

BH Macro Limited  
Interim Unaudited Financial Statements 2010

INTERIM UNAUDITED  
FINANCIAL STATEMENTS  
30 June 2010

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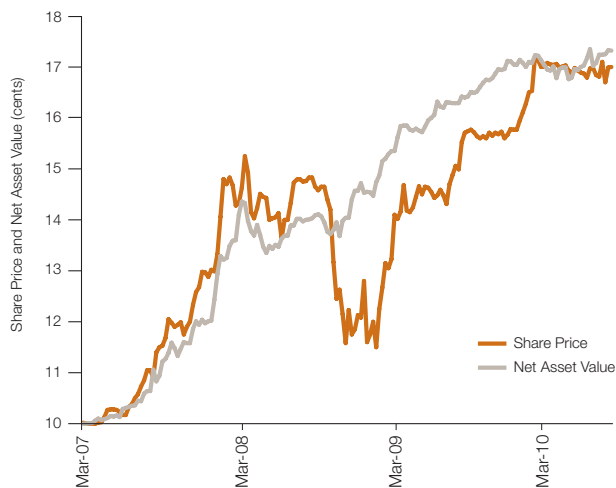


## Chairman's Statement

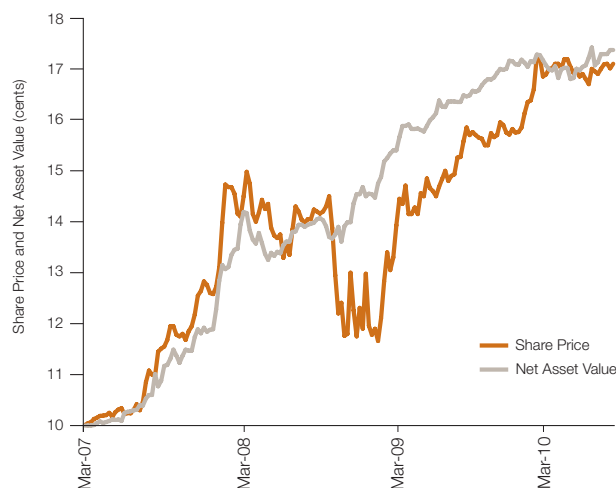
BH Macro Limited (the "Company") produced a moderate overall gain in net asset value ("NAV") during the first six months of 2010. All three currency classes showed a gain of just over 1.4% over the period. The Company's achievement in maintaining positive and uncorrelated growth in NAV has served to protect shareholders' capital notwithstanding volatile market conditions.

Although this performance is less than gains achieved in previous years, investment judgments in 2010 have faced a particularly challenging environment. Fluctuations in risk appetite and questions over the sustainability of the recovery have made for highly volatile conditions. The uncertainties have been heightened by the degree to which markets have been driven by political factors – how vigorously governments would move to begin correcting fiscal deficits; whether central banks would maintain the current exceptional degree of ease in monetary policy; how the Eurozone would respond to pressures on its weaker members; how far leading emerging market economies could maintain their stronger performance; and whether any or all of these adjustments would jeopardise the fragile recovery in global economic growth.

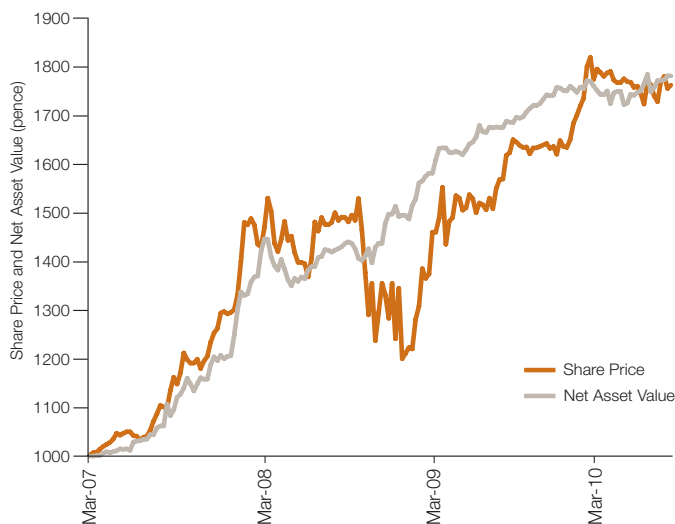
US Dollar denominated shares  
Share Price vs Net Asset Value



Euro denominated shares  
Share Price vs Net Asset Value



GBP denominated shares  
Share Price vs Net Asset Value



Source: Brevan Howard Asset Management LLP.

The performance of the Company's share price, in all three currency classes, suggests that the market continues to have confidence in the Company's ability to produce sustainable returns while limiting downside risk and preserving investor capital. Throughout the first half of 2010, the shares have traded in a close range around NAV – at times at a small premium, at times at a small discount. The Sterling shares have gained 1.6% over the period, the US Dollar shares 2.8% and the Euro shares 3.0%.

The Company remains a substantial fund, with NAV totalling US\$1.8 billion at the end of June 2010, making it the largest single-manager hedge fund listed on the London Stock Exchange. Trading in the Company's shares continues to provide a liquid secondary market for investors. The Sterling and Euro shares have maintained their place in the FTSE 250 and the US Dollar shares have recently gained entry to that Index. The Company has also maintained its listing in Dubai and Bermuda.

The Company has continued to focus on strengthening its communications and investor relations efforts. Regular communication is maintained with shareholders and presentations are made to keep analysts, financial journalists and the wider investment community informed of the Company's progress. Up-to-date performance information is provided through NAV data published monthly on a definitive basis and weekly on an estimated basis, as well as through regular risk reports and monthly shareholder reports. All these reports and further information about the Company are available on its website ([www.bhmacro.com](http://www.bhmacro.com)).

In line with its stated purpose, the Company has continued to invest all of its assets (net of minimal working capital) in Brevan Howard Master Fund Limited (the "Master Fund"). The Master Fund in turn seeks to generate consistent long-term capital appreciation through active leveraged trading and investment on a global basis. The Board has maintained close contact with the Company's manager,

## Chairman's Statement *continued*

Brevan Howard Capital Management LP (the "Manager"), to monitor the performance of the Master Fund, review its investment strategies and evaluate its analytical, trading and risk management capabilities. The Board continues to believe that the Master Fund's performance in all these areas is of the highest standard. The Board has established a Management Engagement Committee to ensure that the services the Company receives from all its outside providers, including the Manager, are reviewed thoroughly on an on-going basis.

In February 2010, shareholder meetings were held for the US Dollar and Euro share classes at which the Board presented class closure proposals for consideration. The proposals were necessitated by the discount the Company's shares reached for a temporary period at the height of the upheaval in markets in late-2008, which triggered the class closure provisions in the Company's Articles in October 2009. At the meetings, shareholders voted by an overwhelming majority, of over 98% of the votes cast, in favour of continuing both classes of shares. In an EGM at the same time, amendments to the class closure provisions for all three currency classes were approved which will provide shareholders with greater certainty regarding the range of options available to them should a class closure resolution be passed in the future and will provide the Company with greater operational efficiency in the implementation of shareholders' wishes.

The Board greatly welcomed this demonstration that shareholders are at one with the Board in their confidence in the Company's underlying strengths. The Board nonetheless remains alert to the continuing need to be ready to undertake discount management actions where necessary so that as far as possible the share prices properly reflect the Company's underlying performance. In view of the fact that, since the latter part of last year, the shares have been trading very close to NAV, the Board decided that there would be no point in offering a partial redemption of shares in 2010, but the option to make such an offer, at the Directors' discretion, remains available for future years.

The Directors take very seriously their responsibility for safeguarding the interests of shareholders and believe that the Company observes high standards of corporate governance. The Board, which is independent of the Brevan Howard group, holds quarterly scheduled meetings and meets ad hoc on other occasions as necessary. The work of the Board is assisted by the Audit Committee and the Management Engagement Committee. To support its work, the Board is in the process of identifying an additional independent non-executive director to appoint to the Board. It is intended that the new director will also be appointed to the Audit Committee, replacing Talmay Morgan, who has become non-independent for the purposes of the Listing Rules. The Audit Committee will then be comprised entirely of independent non-executive directors. Mr Morgan will remain a valued member of the Board.

Looking ahead, it is hard to see grounds for expecting financial conditions to become less volatile and unpredictable in the immediate future. The Board, however, believes that the Company's investment in the Master Fund continues to offer the prospect for shareholders to achieve sustainable non-correlated returns while preserving capital.



**Ian Plenderleith**  
Chairman

26 August 2010

# Directors' Report

30 June 2010

The Directors submit their Report together with the Company's Unaudited Statement of Assets and Liabilities, Unaudited Statement of Operations, Unaudited Statement of Changes in Net Assets, Unaudited Statement of Cash Flows and the related notes for the period from 1 January 2010 to 30 June 2010. The Directors' Report together with the Unaudited Financial Statements and their related notes give a true and fair view of the financial position of the Company and have been prepared properly, in conformity with accounting principles generally accepted in the United States of America (US GAAP) and are in accordance with any relevant enactment for the time being in force; and are in agreement with the accounting records.

## The Company

The Company is a limited liability closed-ended investment company incorporated in Guernsey on 17 January 2007.

The Company was admitted to a Secondary Listing (Chapter 14) on the Official List of the London Stock Exchange on 14 March 2007. On 11 March 2008, the Company migrated from the Secondary Listing to a Primary Listing pursuant to Chapter 15 of the Listing Rules of the UK Listing Authority. As a result of changes to the UK Listing Regime, the Company's Primary Listing became a Premium Listing with effect from 6 April 2010.

