54	(1.45)	(0.95)	(2.22)	0.00	0.34	(0.51)	(1.89)
2007	1.18	(0.10)	0.58	1.98	0.97	0.20	(0.63)	(1.63)	0.64	0.91	(0.33)	0.74	4.55
2006	3.61	1.43	2.68	2.18	(4.07)	(1.15)	(0.76)	0.44	0.47	1.67	0.71	1.99	9.35
2005	2.15	1.54	(0.48)	(1.56)	(0.69)	1.88	1.85	1.42	1.71	(3.67)	1.43	3.06	8.76
2004	2.83	2.49	(0.34)	(0.04)	(0.98)	0.78	0.04	(0.21)	1.12	(0.17)	0.94	1.94	8.62
2003	0.34	(0.87)	0.19	0.53	1.45	1.00	0.80	1.03	0.05	0.97	0.78	1.14	7.64

Individual monthly performance figures from 2003 are shown in the table above. The Quantitative Analysis figures include all performance since inception.

The benchmark used for the Quantitative Analysis and Cumulative Performance Chart is for illustrative purposes only and is intended as a comparative measure against the investment objectives of the Ermitage European Absolute Fund.

It should not be assumed that the Fund will invest in any specific investments that comprise of the index nor should it be understood to mean that there is a correlation between the Fund's returns and the Index.

Past performance is not indicative nor a guarantee of future returns. Returns indicated are net of all fees and expenses and include the reinvestment of all dividends, income and profits.



Dealing Information

Dealing Day:	The first business day of each month
Subscription:	Monthly subscription. By 10am CET, on Dealing Day
Redemption:	Monthly - subject to one calendar month's notice before Dealing Day
Redemption Payment:	Normally within 30 days of the applicable Dealing Day
Valuation:	Monthly
Minimum Subscription:	€15,000

Fees & Expenses

Front End Load:	None
Initial Sales Charge:	Maximum 5% where applicable
Management Fee:	1.5% per annum
Administration Fee:	0.375% per annum
Custody Fee:	Maximum 0.08% per annum plus transaction fees
Performance Fee:	None

Summary & Key Information

Launch Date:	December 1999
Year End:	31 December
Non-Eligible Investors:	US Investors
Legal Structure:	The Fund is a Part II S.I.C.A.V. Shares in the company are listed on the Luxembourg Stock Exchange
ISIN:	LU0103900790
Sedol:	7042384
Bloomberg Ticker:	ERMEURE
Manager:	Ermitage Management (Bermuda) Limited
Investment Adviser:	Ermitage Asset Management Jersey Limited
Administrative Agent:	HSBC Securities Services (Luxembourg) S.A
Custodian Bank:	HSBC Securities Services (Luxembourg) SA
Publication of Information:	Financial Times Managed Funds Services and www.ermitagegroup.com

Contact Details

Ermitage Asset Management Jersey Limited		47 The Esplanade, St. Helier, Jersey JE1 9LB, Channel Islands	
Tel: +44 (0) 1534 615500	Fax: +44 (0) 1534 615520	Email: info@ermitagegroup.com	www.ermitagegroup.com

Ermitage Asset Management Jersey Limited has issued this publication which is for private circulation only, is published solely for information purposes and does not constitute an offer to sell or an invitation to buy any of the securities or funds mentioned herein. Subscriptions will only be received and units or shares issued on the basis of the current Explanatory Memorandum for the fund and prospective investors should carefully consider the risk warnings and disclosures for the fund set out therein. Investors should also consider any other factors that may be relevant to their circumstances, including tax considerations, before making any investment. Units or shares in the fund are not for sale in any jurisdiction in which such sale would be prohibited. Without limiting the generality of the previous statement, with particular reference to the UK, this document may only be distributed to and acted upon by those persons in the UK pursuant to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 as amended. None of the funds described herein are regulated under the Financial Services and Markets Act 2000, and for such funds protections provided by the UK regulatory system do not apply, nor are the benefits available under the Financial Services Compensation Scheme. When issued in the UK, issued by Ermitage UK Limited, which is authorised and regulated by the Financial Services Authority. Whilst reasonable efforts have been made to ensure the accuracy of the information herein, which may be based on proforma, estimated or unaudited figures, the Ermitage Group accepts no responsibility for its accuracy, nor the reasonableness of the conclusions based upon such information. The contents of this document are subject to change without prior notification. Past performance is not a guarantee of future performance. Returns indicated are net of all fees and expenses and include the re-investment of all dividends, income and profits. The price of units or shares can go down as well as up and may be affected by changes in rates of exchange. An investor may not receive back the amount invested. Where applicable, estimate prices are based solely on information and data supplied by the fund administrators and managers, therefore, Ermitage Group does not guarantee its accuracy or completeness. Ermitage Asset Management Jersey Limited ("EAMJL") is registered with the Jersey Financial Services Commission under the Financial Services (Jersey) Law 1998 for the conduct of investment business and fund services business.