

Ermitage Event Driven Fund Alpha Euro Class

February 2010



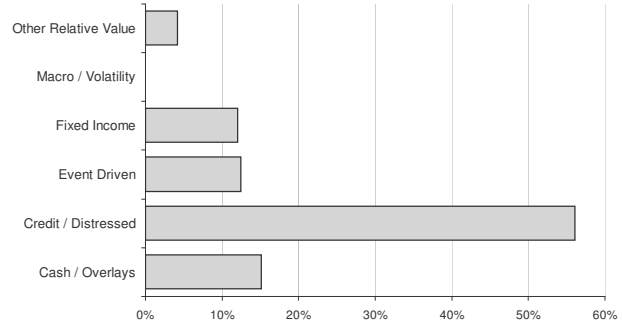
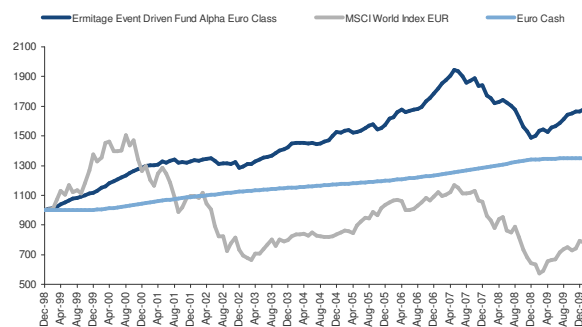
| NAV | One Month Return | YTD | Since Inception | Standard Deviation | Overall Fund Size |
|----------|------------------|-------|-----------------|--------------------|-------------------|
| € 124.71 | -0.50% | 0.35% | **67.08% | **4.33% | \$ 55,087,218 |

Investment Objective

To deliver consistent and superior returns over the medium term compared to fixed interest investments, accompanied by lower volatility, by investing in a diversified portfolio of risk arbitrage and event driven funds managed by specialist managers who have, over a prolonged period, achieved above average, risk adjusted returns. The Fund's methodology is geared towards achieving risk adjusted returns, as measured by Sharpe Ratio, and low correlation when compared to fixed income and equity markets.

Cumulative Performance of €1,000

Strategy Breakdown as at February 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 Event Driven Fund posted a loss of circa 0.5% for the month of February, as positive returns from our credit, distressed, and ABS strategies were offset by losses in the event-driven and directional strategies. February was one of the more challenging months for risk management in the past year. Credit spreads widened almost across the board with US high yield widening 21bps to 660bps over treasuries and the CDX US investment grade index widening 10bps to 119. Surprisingly, this sell-off in credit happened despite strength in US equities and a decrease in implied equity volatility. This environment particularly hurt managers who were short equities as a hedge against a portfolio of credits, and largely explains the relative underperformance of our Fund (where event-driven managers were also hurt by equity hedges) versus equity benchmarks. Going forward, we will continue to focus our research and investing efforts in strategies that offer strong risk-adjusted returns across a variety of market scenarios. These include event-driven equity, distressed and credit. We continue to be very excited about our prospects for generating strong, non-correlated returns.

Quantitative Analysis

| Risk | Fund | MSCI | Cash | Return | Fund | MSCI | Cash |
|-------------------------------|---------|---------|--------|------------------------|--------|---------|--------|
| Sharpe Ratio | 0.42 | (0.22) | 0.34 | Average Annual Return | 4.71 | (1.91) | 3.01 |
| Standard Deviation | 4.33 | 16.13 | 0.35 | Average Monthly Return | 0.39 | (0.05) | 0.25 |
| Sortino Ratio | 0.60 | (0.39) | - | Largest Monthly Return | 2.80 | 11.12 | 0.41 |
| Downside-Deviation (below 0%) | 3.01 | 12.22 | - | Largest Monthly Loss | (4.01) | (11.80) | - |
| Maximum Drawdown | (23.45) | (61.91) | - | Compounded Return | 67.08 | (19.37) | 35.19 |
| Months In Maximum Drawdown | 19.00 | 102.00 | - | % Of Positive Months | 75.37 | 56.72 | 100.00 |
| Months To Recover | - | - | - | | | | |
| Correlation | - | 0.43 | (0.22) | | | | |