As of 20 October 2008 the Company obtained a further Secondary Listing on the Bermuda Stock Exchange and with effect from 11 November 2008, the US Dollar Shares of the Company were admitted to a Secondary Listing on NASDAQ Dubai.

The proceeds from the original issue of shares on listing amounted to approximately US\$1.1 billion. On 26 October 2007 the Company issued further shares in a cash placing amounting to approximately US\$0.1 billion.

During the year ended 31 December 2009, the Company launched a Tender Offer and bought back US\$0.1 billion of shares.

The Company is a member of the Association of Investment Companies.

## Investment objective and policy

The Company is organised as a feeder fund that invests all of its assets (net of short-term working capital requirements) directly in the Master Fund, a hedge fund in the form of a Cayman Islands open-ended investment company, and which has as its investment objective the generation of consistent long-term appreciation through active leveraged trading and investment on a global basis.

The Master Fund has flexibility to invest in a wide range of instruments including, but not limited to, debt securities and obligations (which may be below investment grade), bank loans, listed and unlisted equities, other collective investment schemes, currencies, commodities, futures, options, warrants, swaps and other derivative instruments. The underlying philosophy is to construct strategies, often contingent in nature, with superior risk/ return profiles, whose outcome will often be crystallised by an expected event occurring within a pre-determined period of time.

The Company may employ leverage for the purposes of financing share purchases or buy backs, satisfying working capital requirements or financing further investment into the Master Fund, subject to an aggregate borrowing limit of 20% of the Company's net asset value, calculated as at the time of borrowing. Borrowing by the Company is in addition to leverage at the Master Fund level, which has no limit on its own leverage.

## Results and dividends

The results for the period are set out in the Unaudited Statement of Operations on page 13. The Directors do not recommend the payment of a dividend.

## Share capital

The number of shares in issue at the period end is disclosed in Note 5 to the Interim Unaudited Financial Statements.

## Going concern

After making enquiries and given the nature of the Company and its investment, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing these Financial Statements and, after due consideration, the Directors consider that the Company is able to continue for the foreseeable future.

## The Board

The Board of Directors has overall responsibility for safeguarding the Company's assets, for the determination of the investment policy of the Company, for reviewing the performance of the service providers and for the Company's activities. The Directors, all of whom are non-executive, are listed on the inside back cover. Stephen Stonberg is not independent of the Manager. Talmai Morgan is not independent of the Manager for the purposes of Listing Rule 15.2.12.

The Articles provide that unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two. The Company's policy on Directors' Remuneration, together with details of the remuneration of each Director who served in the period, is detailed in the Directors' Remuneration Report on page 8.

The Board meets at least four times a year and between these formal meetings there is regular contact with the Manager and the Secretary. The Directors are kept fully informed of investment and financial controls, and other matters that are relevant to the business of the Company and should be brought to the attention of the Directors. The Directors also have access to the Administrator and, where necessary in the furtherance of their duties, to independent professional advice at the expense of the Company.

The Board has a breadth of experience relevant to the Company, and the Directors believe that any changes to the Board's composition can be managed without undue disruption. With any new Director appointment to the Board, consideration will be given as to whether an induction process is appropriate.

## Directors' Report continued

30 June 2010

### Directors

The table below sets out the number of Board and Audit Committee meetings held during the period from 1 January 2010 to 30 June 2010 and the number of meetings attended by each Director, who served on the Board and/or as a Committee Member during the period.

Scheduled Board Meetings	Held	Attended
Ian Plenderleith	3	3
Anthony Hall	3	3
Christopher Legge	3	3
Talmi Morgan	3	3
Stephen Stonberg	3	3

### Audit Committee Meetings

Anthony Hall	2	2
Christopher Legge	2	2
Talmi Morgan	2	2

### Management Engagement Committee Meetings

The Management Engagement Committee was formed on 18 November 2009 and will hold its first formal meeting in September 2010.

### Directors' interests

Stephen Stonberg is a Partner of Brevan Howard Asset Management LLP and CEO of Brevan Howard US LLC.

Talmi Morgan and Stephen Stonberg are both non-executive Directors of BH Global Limited which was incorporated on 25 February 2008 and started trading on the London Stock Exchange on 23 May 2008. BH Global Limited is managed by Brevan Howard Capital Management LP, the Company's Manager, and is a feeder fund for the Brevan Howard Global Opportunities Master Fund Limited which invests, amongst other investments, in the Master Fund.

The Directors had the following interests in the Company, held either directly or beneficially:

	Sterling Shares		
	30.06.10	31.12.09	30.06.09
Ian Plenderleith	Nil	Nil	Nil
Anthony Hall	10,000	10,000	10,000
Christopher Legge	Nil	Nil	Nil
Talmi Morgan	Nil	Nil	Nil
Stephen Stonberg	5,676	5,676	Nil

	Euro Shares		
	30.06.10	31.12.09	30.06.09
Ian Plenderleith	Nil	Nil	Nil
Anthony Hall	6,500	6,500	Nil
Christopher Legge	Nil	Nil	Nil
Talmi Morgan	Nil	Nil	Nil
Stephen Stonberg	Nil	Nil	Nil

### Directors' indemnity

Directors' and officers' liability insurance cover is in place in respect of the Directors. The Directors entered into indemnity agreements with the Company on 22 September 2009 which provide for, subject to the provisions of The Companies (Guernsey) Law, 2008, an indemnity for Directors in respect of costs which they may incur relating to the defence of proceedings brought against them arising out of their positions as directors, in which they are acquitted or judgement is given in their favour by the Court. The agreement does not provide for any indemnification for liability which attaches to the Directors in connection with any negligence, unfavourable judgements, breach of duty or trust in relation to the Company.

### Manager

The Board, and in particular the Management Engagement Committee, considers the arrangements for the provision of management and other services to the Company on an ongoing basis. The principal contents of the agreement with the Manager are as described in note 4 to the Interim Unaudited Financial Statements.

The Board continuously monitors the performance of the Manager and a review of the Manager will be conducted by the Management Engagement Committee annually.

The Manager has wide experience in managing and administering fund vehicles and has access to extensive investment management resources. As a result of its review of the Manager's performance at its meeting held on 24 June 2009, the Board recommended that the continued appointment of the Manager on the terms agreed would be in the interests of the Company's shareholders as a whole. The Management Engagement Committee will conduct another full review of the Manager's performance at its meeting to be held in September 2010.

### Auditor's remuneration

The tables below summarise the remuneration paid to KPMG Channel Islands Limited and to other KPMG affiliates for audit and non-audit services during the six month period ended 30 June 2010, the year ended 31 December 2009 and the six month period ended 30 June 2009.

	Period ended 30.06.10	Year ended 31.12.09	Period ended 30.06.09
<b>KPMG Channel Islands Limited</b>			
– Annual audit	–	£20,000	–
– Auditor's interim review	£8,240	£8,000	£8,000
– Other services	–	£5,175	£5,175
<b>Other KPMG affiliates</b>			
– German tax services	–	£18,819	–
– US tax services	–	£11,147	–

The Audit Committee has established pre-approval policies and procedures for the engagement of KPMG to provide audit, assurance and tax services.

### Corporate governance

As an investment company, most of the Company's day-to-day functions are delegated to third parties and the Directors are all non-executive. The Directors recognise the importance of sound corporate governance, particularly the requirements of the Combined Code on Corporate Governance published by the Financial Reporting Council (the "Combined Code"). In prior periods, as a closed-ended investment company registered in Guernsey, the Company was eligible for exemption from the requirements of the Combined Code; however the Board put in place a framework for corporate governance which it believes is appropriate having regard to the Company's size, stage of development and resources and with reference to the recommendations within the Association of Investment Companies' Corporate Governance Guide for Investment Companies, which enabled the Company to comply with the main requirements of the Combined Code. As a result of changes to the UK Listing Regime, with effect from 6 April 2010, the Company must comply with the requirements of the Combined Code. There is no published corporate governance regime equivalent to the Combined Code in Guernsey.

The Company has adopted a policy that the composition of the Board of Directors is at all times such that (i) a majority of the Directors are independent of the Manager and any company in the same group as the Manager; (ii) the Chairman of the Board of Directors is free from any conflicts of interest and is independent of the Manager and of any company in the same group as the Manager; and (iii) no more than one director, partner, employee or professional adviser to the Manager or any company in the same group as the Manager may be a Director of the Company at any one time.

The Company has also adopted a Code of Directors' dealings in shares, which is based on the Model Code for Directors' dealings contained in the London Stock Exchange's Listing Rules.

Except as disclosed in the following paragraphs the Company complied throughout the period with the provisions of the Combined Code. The provisions of the Combined Code in respect of Directors' remuneration are not relevant to the Company as all the Directors are non-executive.

In view of its non-executive and independent nature, the Board considers that it is not appropriate for a Senior Independent Director to be appointed as recommended by Code provision A.3.3, nor for there to be a Nomination Committee as recommended by Code provision A.4.1 or a Remuneration Committee as anticipated by Code provision B.1.5 although the Board has included a separate Remuneration Report on page 8 of these Interim Unaudited Financial Statements. The Directors are not appointed for a specified term as recommended by Combined Code provision A.7.2; however, as required by the Company's Articles 20.3, one third of the Directors will retire by rotation at each Annual General Meeting. On 15 June 2010, the Annual General Meeting of the Company, Shareholders re-elected Christopher Legge, Talmay Morgan and Stephen Stonberg as directors of the Company.

