



Ermitage Distressed and Event Fund Alpha (USD) June 2011

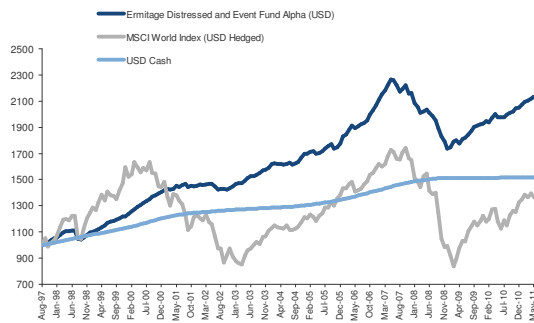


NAV	One Month Return	YTD	Since Inception	Standard Deviation	Overall Fund Size
\$ 210.78	-1.11%	2.95%	**110.78%	**4.37%	\$ 50,043,043

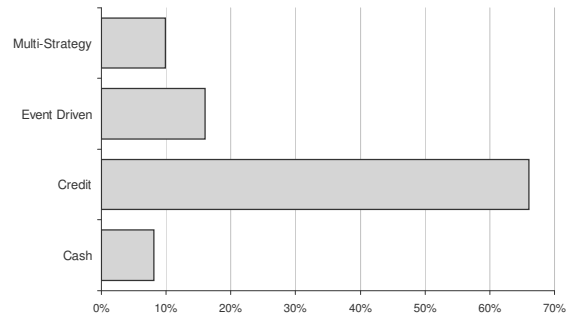
Investment Objective

To achieve consistent absolute, risk-adjusted returns over the medium term principally through investments in a combination of event driven and risk arbitrage strategies funds managed by professional managers implementing a variety of investment strategies which involve investment opportunities created by distressed markets and/or significant transactional events, such as mergers and acquisitions, industry consolidations, liquidations, reorganisations, bankruptcies, recapitalisations, share buybacks and other extraordinary corporate transactions. The Fund will seek to achieve lower risk and volatility than the global equity markets as a whole through a diversification of style and geographic region and through the management of portfolio risk exposures.

Cumulative Performance of \$1,000



Strategy Breakdown as at June 2011



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

Monthly Commentary

Ermitage Distressed & Event Fund experienced its first down month of the year, losing -1.11% for June, leaving year-to-date performance up +2.95% (Alpha Class USD). June was a difficult month to navigate for all strategies as there was a substantial market sell-off, spread widening, and increased volatility due to weak economic data and anticipation of the Greek austerity vote at month-end. Most funds in the portfolio were negatively affected and credit strategies in particular were volatile, with the combined effects of Greece's bailout and a string of poor macro data causing investors to de-risk during the month. High yield bonds and leveraged loans experienced their weakest monthly performance of the year. For comparison, the S&P500 Index was down -1.6% in June, and the 10 Year Treasury rose to 3.16% from 3.06%. Finally, our tail hedge expressed through European sovereign debt short positions posted +2.9% for June, despite performance for the underlying fund selling off towards month-end after markets rallied into the Greek austerity vote.

Quantitative Analysis

Risk	Fund	MSCI	Cash	Return	Fund	MSCI	Cash
Sharpe Ratio	0.58	0.02	-	Average Annual Return	5.54	2.17	3.06
Standard Deviation	4.37	15.45	0.62	Average Monthly Return	0.46	0.28	0.25
Sortino Ratio	0.81	(0.08)	-	Largest Monthly Return	3.09	10.09	0.57
Downside-Deviation (below 0%)	3.01	11.52	-	Largest Monthly Loss	(5.57)	(15.86)	-
Maximum Drawdown	(23.40)	(51.88)	-	Compound Return	110.78	34.64	51.69
Months In Maximum Drawdown	19.00	16.00	-	% Of Positive Months	77.11	55.42	100.00
Months To Recover	-	-	-				
Correlation	-	0.51	0.18				

Monthly Performance (%) Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2011	1.26	0.91	0.62	0.69	0.55	(1.11)							2.95
2010	0.98	(0.48)	1.82	1.39	(1.13)	0.01	0.08	0.94	0.68	0.63	1.12	0.12	6.30
2009	0.62	2.40	0.50	(1.17)	1.86	0.41	1.38	1.77	1.49	0.37	0.53	0.31	10.96
2008	(3.67)	(1.28)	(2.21)	0.48	0.77	(1.20)	(1.35)	(1.53)	(3.21)	(3.33)	(2.00)	(3.05)	(19.67)
2007	1.99	2.07	1.31	1.78	2.11	(0.38)	(1.75)	(2.07)	0.76	1.36	(2.82)	0.24	4.52
2006	3.09	0.69	2.17	1.43	(0.94)	0.81	0.62	0.58	0.91	2.47	1.60	1.90	16.40
2005	(0.09)	0.83	0.25	(0.96)	0.31	0.75	1.17	1.25	0.76	(1.91)	0.61	1.64	4.64
2004	1.70	0.36	(0.12)	(0.06)	(0.25)	0.16	0.52	(0.79)	0.67	0.72	1.96	1.77	6.80

On 29th April 2010, the name of the Fund changed from Ermitage Event Driven Fund to Ermitage Distressed and Event Fund. This reflects the change to the investment policy of the Fund allowing investments in underlying funds that invest in distressed opportunities.

Individual monthly performance figures are shown from 2004 due to space restrictions. The Quantitative Analysis figures in the table comprise the Fund's full performance record since inception (1997).

All performance figures quoted above are for the specific share class only and do not include performance from the "Special Investment" share class. Please refer to the Ermitage website for composite performance figures.

The Fund's benchmark was changed to the MSCI World Index effective 1 June 2008. The benchmarks used are for illustrative purposes only and are intended as a comparative measure against the investment objectives of the Ermitage Distressed and Event 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:	Closed to new investors as at 01.04.10 (New investors can subscribe to Ermitage Distressed and Event Fund Classes E - G which will have differing characteristics. Please refer to the Ermitage Distressed and Event Fund Offering Memorandum for information with respect to Classes E-G.)
Redemption:	Monthly, subject to notice of at least 5 business days prior to the business day falling 90 days prior to the redemption day
Redemption Payment:	Normally within 30 days of the applicable Dealing Day
Valuation:	Monthly
Minimum Subscription:	USD 100,000

Fees & Expenses

Front End Load:	None
Initial Sales Charge:	Maximum 3%
Incentive Fee:	None
Management Fee:	1%
Administration Fee:	0.11% per annum
Custody Fee:	0.075% on first US\$50m, 0.05% on next US\$50m, 0.04% on remainder

Summary & Key Information

Launch Date:	September 1997
Year End:	31 December
Non-Eligible Investors:	US Investors
Legal Structure:	Ermitage Distressed and Event 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:	GB0011787364
Sedol:	178736
Bloomberg Ticker:	LIBIALI
Manager:	Ermitage Asset Management Jersey Limited
Investment Adviser:	Ermitage UK Limited
Administrative Agent:	LaCrosse Global 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

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