

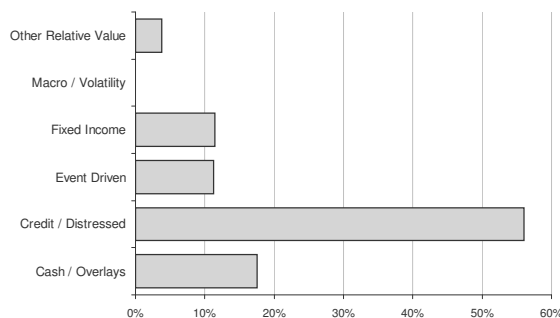
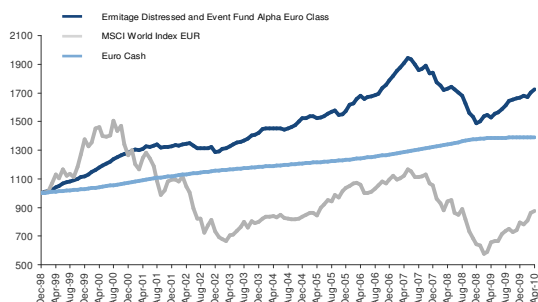
NAV	One Month Return	YTD	Since Inception	Standard Deviation	Overall Fund Size
€ 128.78	1.37%	3.62%	**72.53%	**4.33%	\$ 56,244,902

### 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 April 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 Fund was up 1.3% in April, taking YTD performance over 3%. Positive returns came from credit, distressed and event-driven sectors. Directional strategies were negative. Performance was in line with benchmarks. The high yield market was up about 2% in April. With this as a backdrop, our distressed debt and credit managers were able to generate strong returns both from the long side and from macro hedges. In equity event, the marketplace was quite active with Hertz's offer for Thrifty, HPC's purchase of Palm, Visa's purchase of Cybersource, and significant merger activity in the airline industry. Earnings continue to be stellar and are fuelling speculation of more acquisitions as corporations and private equity firms weigh the options for their cash hoards. We continue to be biased to well hedged equity managers who are generating returns from less-directional event trades. Going forward, we are very constructive on the hedge fund space and our ability to concentrate on managers with true alpha-generating ability. The majority of our managers are investing with some form of macro tail-risk protection and this continues to give us comfort during periods of strong market volatility.

### Quantitative Analysis

Risk	Fund	MSCI	Cash	Return	Fund	MSCI	Cash
Sharpe Ratio	0.47	(0.17)	-	Average Annual Return	4.93	(1.17)	2.96
Standard Deviation	4.33	16.15	0.34	Average Monthly Return	0.41	0.01	0.24
Sortino Ratio	0.69	(0.33)	-	Largest Monthly Return	2.80	11.12	0.41
Downside-Deviation (below 0%)	2.99	12.13	-	Largest Monthly Loss	(4.01)	(11.80)	-
Maximum Drawdown	(23.45)	(61.91)	-	Compounded Return	72.53	(12.49)	39.17
Months In Maximum Drawdown	19.00	102.00	-	% Of Positive Months	75.74	57.35	100.00
Months To Recover	-	-	-				
Correlation	-	0.44	(0.24)				

### Monthly Performance (%) Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	0.85	(0.50)	1.87	1.37									3.62
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 Quantitative 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 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.

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.

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

<b>Dealing Day:</b>	1st business day of each month
<b>Subscription:</b>	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.)
<b>Redemption:</b>	Monthly, subject to notice of at least 5 business days prior to the business day falling 90 days prior to the redemption day
<b>Redemption Payment:</b>	Normally within 30 days of the applicable Dealing Day
<b>Valuation:</b>	Monthly
<b>Minimum Subscription:</b>	EUR 100,000

## Fees & Expenses

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

## Summary & Key Information

<b>Launch Date:</b>	May 2001
<b>Year End:</b>	31 December
<b>Non-Eligible Investors:</b>	US Investors
<b>Legal Structure:</b>	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
<b>ISIN:</b>	GB0030409519
<b>Sedol:</b>	3040951
<b>Bloomberg Ticker:</b>	LIBEAAE
<b>Manager:</b>	Ermitage Asset Management Jersey Limited
<b>Investment Adviser:</b>	Ermitage UK Limited
<b>Administrative Agent:</b>	Bank of America Fund Services (Ireland) Limited
<b>Custodian Bank:</b>	Royal Bank of Canada (Channel Islands) Limited
<b>Publication of Information:</b>	Financial Times Managed Funds Services and <a href="http://www.ermitagegroup.com">www.ermitagegroup.com</a>

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