The Board, of which Ian Plenderleith is Chairman, consists solely of non-executive Directors. As at the period end, all the Directors, except Stephen Stonberg, are considered by the Board to be independent of the Company's Manager.

Talmay Morgan is not considered to be independent if the test of director independence contained in LR15.2.12 is applied in assessing independence for audit committee membership purposes. However, this does not prevent Talmay Morgan from serving on the Audit Committee. The Board believes that, in light of the current composition of the Audit Committee, Talmay Morgan's current membership of the Audit Committee is justified, on the basis that his knowledge, skills and experience are of value to the Committee in the discharge of its duties. The Board believes that Talmay Morgan continues to act objectively and be candid in the discharge of his duties as a member of the Audit Committee. The Board further believes that Talmay Morgan's directorship of BH Global Limited has not impeded his judgement and ability to serve as a member of the Audit Committee.

Notwithstanding the above, the Board understands that it would be preferable to have an Audit Committee composed only of directors deemed to be independent under the Listing Rules. The Board is in the process of finalising an additional independent non-executive director who will also be appointed to the Audit Committee, replacing Talmay Morgan. The Audit Committee will then be comprised entirely of independent non-executive directors. Mr Morgan will remain a member of the Board.

On 19 January 2010, the Guernsey Financial Services Commission ("GFSC") published a consultation paper on a proposed "Code of Corporate Governance" applicable for Guernsey. It is anticipated that the code will be published and implemented by the Company by the end of this year.

The Combined Code is being replaced by The UK Corporate Governance Code which applies to reporting periods beginning on or after 29 June 2010. The Directors are currently reviewing the impact of the new regime and the new corporate governance requirements on the Company and expect to be fully compliant on or before 31 December 2010.

### Audit Committee

The Company has established an Audit Committee with formal duties and responsibilities. This Committee meets formally at least twice a year and each meeting is attended by the external Auditor. The Audit Committee comprises Christopher Legge, Anthony Hall and Talmay Morgan. Christopher Legge is the Chairman of the Audit Committee.

The Audit Committee reviews and recommends to the Board the Financial Statements of the Company and is the forum through which the Auditor reports to the Board of Directors. The objectivity of the Auditor is reviewed by the Audit Committee which also reviews the terms under which the external Auditor is appointed to perform non-audit services. The Committee reviews the scope and results of the audit, its cost effectiveness and the independence and



## Directors' Report *continued*

30 June 2010

objectivity of the Auditor, with particular regard to non-audit fees. The Audit Committee considers KPMG Channel Islands Limited to be independent of the Company.

The Audit Committee has reviewed the need for an internal audit function. The Audit Committee has decided that the systems and procedures employed by the Manager and the Administrator, including their internal audit functions, provide sufficient assurance that a sound system of internal control, which safeguards the Company's assets, is maintained. An internal audit function specific to the Company is therefore considered unnecessary.

Appointment to the Audit Committee shall be for a period up to three years which may be extended for two further three year periods provided that the majority of the Audit Committee remain independent of the Manager. The Audit Committee are currently serving during the second term of three years.

A member of the Audit Committee will be available to attend each Annual General Meeting to respond to any shareholder questions on the activities of the Audit Committee.

### Management Engagement Committee

The Board has established a Management Engagement Committee with formal duties and responsibilities. These duties and responsibilities include the regular review of the performance of and contractual arrangements with the Manager and the preparation of the Committee's annual opinion as to the Manager's services.

Detailed terms of the Manager's contract and notice period are contained in note 4 to the Interim Unaudited Financial Statements.

The Management Engagement Committee will meet formally at least once a year and comprises Ian Plenderleith, Anthony Hall and Christopher Legge. Anthony Hall is the Chairman of the Management Engagement Committee.

### Relations with shareholders

The Board welcomes shareholders' views and places great importance on communication with its shareholders. The Board receives regular reports on the views of shareholders and the Chairman and other Directors are available to meet shareholders if required. The Annual General Meeting of the Company provides a forum for shareholders to meet and discuss issues with the Directors of the Company. The Manager provides weekly estimates of NAV and a month end NAV, and the Manager provides a monthly newsletter and a risk report. These are published via RNS and are also available on the Company's website, [www.bhmacro.com](http://www.bhmacro.com).

The Manager maintains regular dialogue with institutional shareholders, the feedback from which is reported to the Board. In addition, Board members will be available to respond to shareholders' questions at the Annual General Meeting.

### Significant shareholders

As at 30 June 2010, the following had significant shareholdings in the Company:

	Total shares held	% holding in class
<b>Significant shareholders</b>		
<b>US Dollar shares</b>		
HSBC Global Custody		
Nominee (UK) Limited	5,725,574	15.55
Lynchwood Nominees Limited	5,257,706	14.28
Vidacos Nominees Limited	3,493,712	9.49
Nortrust Nominees Limited	3,018,127	8.20
Goldman Sachs Securities		
(Nominees) Limited	3,122,510	8.48
Euroclear Nominees Limited	2,279,039	6.19
State Street Nominees Limited	1,914,795	5.20
Morstan Nominees Limited	1,830,881	4.97
Enhanced Investing Corporation		
(Cayman) II Limited	1,745,030	4.74
Computershare Investor Services PLC	1,458,818	3.96
The Bank of New York		
(Nominees) Limited	1,365,019	3.71
Chase Nominees Limited	1,333,884	3.62
<b>Euro shares</b>		
Securities Services (Nominees) Limited	3,487,535	21.08
Nordea Bank Danmark A/S	3,308,050	19.99
Euroclear Nominees Limited	2,031,432	12.28
Citibank Nominees (Ireland) Limited	1,803,539	10.90
HSBC Global Custody		
Nominee (UK) Limited	1,201,834	7.26
Lynchwood Nominees Limited	960,517	5.80
Computershare Investor		
Services PLC	883,172	5.34
Vidacos Nominees Limited	654,263	3.95
<b>Sterling shares</b>		
Chase Nominees Limited	5,444,729	18.33
State Street Nominees Limited	3,719,891	12.53
HSBC Global Custody		
Nominee (UK) Limited	2,981,618	10.04
Nutraco Nominees Limited	2,371,418	7.98
Lynchwood Nominees Limited	2,356,490	7.93
Pershing Nominees Limited	1,222,776	4.12

Signed on behalf of the Board by:

**Ian Plenderleith**  
Chairman

**Christopher Legge**  
Director

26 August 2010



# Statement of Directors' Responsibility in Respect of the Interim Unaudited Financial Statements

We confirm to the best of our knowledge that:

- these Interim Unaudited Financial Statements have been prepared in conformity with Accounting Principles Generally Accepted in the United States of America and give a true and fair view of the financial position of the Company; and
- these Interim Unaudited Financial Statements include information detailed in the Chairman's Statement, the Directors' Report, the Manager's Report and the notes to the Interim Unaudited Financial Statements, which provides a fair view of the information required by:-
  - (a) DTR 4.2.7 of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on these Interim Unaudited Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - (b) DTR 4.2.8 of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period; and any changes in the related party transactions described in the last Annual Audited Financial Statements that could materially affect the financial position or performance of the Company.

Signed on behalf of the Board by:

**Ian Plenderleith**  
Chairman

**Christopher Legge**  
Director

26 August 2010

# Directors' Remuneration Report

30 June 2010

## Introduction

The Board has prepared this report as part of its framework for corporate governance which, as described in the Directors' Report, enables the Company voluntarily to comply with the main requirements of the Combined Code on Corporate Governance published by the Financial Reporting Council.

An ordinary resolution for the approval of the annual remuneration report will be put to the shareholders at the Annual General Meeting to be held in 2011.

## Remuneration policy

All Directors are non-executive and a Remuneration Committee has not been established. The Board as a whole considers matters relating to the Directors' remuneration. No advice or services were provided by any external person in respect of its consideration of the Directors' remuneration.

The Company's policy is that the fees payable to the Directors should reflect the time spent by the Directors on the Company's affairs and the responsibilities borne by the Directors and be sufficient to attract, retain and motivate directors of a quality required to run the Company successfully. The Chairman of the Board is paid a higher fee in recognition of his additional responsibilities, as is the Chairmen of the Audit Committee and the Management Engagement Committee. The policy is to review fee rates periodically, although such a review will not necessarily result in any changes to the rates, and account is taken of fees paid to directors of comparable companies.

There are no long term incentive schemes provided by the Company and no performance fees are paid to Directors.

No Director has a service contract with the Company but each of the Directors is appointed by a letter of appointment which sets out the main terms of their appointment. Directors hold office until they retire by rotation or cease to be a director in accordance with the Articles of Incorporation, by operation of law or until they resign. As required by the Company's Articles 20.3, one third of the Directors will retire by rotation at each Annual General Meeting. Director appointments can also be terminated in accordance with the Articles. Should shareholders vote against a Director standing for re-election, the Director affected will not be entitled to any compensation. There are no set notice periods and a Director may resign by notice in writing to the Board at any time.

Directors are remunerated in the form of fees, payable quarterly in arrears, to the Director personally. No other remuneration or compensation was paid or payable by the Company during the period to any of the Directors apart from the reimbursement of allowable expenses.