Monthly Performance (%) Net of Fees

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| 2010 | 0.85 | (0.50) | | | | | | | | | | | 0.35 |
| 2009 | 0.76 | 2.37 | 0.51 | (1.08) | 1.89 | 0.46 | 1.40 | 1.84 | 1.82 | 0.46 | 0.65 | 0.19 | 11.79 |
| 2008 | (3.72) | (1.12) | (1.98) | 0.55 | 0.89 | (1.05) | (1.20) | (1.51) | (3.17) | (4.01) | (1.87) | (2.72) | (19.13) |
| 2007 | 1.87 | 1.91 | 1.16 | 1.57 | 2.06 | (0.50) | (1.84) | (2.19) | 0.58 | 1.15 | (2.78) | 0.19 | 3.04 |
| 2006 | 2.80 | 0.52 | 1.96 | 1.19 | (1.14) | 0.62 | 0.41 | 0.37 | 0.74 | 2.24 | 1.35 | 1.75 | 13.53 |
| 2005 | (0.07) | 0.76 | 0.21 | (1.03) | 0.21 | 0.68 | 1.06 | 1.10 | 0.48 | (2.08) | 0.44 | 1.47 | 3.22 |
| 2004 | 1.79 | 0.37 | (0.01) | 0.00 | (0.20) | 0.18 | (0.61) | 0.41 | 0.80 | 0.73 | 1.83 | 1.71 | 7.19 |
| 2003 | 0.52 | 1.35 | 0.18 | 1.17 | 1.16 | 1.00 | 0.32 | 0.43 | 1.19 | 1.42 | 0.52 | 0.97 | 10.72 |

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

** Performance figures prior to September 2001 reflect the performance of the Alpha Class USD shares adjusted for the effect of currency exchange rate and different management fees.

The Fund has changed one of its comparative benchmarks from the Citigroup WGBI Ccy Hedged Index to the MSCI World Index effective 1 June 2008. The rationale for this change is that the Fund believes that the new benchmark is a more suitable benchmark to compare the Fund's performance to. The benchmarks used for the Qualitative Analysis and the Cumulative Performance Chart are for illustrative purposes only and are intended as a comparative measure against the investment objectives of the Ermitage Event Driven 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 include the reinvestment of all dividends, income and profits.



Dealing Information

| | |
|------------------------------|--|
| Dealing Day: | 1st business day of each month |
| Subscription: | Monthly, on the business day prior to the relevant Dealing Day |
| Redemption: | Monthly with 90 days notice |
| Redemption Payment: | Normally within 30 days of the applicable Dealing Day |
| Valuation: | Monthly |
| Minimum Subscription: | EUR 100,000 |

Fees & Expenses

| | |
|------------------------------|--|
| Front End Load: | None |
| Initial Sales Charge: | Maximum 3% |
| Incentive Fee: | None |
| Management Fee: | 1% |
| Administration Fee: | Included in management fee |
| Custody Fee: | 0.075% on first US\$50m, 0.05% on next US\$50m, 0.04% on remainder |

Summary & Key Information

| | |
|--------------------------------|--------------|
| Launch Date: | May 2001 |
| Year End: | 31 December |
| Non-Eligible Investors: | US Investors |

Legal Structure: Ermitage Event Driven Fund is an open-ended investment company incorporated in Jersey
The shares of the Fund have been admitted to the official list of the Irish Stock Exchange

| | |
|------------------------------------|---|
| ISIN: | GB0030409519 |
| Sedol: | 3040951 |
| Bloomberg Ticker: | LIBEAAE |
| Manager: | Ermitage Asset Management Jersey Limited |
| Investment Adviser: | Ermitage UK Limited |
| Administrative Agent: | Bank of America Fund Services (Ireland) Limited |
| Custodian Bank: | Royal Bank of Canada (Channel Islands) Limited |
| 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.