## Directors' fees

The Company's Articles limit the fees payable to Directors in aggregate to £300,000 per annum. The annual fees were last increased on 1 April 2010, and are £150,000 for the Chairman,

£33,000 for the Chairman of both the Audit Committee and of the Management Engagement Committee and £30,000 for all other Directors.

The fees payable by the Company in respect of each of the Directors who served during the six month period ended 30 June 2010, the year ended 31 December 2009 and the six month period ended 30 June 2009, were as follows:

	Period ended 30.06.10 £	Year ended 31.12.09 £	Period ended 30.06.09 £
Ian Plenderleith	72,500	140,000	70,000
Anthony Hall	14,500	25,000	12,500
Christopher Legge	15,125	27,500	13,750
Talmi Morgan	13,750	25,000	12,500
Stephen Stonberg*	–	–	–
Total	115,875	217,500	108,750

\* Stephen Stonberg has waived his fee

## Performance graphs

The graphs shown on page 1 detail the share price returns over the period.

Signed on behalf of the Board by:

**Ian Plenderleith**  
Chairman

**Christopher Legge**  
Director

26 August 2010

# Manager's Report

Brevan Howard Capital Management LP is the Manager of the Company and of the Master Fund.

## Performance review

The Company's NAV per share gained 1.40% for the US Dollar shares, 1.42% for the Euro shares and 1.48% for the Sterling shares during the first half of 2010.

The NAV performance (measured as a percentage change) of each currency class of the Company on a month-by-month basis during 2007, 2008, 2009 and 2010 is set out below:

USD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007	–	–	0.10	0.90	0.15	2.29	2.56	3.11	5.92	0.03	2.96	0.75	20.27
2008	9.89	6.70	(2.79)	(2.48)	0.77	2.75	1.13	0.75	(3.13)	2.76	3.75	(0.68)	20.32
2009	5.06	2.78	1.17	0.13	3.14	(0.86)	1.36	0.71	1.55	1.07	0.37	0.37	18.04
2010	(0.27)	(1.50)	0.04	1.45	0.32	1.38							1.40

EUR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007	–	–	0.05	0.70	0.02	2.26	2.43	3.07	5.65	(0.08)	2.85	0.69	18.95
2008	9.92	6.68	(2.62)	(2.34)	0.86	2.84	1.28	0.98	(3.30)	2.79	3.91	(0.45)	21.65
2009	5.38	2.67	1.32	0.14	3.12	(0.82)	1.33	0.71	1.48	1.05	0.35	0.40	18.36
2010	(0.30)	(1.52)	0.03	1.48	0.37	1.39							1.42

GBP	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007	–	–	0.11	0.83	0.17	2.28	2.55	3.26	5.92	0.04	3.08	0.89	20.67
2008	10.18	6.85	(2.61)	(2.33)	0.95	2.91	1.33	1.21	(2.99)	2.84	4.23	(0.67)	23.25
2009	5.19	2.86	1.18	0.05	3.03	(0.90)	1.36	0.66	1.55	1.02	0.40	0.40	18.00
2010	(0.23)	(1.54)	0.06	1.45	0.36	1.39							1.48

Important note – shares in the Company do not necessarily trade at a price equal to the prevailing NAV per share.

Source: Company NAV per share % monthly change calculations made by Brevan Howard Asset Management LLP. NAV Data is unaudited and net of all investment management fees (2% annual management fee and 20% performance fee) and all other fees and expenses payable by the Company.

## Past performance is not indicative of future results.

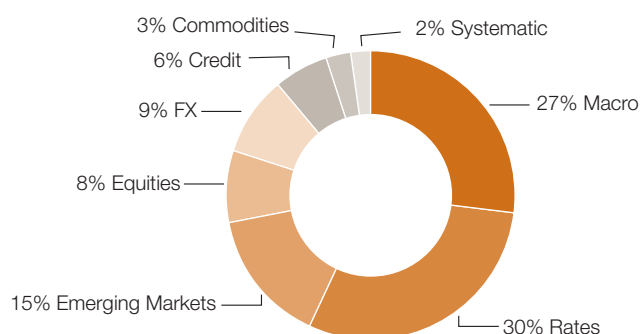
The majority of the Master Fund's performance in the first half of 2010 came from gains made in FX directional strategies in both developed market and emerging market currencies. Additional performance came from rates trading including gains in directional, swap spread and volatility trades. Losses were primarily incurred in fixed income curve and directional exposures. The remainder of performance came from a variety of other strategies including fixed income relative value, volatility trading, credit and equities.

In the first half of 2010 there have been significant movements in FX markets. The US Dollar persistently strengthened throughout most of the first half of 2010 whilst the Euro persistently traded lower. This has led to sizeable trading opportunities in FX playing emerging market currencies and developed market countries with current account surpluses against the Euro and US Dollar at various times. The markets have recently come to share our views that rates will be lower for longer as there has been a curve flattening across Euro, US, UK and Japan interest rate term structures. Exposures in rates continue to be taken where high quality opportunities are seen.

## Manager's Report *continued*

The investment profile of the Master Fund as at 30 June 2010 is set out below:

### Asset Class Exposure (% of capital allocation)



\* Emerging Markets consists of Fixed Income, FX and Credit. Capital allocations are subject to change.

Source: Brevan Howard Asset Management LLP

### Commentary and Outlook

Recent negatives in the macro data have spawned a debate about fiscal and monetary policy options. In 2009 attention had been focused on an indefinite period of monetary and fiscal stimulus and the subsequent rally in risk assets. In 2010 investor concerns have shifted and are now focused on removal of stimulus and the impact of fiscal austerity on global growth. It is highly uncertain how economies can perform as monetary and fiscal stimuli wane. The effects of these changes are only now feeding through to economies. Uncertainty around forecasts is extremely high.

This macro background leads the Master Fund's investment managers to focus on the following themes in 2010:

- **Higher Volatility:** The "Great Moderation" period saw lower macro and policy volatility. Going forward Brevan Howard believes that there will be a higher volatility macro environment, which is ideally suited to the Brevan Howard trading style.
- **Differentiation:** In response to the financial crisis and global recession, most developed and developing countries have pursued some combination of aggressive monetary and fiscal policies. However, not all economies have the same structural problems, so the outcomes have differed widely. Going forward, an important trading theme is the degree of differentiation that will emerge among countries that pursued similar treatments but realised different outcomes. Such differentiation bets could provide major trading opportunities.
- **Emerging Markets:** It appears that there has been a secular shift in favour of growth in emerging market economies with solid fundamentals versus G7 economies. These countries have growing domestic demand, and have room for interest rates to move down as investors grow comfortable with responsible monetary and fiscal stewardship. The danger with this theme is

that it is very much consensus and therefore extremely crowded. Any challenge to the global growth story could cause a sharp and painful correction; consequently, trade construction which limits mark-to-market losses and allows positions to be held through a correction is of paramount importance.

The trading outlook for the remainder of 2010 remains fertile, with the high levels of macro-economic uncertainty and market volatility.

The Manager thanks shareholders once again for your continued support.

### Gunther Thumann

Brevan Howard Capital Management LP, acting by its sole general partner, Brevan Howard Capital Management Limited.

26 August 2010

# Independent Review Report to the Members of BH Macro Limited

We have been engaged by the Company to review the Interim Unaudited Financial Statements included in the Interim Report for the six month period to 30 June 2010 which comprises the Unaudited Statement of Assets and Liabilities, the Unaudited Statement of Operations, the Unaudited Statement of Changes in Net Assets, the Unaudited Statement of Cash Flows and the related explanatory notes. We have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the Interim Unaudited Financial Statements.

This Report is made solely to the Company in accordance with the terms of our engagement letter dated 15 June 2010 to assist the Company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Services Authority ("the UK FSA"). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this Report, or for the conclusions we have reached.

## Directors' responsibilities

The Interim Report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Interim Report in accordance with the DTR of the UK FSA.

As disclosed in note 3, the Annual Audited Financial Statements of the Company are prepared in conformity with accounting principles generally accepted in the United States of America and applicable law.

## Our responsibility

Our responsibility is to express to the Company a conclusion on the Interim Unaudited Financial Statements included in the Interim Report based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Interim Unaudited Financial Statements included in the Interim Report for the six month period to 30 June 2010 are not prepared, in all material respects, in conformity with accounting principles generally accepted in the United States of America and the DTR of the UK FSA.

## Ewan F McGill

For and on behalf of KPMG Channel Islands Limited  
Chartered Accountants and Recognised Auditors

27 August 2010

# Unaudited Statement of Assets and Liabilities

As at 30 June 2010

	30.06.10 US\$'000	31.12.09 US\$'000	30.06.09 US\$'000
<b>Assets</b>			
Investment in the Master Fund (cost 30 June 2010: US\$800,342,404; 31 December 2009: US\$810,348,154; 30 June 2009: US\$854,250,306)	1,784,564	1,856,646	1,774,972
Amounts due from the Master Fund	1,782	–	1,654
Performance fees receivable (note 4)	–	79	–
Prepaid expenses	118	23	144
Cash and bank balances denominated in US Dollars	1,055	2,266	17,444
Cash and bank balances denominated in Euro	52	1,635	14,066
Cash and bank balances denominated in Sterling	73	2,511	13,643
<b>Total assets</b>	<b>1,787,644</b>	<b>1,863,160</b>	<b>1,821,923</b>
<b>Liabilities</b>			
Performance fees payable (note 4)	3,896	–	46,240
Management fees payable (note 4)	2,629	2,957	2,679
Redemptions payable	–	–	734
Accrued expenses and other liabilities	99	377	112
Directors' fees payable	91	88	95
Administration fees payable (note 4)	78	87	82
<b>Total liabilities</b>	<b>6,793</b>	<b>3,509</b>	<b>49,942</b>
<b>Net assets</b>	<b>1,780,851</b>	<b>1,859,651</b>	<b>1,771,981</b>
<b>Number of shares in issue (note 5)</b>			
US Dollar shares	36,818,663	40,728,777	47,182,753
Euro shares	16,547,210	17,280,342	18,758,834
Sterling shares	29,698,944	26,356,443	21,208,841
<b>Net asset value per share (notes 7 and 9)</b>			
US Dollar shares	US\$17.32	US\$17.08	US\$16.18
Euro shares	€17.37	€17.13	€16.25
Sterling shares	£17.81	£17.55	£16.63

See accompanying notes to the Interim Unaudited Financial Statements.

Signed on behalf of the Board by:

**Ian Plenderleith**  
Chairman

**Christopher Legge**  
Director

26 August 2010



# Unaudited Statement of Operations

For the period from 1 January 2010 to 30 June 2010

	01.01.10 to 30.06.10 US\$'000	01.01.09 to 31.12.09 US\$'000	01.01.09 to 30.06.09 US\$'000
<b>Net investment income allocated from the Master Fund</b>			
Interest	24,122	40,728	17,285
Dividend income (net of withholding tax of: 30 June 2010: US\$46,328; 31 December 2009: US\$261,564; 30 June 2009: US\$23,042)	411	887	75
Expenses	(14,319)	(30,527)	(15,079)
<b>Net investment income allocated from the Master Fund</b>	<b>10,214</b>	<b>11,088</b>	<b>2,281</b>
<b>Company income</b>			
Fixed deposit income	–	6	6
Foreign exchange gains (note 3)	–	56,104	67,569
<b>Total Company income</b>	<b>–</b>	<b>56,110</b>	<b>67,575</b>
<b>Company expenses</b>			
Performance fees (note 4)	4,000	64,690	44,409
Management fees (note 4)	15,995	32,770	15,667
Other expenses	551	1,017	396
Directors' fees	176	337	167
Administration fees (note 4)	162	330	156
Foreign exchange losses (note 3)	108,632	–	–
<b>Total Company expenses</b>	<b>129,516</b>	<b>99,144</b>	<b>60,795</b>
<b>Net investment (loss)/gain</b>	<b>(119,302)</b>	<b>(31,946)</b>	<b>9,061</b>
<b>Net realised and unrealised gain on investments allocated from the Master Fund</b>			
Net realised gain on investments	152,487	516,297	542,893
Net unrealised loss on investments	(116,185)	(141,469)	(296,742)
<b>Net realised and unrealised gain on investments allocated from the Master Fund</b>	<b>36,302</b>	<b>374,828</b>	<b>246,151</b>
<b>Net (decrease)/increase in net assets resulting from operations</b>	<b>(83,000)</b>	<b>342,882</b>	<b>255,212</b>

See accompanying notes to the Interim Unaudited Financial Statements.

# Unaudited Statement of Changes in Net Assets

For the period from 1 January 2010 to 30 June 2010

	01.01.10 to 30.06.10 US\$'000	01.01.09 to 31.12.09 US\$'000	01.01.09 to 30.06.09 US\$'000
<b>Net (decrease)/increase in net assets resulting from operations</b>			
Net investment (loss)/gain	(119,302)	(31,946)	9,061
Net realised gain on investments allocated from the Master Fund	152,487	516,297	542,893
Net unrealised loss on investments allocated from the Master Fund	(116,185)	(141,469)	(296,742)
	<b>(83,000)</b>	<b>342,882</b>	<b>255,212</b>
<b>Share capital transactions</b>			
<i>Proceeds on issue of shares from treasury</i>			
US Dollar shares	–	–	–
Euro shares	–	–	–
Sterling shares	4,200	–	–
<i>Purchase of own shares</i>			
US Dollar shares	–	(66,983)	(66,983)
Euro shares	–	(31,651)	(31,651)
Sterling shares	–	(23,859)	(23,859)
<i>Tender offer costs</i>			
US Dollar shares	–	(438)	(438)
Euro shares	–	(179)	(179)
Sterling shares	–	(241)	(241)
	<b>4,200</b>	<b>(123,351)</b>	<b>(123,351)</b>
<b>Net (decrease)/increase in net assets</b>	<b>(78,800)</b>	<b>219,531</b>	<b>131,861</b>
<b>Net assets at the beginning of the period/year</b>	<b>1,859,651</b>	<b>1,640,120</b>	<b>1,640,120</b>
<b>Net assets at the end of the period/year</b>	<b>1,780,851</b>	<b>1,859,651</b>	<b>1,771,981</b>

See accompanying notes to the Interim Unaudited Financial Statements.

# Unaudited Statement of Cash Flows

For the period from 1 January 2010 to 30 June 2010

	01.01.10 to 30.06.10 US\$'000	01.01.09 to 31.12.09 US\$'000	01.01.09 to 30.06.09 US\$'000
<b>Cash flows from operating activities</b>			
Net (decrease)/increase in net assets resulting from operations	(83,000)	342,882	255,212
Adjustments to reconcile net income to net cash (used in)/provided by operating activities:			
Net investment income allocated from the Master Fund	(10,214)	(11,088)	(2,281)
Net realised gain on investments allocated from the Master Fund	(152,487)	(516,297)	(542,893)
Net unrealised loss on investments allocated from the Master Fund	116,185	141,469	296,742
Purchase of investment in the Master Fund	(3,082)	(7,934)	(8,004)
Proceeds from sale of investment in the Master Fund	11,266	228,892	182,962
Foreign exchange losses/(gains)	108,632	(56,104)	(67,569)
Increase in prepaid expenses	(95)	(23)	(144)
Increase in performance fees payable	3,975	4,084	50,404
(Decrease)/increase in management fees payable	(328)	245	(33)
(Decrease)/increase in accrued expenses and other liabilities	(278)	317	786
Increase in directors' fees payable	3	2	9
(Decrease)/increase in administration fees payable	(9)	9	4
<b>Net cash (used in)/provided by operating activities</b>	<b>(9,432)</b>	<b>126,454</b>	<b>165,195</b>
<b>Cash flows from financing activities</b>			
Proceeds on issue of shares from treasury	4,200	–	–
Purchase of own shares	–	(122,493)	(122,493)
Tender offer costs	–	(858)	(858)
<b>Net cash provided by/(used in) financing activities</b>	<b>4,200</b>	<b>(123,351)</b>	<b>(123,351)</b>
<b>Change in cash</b>	<b>(5,232)</b>	<b>3,103</b>	<b>41,844</b>
<b>Cash, beginning of the period/year</b>	<b>6,412</b>	<b>3,309</b>	<b>3,309</b>
<b>Cash, end of the period/year</b>	<b>1,180</b>	<b>6,412</b>	<b>45,153</b>
<b>Cash, end of the period/year</b>			
Cash and bank balances denominated in US Dollars	1,055	2,266	17,444
Cash and bank balances denominated in Euro	52	1,635	14,066
Cash and bank balances denominated in Sterling	73	2,511	13,643
	<b>1,180</b>	<b>6,412</b>	<b>45,153</b>

See accompanying notes to the Interim Unaudited Financial Statements.

# Notes to the Interim Unaudited Financial Statements

For the period from 1 January 2010 to 30 June 2010

## 1. The Company

The Company is a limited liability closed-ended investment company incorporated in Guernsey on 17 January 2007 for an unlimited period, with registration number 46235.

The Company was admitted to a Secondary Listing (Chapter 14) on the Official List of the London Stock Exchange on 14 March 2007. On 11 March 2008, the Company migrated from the Secondary Listing to a Primary Listing pursuant to Chapter 15 of the Listing Rules of the UK Listing Authority. As a result of changes to the UK Listing Regime, the Company's Primary Listing became a Premium Listing with effect from 6 April 2010.

Under the new regime, a Premium Listing is only available to equity shares issued by trading companies and closed and open-ended investment entities. The Premium Listing means that the Company is expected to meet the UK's highest standards of regulation and corporate governance. The Directors are currently reviewing the impact of the new regime and the new corporate governance requirements on the Company and expect to be fully compliant by 31 December 2010.

As of 20 October 2008 the Company obtained a further Secondary Listing on the Bermuda Stock Exchange and with effect from 11 November 2008, the US Dollar shares of the Company were admitted to a Secondary Listing on NASDAQ Dubai.

The Company offers multiple classes of ordinary shares, which differ in terms of currency of issue. To date, ordinary shares have been issued in US Dollar, Euro and Sterling.

## 2. Organisation

The Company is organised as a feeder fund and seeks to achieve its investment objective by investing all of its investable assets, net of short-term working capital requirements, in the ordinary US Dollar, Euro and Sterling-denominated Class B shares issued by the Master Fund.

The Master Fund is an open-ended investment company with limited liability formed under the laws of the Cayman Islands on 22 January 2003. The investment objective of the Master Fund is to generate consistent long-term appreciation through active leveraged trading and investment on a global basis. The Master Fund employs a combination of investment strategies that focus primarily on economic change and monetary policy and market inefficiencies. The underlying philosophy is to construct strategies, often contingent in nature with superior risk/return profiles, whose outcome will often be crystallised by an expected event occurring within a pre-determined period of time. New trading strategies will be added as investment opportunities present themselves.

At the date of these Interim Unaudited Financial Statements, there were two other feeder funds in operation in addition to the Company

that invest all of their assets (net of working capital) in the Master Fund.

The Interim Unaudited Financial Statements of the Master Fund should be read alongside the Company's Interim Unaudited Financial Statements.

## The Manager

Brevan Howard Capital Management LP (the "Manager") is the Manager of the Company. The Manager is a Jersey limited partnership, the general partner of which is Brevan Howard Capital Management Limited, a Jersey limited company (the "General Partner"). The General Partner is regulated in the conduct of fund services business by the Jersey Financial Services Commission pursuant to the Collective Investment Funds (Jersey) Law, 1988 and the Orders made thereunder.

Prior to 19 June 2010, the Company's Manager was Brevan Howard Offshore Management Limited.

The Manager also manages the Master Fund and in that capacity, as at the date of these Interim Unaudited Financial Statements, has delegated the function of investment management of the Master Fund to Brevan Howard Asset Management LLP, Brevan Howard (Hong Kong) Limited, Brevan Howard (Israel) Limited, Brevan Howard Investments Products Limited and DW Investment Management.

## 3. Significant accounting policies

The Annual Audited Financial Statements, which give a true and fair view, are prepared in conformity with accounting principles generally accepted in the United States of America and comply with The Companies (Guernsey) Law, 2008. The accompanying Interim Unaudited Financial Statements have been prepared following the same accounting policies and methods of computing as the most recent Annual Audited Financial Statements. The base currency of the Company is US Dollars.

The following are the significant accounting policies adopted by the Company:

### Valuation of investments

The Company records its investment in the Master Fund at fair value. At 30 June 2010 the Company's US Dollar, Euro and Sterling capital accounts represented 2.61%, 1.44% and 3.23% respectively of the Master Fund's capital (at 31 December 2009: 3.19%, 1.94% and 3.39% and at 30 June 2009: 4.01%, 2.22% and 3.03%).

### Fair value measurement

Accounting Standards Codification ("ASC") Topic 820 defines fair value as the price that the Company would receive upon selling a security in an orderly transaction to an independent buyer in the principal or most advantageous market of the security.

### 3. Significant accounting policies (continued)

ASC 820 establishes a three-level hierarchy to maximise the use of observable market data and minimise the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgement.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgement by the Company's Directors. The Directors consider observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Directors' perceived risk of that instrument.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific

measure. Therefore, even when market assumptions are not readily available, the Directors' own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Directors use prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

The valuation and classification of securities held by the Master Fund is discussed in the notes to the Master Fund's Interim Unaudited Financial Statements which are available on the Company's website, [www.bhmacro.com](http://www.bhmacro.com).

#### Income and expenses

The Company records monthly its proportionate share of the Master Fund's income, expenses and realised and unrealised gains and losses. In addition, the Company accrues its own income and expenses.

#### Use of estimates

The preparation of Financial Statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of those Financial Statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

#### Share issue expenses

During 2007, share issue expenses of US\$42,220,026 (the "Offer Costs") were borne by the Manager and are payable by the Company to the Manager should the management agreement terminate for certain grounds in whole or with respect to any class of share during the period ending on the seventh anniversary of admission, being 14 March 2014.

Pursuant to the terms of the Amended and Restated Management Agreement dated 13 February 2009, the Company must repay to the Manager a fraction of these Offer Costs for every US Dollar by which repurchases, redemptions or cancellations of the Company's shares reduce the Current US Dollar NAV of the Company below its NAV at the time of the Company's listing, being US\$1,080,740,459. The Current US Dollar NAV is calculated using the exchange rates ruling at the time of the Company's listing. The amount of these Offer Costs to be repaid for every US Dollar by which the Company's NAV is reduced will be US\$0.0391, being the figure obtained by dividing the Offer Costs by the NAV of the Company at the time of its listing. The Directors consider the likelihood of this contingent liability crystallising as remote and hence no provision has been made within these Interim Unaudited Financial Statements.

The Directors confirm there are no other contingent liabilities that require disclosure or provision.

# Notes to the Interim Unaudited Financial Statements continued

For the period from 1 January 2010 to 30 June 2010

## 3. Significant accounting policies (continued)

### Leverage

The Manager has discretion, subject to the prior approval of a majority of the independent Directors, to employ leverage for and on behalf of the Company by way of borrowings to effect share purchases or share buy-backs, to satisfy working capital requirements and to finance further investments in the Master Fund.

The Company may borrow up to 20% of its NAV, calculated as at the time of borrowing. Additional borrowing over 20% of NAV may only occur if approved by an ordinary resolution of the shareholders.

### Foreign exchange

Investment securities and other assets and liabilities of the Sterling and Euro share classes are translated into US Dollars, the Company's reporting currency, using exchange rates at the reporting date. Transactions reported in the Unaudited Statement of Operations are translated into US Dollar amounts at the date of such transactions. The share capital and other capital reserve accounts are translated at the historic rate ruling at the date of the transaction. Exchange differences arising on translation are included in the Unaudited Statement of Operations. This adjustment has no effect on the value of net assets allocated to the individual share classes.

### Treasury shares

Where the Company purchases its own share capital, the consideration paid, which includes any directly attributable costs, is recognised as a deduction from equity shareholders' funds through the Company's reserves.

When such shares are subsequently sold or reissued to the market, any consideration received, net of any directly attributable incremental transaction costs, is recognised as an increase in equity shareholders' funds through the Share capital account. Shares held in treasury are excluded from calculations when determining NAV per share as detailed in note 7 or in the Financial Highlights in note 9.

## 4. Management, performance and administration agreements

### Management and performance fee

On 7 February 2007, the Company entered into a management agreement with the Manager to manage the Company's investment portfolio. The Manager receives a management fee of 1/12 of 2% (or a pro rata proportion thereof) per month of the closing NAV (before deduction of that month's management fee and before making any deduction for any accrued performance fee) as at the last valuation day in each month, payable monthly in arrears. The investment in the Class B shares of the Master Fund is not subject to management fees.

On 13 February 2009, the Company amended and restated the Management Agreement. As detailed in note 3 'Share issue expenses' this was made to facilitate the operation of the discount management programme (as detailed in note 8) whilst ensuring that the possible contingent liability is not effectively borne solely by those shareholders choosing not to participate in the discount management programme.

The Manager is also entitled to an annual performance fee for each share class. The performance fee is equal to 20% of the appreciation in the NAV per share of that class during that calculation period which is above the base NAV per share of that class. The base NAV per share is the greater of the NAV per share of the relevant class at the time of issue of such share and the highest NAV per share achieved as at the end of any previous calculation period. The Manager will be paid an estimated performance fee on the last day of the calculation period. Within 15 business days following the end of the calculation period, any difference between the actual performance fee and the estimated amount will be paid to or refunded by the Manager, as appropriate. The investment in the Class B shares of the Master Fund is not subject to performance fees.

The Master Fund may hold investments in other funds managed by the Manager. To ensure that shareholders of the Company are not subject to two tiers of fees, the fees paid to the Manager as outlined above are reduced by the Company's share of any fees paid to the Manager by the underlying Master Fund investments, managed by the Manager.

The management agreement may be terminated by either party giving the other party not less than 24 months written notice. In certain circumstances the Company will be obliged to pay compensation to the Manager of the aggregate management fees which would otherwise have been payable during the 24 months following the date of such notice and the aggregate of any accrued performance fee in respect of the current Calculation Period. Compensation is not payable if more than 24 months notice of termination is given.

### Administration fee

Under the terms of an administration agreement dated 6 February 2007, the Company appointed Northern Trust International Fund Administration Services (Guernsey) Limited as Administrator, Registrar and Corporate Secretary. The Administrator is paid fees based on the NAV of the Company, payable quarterly. The fee is at a rate of 0.015% of the average month end NAV of the Company, subject to a minimum fee of £67,500 per annum. In addition to the NAV based fee the Administrator is also entitled to an annual fee of £36,000 for certain additional administration services. The Administrator is entitled to be reimbursed out-of-pocket expenses incurred in the course of carrying out its duties as Administrator.



## 5. Share capital

### Issued and authorised share capital

The Company was incorporated with the authority to issue an unlimited number of ordinary shares with no par value which may be divided into at least three classes denominated in US Dollars, Euros and Sterling. The treasury shares have arisen as a result of the discount management programme as described in note 8.

#### For the period from 1 January 2010 to 30 June 2010

Reconciliation of number of shares	US Dollar shares	Euro shares	Sterling shares
<b>Number of ordinary shares</b>			
<b>In issue at 1 January 2010</b>	<b>40,728,777</b>	<b>17,280,342</b>	<b>26,356,443</b>
Share conversions	(3,910,114)	(733,132)	3,192,501
Sale of treasury shares	–	–	150,000
<b>In issue at 30 June 2010</b>	<b>36,818,663</b>	<b>16,547,210</b>	<b>29,698,944</b>
<b>Number of treasury shares</b>			
<b>In issue at 1 January 2010</b>	<b>4,438,476</b>	<b>1,572,013</b>	<b>1,027,595</b>
Sale of treasury shares	–	–	(150,000)
Shares cancelled	(1,000,000)	–	–
<b>In issue at 30 June 2010</b>	<b>3,438,476</b>	<b>1,572,013</b>	<b>877,595</b>
<b>Percentage of class</b>	<b>8.54%</b>	<b>8.68%</b>	<b>2.87%</b>

#### For the period from 1 January 2009 to 31 December 2009

Reconciliation of number of shares	US Dollar shares	Euro shares	Sterling shares
<b>Number of ordinary shares</b>			
<b>In issue at 1 January 2009</b>	<b>54,992,632</b>	<b>21,470,815</b>	<b>19,075,361</b>
Share conversions	(9,825,379)	(2,618,460)	8,308,677
Purchase of own shares into treasury	(4,438,476)	(1,572,013)	(1,027,595)
<b>In issue at 31 December 2009</b>	<b>40,728,777</b>	<b>17,280,342</b>	<b>26,356,443</b>
<b>Number of treasury shares</b>			
<b>In issue at 1 January 2009</b>	–	–	–
Shares purchased and held in treasury during the year:			
– Tender Offer	4,048,476	1,547,013	1,027,595
– Other on market purchases	390,000	25,000	–
<b>In issue at 31 December 2009</b>	<b>4,438,476</b>	<b>1,572,013</b>	<b>1,027,595</b>
<b>Percentage of class</b>	<b>9.83%</b>	<b>8.34%</b>	<b>3.75%</b>

# Notes to the Interim Unaudited Financial Statements continued

For the period from 1 January 2010 to 30 June 2010

## 5. Share capital (continued)

For the period from 1 January 2009 to 30 June 2009

	US Dollar shares	Euro shares	Sterling shares
<b>Number of ordinary shares</b>			
<b>In issue at 1 January 2009</b>	<b>54,992,632</b>	<b>21,470,815</b>	<b>19,075,361</b>
Share conversions	(3,371,403)	(1,139,968)	3,161,075
Purchase of own shares into treasury	(4,438,476)	(1,572,013)	(1,027,595)
<b>In issue at 30 June 2009</b>	<b>47,182,753</b>	<b>18,758,834</b>	<b>21,208,841</b>
<b>Number of treasury shares</b>			
In issue at 1 January 2009	–	–	–
Shares purchased and held in treasury during the period:			
– Tender Offer	4,048,476	1,547,013	1,027,595
– Other on market purchases	390,000	25,000	–
<b>In issue at 30 June 2009</b>	<b>4,438,476</b>	<b>1,572,013</b>	<b>1,027,595</b>
<b>Percentage of class</b>	<b>8.60%</b>	<b>7.73%</b>	<b>4.62%</b>

	US Dollar shares US\$'000	Euro shares €'000	Sterling shares £'000	Company Total US\$'000
<b>Share capital account</b>				
<b>At 30 June 2009, at 31 December 2009 and at 30 June 2010</b>	<b>53,883</b>	<b>31,754</b>	<b>14,512</b>	<b>129,349</b>

### Share classes

In respect of each class of shares a separate class account has been established in the books of the Company. An amount equal to the aggregate proceeds of issue of each share class has been credited to the relevant class account. Any increase or decrease in the NAV of the Master Fund US Dollars shares, Master Fund Euro shares and Master Fund Sterling shares as calculated by the Master Fund is allocated to the relevant class account in the Company. Each class account is allocated those costs, pre-paid expenses, losses, dividends, profits, gains and income which the Directors determine in their sole discretion relate to a particular class.

### Voting rights of shares

Ordinary shares carry the right to vote at general meetings of the Company and to receive any dividends, attributable to the ordinary shares as a class, declared by the Company and, in a winding-up will be entitled to receive, by way of capital, any surplus assets of the Company attributable to the ordinary shares as a class in proportion to their holdings remaining after settlement of any outstanding liabilities of the Company.

As prescribed in the Company's Articles, the different classes of ordinary shares have different values attributable to their votes. The attributed values have been calculated on the basis of the Weighted Voting Calculation (as described in the Articles) which takes into account the prevailing exchange rates on the date of initial issue of ordinary shares. Currently, on a vote, a single US Dollar ordinary share has 0.7606 votes, a single Euro ordinary share has one vote and a single Sterling ordinary share has 1.4710 votes.

Treasury shares do not have any voting rights.

### Repurchase of ordinary shares

The Directors have been granted authority to purchase in the market up to 14.99% of each class of shares and they intend to seek annual renewal of this authority from shareholders which was last granted on 15 June 2010. The Directors may, at their discretion, utilise this share repurchase authority to address any imbalance between the supply of and demand for shares.

Under the Company's Articles, shareholders of a class of shares also have the ability to call for repurchase of that class of shares in certain circumstances. See note 8 for further details.

## 5. Share capital (continued)

### Further issue of shares

As approved by the shareholders at the Annual General Meeting held on 15 June 2010, the Directors have the power to issue further shares on a non pre-emptive basis for cash in respect of 3,878,390 US Dollar shares, 1,605,353 Euro shares and 2,879,813 Sterling shares respectively. This power expires on the conclusion of the next Annual General Meeting of the Company unless such power is varied, revoked or renewed prior to that Meeting by a special resolution of the Company in general meeting.

### Distributions

The Master Fund has not previously paid dividends to its investors and does not expect to do so in the future. Therefore, the Directors of the Company do not expect to declare any dividends. This does not prevent the Directors of the Company from declaring a dividend at any time in the future if the Directors consider payment of a dividend to be appropriate in the circumstances. If the Directors declare a dividend, such dividend will be paid on a per class basis.

Treasury shares are not entitled to distributions.

### Annual redemption offer

Commencing in 2009, once in every calendar year the Directors may, in their absolute discretion, determine that the Company shall make an offer to redeem such number of shares of the Company in issue as they may determine provided that the maximum amount distributed does not exceed 100% of the increase in NAV of the Company in the prior calendar year.

The Directors shall, in their absolute discretion, determine the particular class or classes of shares in respect of which an Annual Redemption Offer will be made, the timetable for that Annual Redemption Offer and the price at which the shares of each relevant class will be redeemed.

Whether a partial return of capital is made in any particular year and, if so, the amount of the return, may depend, among other things, on prevailing market conditions, the ability of the Company to liquidate its investments to fund the capital return, the success of prior capital returns and applicable legal, regulatory and tax considerations.

The Directors have determined not to make an Annual Redemption Offer during 2010.

### Share conversion scheme

The Company has implemented a Share Conversion Scheme. The scheme provides shareholders with the ability to convert some or all of their ordinary shares in the Company of one class into ordinary shares of another class. From 31 October 2008 shareholders have been able to convert ordinary shares on the last business day of every month. Each conversion will be based on the NAV (note 7) of the shares of the class to be converted.

## 6. Taxation

### Overview

The Company is exempt from taxation in Guernsey under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989. Accordingly, no provision for income taxes is included in these Interim Unaudited Financial Statements.

### Uncertain tax positions

The Company recognises the tax benefits of uncertain tax positions only where the position is more-likely-than-not (i.e. greater than 50%) to be sustained assuming examination by a tax authority based on the technical merits of the position. In evaluating whether a tax position has met the recognition threshold, the Company must presume that the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information. A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognise in the Company's Financial Statements. Income tax and related interest and penalties would be recognised by the Company as tax expense in the Statement of Operations if the tax positions were deemed to not meet the more-likely-than-not threshold.

The Company analyses all open tax years for all major taxing jurisdictions. Open tax years are those that are open for examination by taxing authorities, as defined by the Statute of Limitations in each jurisdiction. The Company identifies its major tax jurisdictions as the Cayman Islands and foreign jurisdictions where the Company makes significant investments. The Company has no examinations by tax authorities in progress.

The Directors have analysed the Company's tax positions, and have concluded that no liability for unrecognised tax benefits should be recorded related to uncertain tax positions. Further, the Directors are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognised tax benefits will significantly change in the next twelve months.

## 7. Publication and calculation of net asset value

The NAV of the Company is equal to the value of its total assets less its total liabilities. The NAV per share of each class will be calculated by dividing the NAV of the relevant class account by the number of shares of the relevant class in issue on that day.

The Company publishes the NAV per share for each class of shares as calculated by the Administrator based in part on information provided by the Master Fund, monthly in arrears, as at each month-end.

The Company also publishes an estimate of the NAV per share for each class of shares as calculated by the Administrator based in part on information provided by the Master Fund, weekly in arrears.

# Notes to the Interim Unaudited Financial Statements continued

For the period from 1 January 2010 to 30 June 2010

## 8. Discount management programme

The Company's discount management programme (as amended by shareholder meetings held on 19 February 2010) includes the ability to make market purchases of shares and the obligation to propose class closure resolutions if, in any fixed discount management period (1 January to 31 December each year), the average daily closing market price of the relevant class of shares during such period is 10% or more below the average NAV per share of the relevant class taken over the 12 monthly NAV Determination Dates in that fixed discount management period, as described more fully in the Company's principal documents.

In the event a class closure resolution is passed, shareholders in that class have the following options available to them:

- (i) to redeem all or some of their shares at NAV per share less the costs and expenses of the class closure vote and other outstanding costs and expenses of the Company attributable to the relevant class (including any redemption fees and repayment of Offer Costs as described in note 3);
- (ii) subject to certain limitations, to convert all or some of their shares into shares of another class, assuming that other class does not also pass a class closure resolution; or
- (iii) subject to the class continuing, to remain in the class.

These provisions are disclosed in more detail in the Company's Articles.

The Annual Redemption Offer described in note 5 which enables a partial return of capital is also part of the discount management programme.

The discount management measures will be funded by partial redemptions of the Company's investment in the Master Fund.

During the period 1 January 2010 to 30 June 2010 the Company did not make use of its ability to make market purchases of its shares.

The total number of treasury shares held in treasury at 30 June 2010 are as disclosed in note 5.

## 9. Financial highlights

The following tables include selected data for a single ordinary share of each of the ordinary share classes in issue at the period end and other performance information derived from the Interim Unaudited Financial Statements.

The per share amounts and ratios which are shown reflect the income and expenses of the Company for each class of ordinary share.

	30.06.10 US Dollar shares US\$	30.06.10 Euro shares €	30.06.10 Sterling shares £
<b>Per share operating performance</b>			
<b>Net asset value at beginning of the period</b>	<b>17.08</b>	<b>17.13</b>	<b>17.55</b>
<b>Income from investment operations</b>			
Net investment loss*	(0.10)	(0.10)	(0.09)
Net realised and unrealised gain on investment	0.33	0.32	0.37
Other capital items**	0.01	0.02	(0.02)
<b>Total return*</b>	<b>0.24</b>	<b>0.24</b>	<b>0.26</b>
<b>Net asset value, end of the period</b>	<b>17.32</b>	<b>17.37</b>	<b>17.81</b>
Total return before performance fee	1.64%	1.63%	1.71%
Performance fee	(0.23%)	(0.23%)	(0.23%)
<b>Total return after performance fee</b>	<b>1.41%</b>	<b>1.40%</b>	<b>1.48%</b>

## 9. Financial highlights (continued)

Total return reflects the net return for an investment made at the beginning of the period and is calculated as the change in the NAV per ordinary share during the period from 1 January 2010 to 30 June 2010. Total return is not annualised. An individual shareholder's return may vary from these returns based on the timing of their purchase or sale of shares.

	30.06.10 US Dollar shares US\$'000	30.06.10 Euro shares €'000	30.06.10 Sterling shares £'000
<b>Supplemental data</b>			
<b>Net asset value, end of the period</b>	<b>637,813</b>	<b>287,406</b>	<b>528,850</b>
<b>Average net asset value for the period</b>	<b>667,745</b>	<b>281,367</b>	<b>491,319</b>
	30.06.10 US Dollar shares	30.06.10 Euro shares	30.06.10 Sterling shares
<b>Ratio to average net assets</b>			
Operating expenses			
Company expenses***	0.93%	0.92%	0.96%
Master Fund expenses****	0.35%	0.35%	0.35%
Master Fund interest expense*****	0.44%	0.45%	0.46%
Performance fee	0.20%	0.22%	0.24%
	<b>1.92%</b>	<b>1.94%</b>	<b>2.01%</b>
<b>Net investment loss before performance fees*</b>	<b>(0.37%)</b>	<b>(0.36%)</b>	<b>(0.35%)</b>
<b>Net investment loss after performance fees*</b>	<b>(0.57%)</b>	<b>(0.58%)</b>	<b>(0.59%)</b>
	31.12.09 US Dollar shares US\$	31.12.09 Euro shares €	31.12.09 Sterling shares £
<b>Per share operating performance</b>			
<b>Net asset value at beginning of the year</b>	<b>14.47</b>	<b>14.47</b>	<b>14.87</b>
<b>Income from investment operations</b>			
Net investment loss*	(0.96)	(0.90)	(0.64)
Net realised and unrealised gain on investment	4.10	3.90	2.78
Other capital items**	(0.53)	(0.34)	0.54
<b>Total return*</b>	<b>2.61</b>	<b>2.66</b>	<b>2.68</b>
<b>Net asset value, end of the year</b>	<b>17.08</b>	<b>17.13</b>	<b>17.55</b>
Total return before performance fee	22.95%	22.94%	21.18%
Performance fee	(4.91%)	(4.56%)	(3.16%)
<b>Total return after performance fee</b>	<b>18.04%</b>	<b>18.38%</b>	<b>18.02%</b>

# Notes to the Interim Unaudited Financial Statements continued

For the period from 1 January 2010 to 30 June 2010

## 9. Financial highlights (continued)

	31.12.09 US Dollar shares US\$'000	31.12.09 Euro shares €'000	31.12.09 Sterling shares £'000
<b>Supplemental data</b>			
Net asset value, end of the year	695,704	295,954	462,550
Average net asset value for the year	771,346	309,858	365,821
	31.12.09 US Dollar shares	31.12.09 Euro shares	31.12.09 Sterling shares
<b>Ratio to average net assets</b>			
Operating expenses			
Company expenses***	1.93%	1.93%	1.98%
Master Fund expenses****	0.78%	0.77%	0.78%
Master Fund interest expense*****	0.94%	0.94%	0.95%
Performance fee	3.76%	3.76%	3.43%
	<b>7.41%</b>	<b>7.40%</b>	<b>7.14%</b>
Net investment loss before performance fees*	<b>(1.32%)</b>	<b>(1.33%)</b>	<b>(1.27%)</b>
Net investment loss after performance fees*	<b>(5.08%)</b>	<b>(5.09%)</b>	<b>(4.70%)</b>
	30.06.09 US Dollar shares US\$	30.06.09 Euro shares €	30.06.09 Sterling shares £
<b>Per share operating performance</b>			
Net asset value at beginning of the period	14.47	14.47	14.87
<b>Income from investment operations</b>			
Net investment loss*	(0.59)	(0.59)	(0.50)
Net realised and unrealised gain on investment	2.47	2.48	2.12
Other capital items**	(0.17)	(0.11)	0.14
<b>Total return*</b>	<b>1.71</b>	<b>1.78</b>	<b>1.76</b>
Net asset value, end of the period	<b>16.18</b>	<b>16.25</b>	<b>16.63</b>
Total return before performance fee	14.93%	15.34%	14.39%
Performance fee	(3.11%)	(3.04%)	(2.55%)
<b>Total return after performance fee</b>	<b>11.82%</b>	<b>12.30%</b>	<b>11.84%</b>



**9. Financial highlights (continued)**

	30.06.09 US Dollar shares US\$'000	30.06.09 Euro shares €'000	30.06.09 Sterling shares £'000
<b>Supplemental data</b>			
<b>Net asset value, end of the period</b>	<b>763,571</b>	<b>304,757</b>	<b>352,781</b>
<b>Average net asset value for the period</b>	<b>811,090</b>	<b>313,321</b>	<b>331,190</b>
<b>Ratio to average net assets</b>			
Operating expenses			
Company expenses***	0.95%	0.95%	0.95%
Master Fund expenses****	0.41%	0.41%	0.40%
Master Fund interest expense*****	0.47%	0.48%	0.46%
Performance fee	2.59%	2.68%	2.45%
	<b>4.42%</b>	<b>4.52%</b>	<b>4.26%</b>
<b>Net investment loss before performance fees*</b>	<b>(0.81%)</b>	<b>(0.82%)</b>	<b>(0.80%)</b>
<b>Net investment loss after performance fees*</b>	<b>(3.40%)</b>	<b>(3.50%)</b>	<b>(3.25%)</b>

**Notes:**

- \* The net investment loss figures that the Company is obliged to disclose above, in the Directors' opinion and in accordance with the Company's investment objectives, do not accurately reflect the Company's overall performance. Considering the investment objectives of the Company, the Directors consider that the total return of the Company is a true reflection of the Company's performance during the period.
- \*\* Included in other capital items are the discounts and premiums on conversions between share classes and on the sale of treasury shares during the period as compared to the NAV per share at the beginning of the period.
- \*\*\* Company expenses are as disclosed in the Unaudited Statement of Operations excluding the performance fee.
- \*\*\*\* Master Fund expenses are the operating expenses of the Master Fund excluding the interest and dividend expenses of the Master Fund.
- \*\*\*\*\* Master Fund interest expense includes interest and dividend expenses on investments sold short.

**10. Subsequent events**

The Directors have evaluated subsequent events up to 26 August 2010, which is the date that the Interim Unaudited Financial Statements were available to be issued, and has concluded there are not any material events that require disclosure or adjustment to the Interim Unaudited Financial Statements.

# Historic Performance Summary

As at 30 June 2010

	30.06.10* US\$'000	31.12.09 US\$'000	31.12.08 US\$'000	31.12.07** US\$'000
Net (decrease)/increase in net assets resulting from operations	(83,000)	342,882	152,032	277,999
Total assets	1,787,644	1,863,160	1,643,056	1,492,920
Total liabilities	(6,793)	(3,509)	(2,936)	(4,832)
Net assets	1,780,851	1,859,651	1,640,120	1,488,088

## Number of shares in issue

US Dollar shares	36,818,663	40,728,777	54,992,632	53,877,466
Euro shares	16,547,210	17,280,342	21,470,815	28,736,067
Sterling shares	29,698,944	26,356,443	19,075,361	13,958,236

## Net asset value per share

US Dollar shares	US\$17.32	US\$17.08	US\$14.47	US\$12.03
Euro shares	€17.37	US\$17.13	€14.47	€11.89
Sterling shares	£17.81	US\$17.55	£14.87	£12.07

\* Covers the period from 1 January 2010 to 30 June 2010.

\*\* Covers the period from 17 January 2007 (date of incorporation) to 31 December 2007. Initial public offering of shares took place in March 2007.

# Notes

# Notes

# Management and Administration

## Directors

Ian Plenderleith (Chairman)\*

Anthony Hall\*

Christopher Legge\*

Talmai Morgan

Stephen Stonberg

*All Directors are non-executive.*

*\* These Directors are independent for the purpose of Listing Rule 15.2.12.*

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