



| SITUATION AS AT: | 29/01/2010 |
|-------------------|------------|
| AUM in EURO | 53,018,080 |
| NAV EURO SHARE : | 9,038.46 |
| NAV DOLLAR SHARE: | 9,122.36 |

| MONTHLY PERFORMANCE | | | | |
|---------------------|---------|---------|-------|-----------------|
| | 1 month | 3 month | YTD | Since Inception |
| EURO SHARE: | 0.41% | 1.71% | 0.41% | -9.62% |
| DOLLAR SHARE: | 0.60% | 1.67% | 0.60% | -8.78% |

| Historic Monthly Performance | | | | | | | | | | | | | |
|------------------------------|---------|----------|-------|-------|-------|--------|-------|--------|-------|-------|--------|-------|--------|
| Year 2010 | January | February | March | April | May | June | July | August | Sept. | Oct. | Nov. | Dec. | TOTAL |
| Euro Share | 0.41% | | | | | | | | | | | | 0.41% |
| Dollar Share : | 0.60% | | | | | | | | | | | | 0.60% |
| Year 2009 | January | February | March | April | May | June | July | August | Sept. | Oct. | Nov. | Dec. | TOTAL |
| Euro Share | 3.16% | 1.49% | 1.60% | 3.40% | 3.44% | -0.15% | 2.55% | 1.97% | 1.72% | 0.95% | -0.25% | 1.55% | 23.54% |
| Dollar Share : | 2.74% | 1.42% | 1.71% | 3.40% | 3.73% | -0.20% | 2.61% | 1.99% | 1.84% | 0.98% | -0.17% | 1.24% | 23.40% |

| STATISTICAL DATA | |
|----------------------------|---------|
| Average Delta | 57.45% |
| Average Vega | 0.43% |
| Average Gamma | 0.65% |
| Average Implied Volatility | 31.34% |
| 90 days Volatility | 45.16% |
| Average Premium | 29.00% |
| Gross Leverage | 171.61% |
| Net Leverage | 83.55% |
| Number of Strategies | 65 |

| MAIN ARBITRAGES | Gross Exposure | Spread | Net Exposure | Sector | Country | Delta | Premium | Vega |
|---|----------------|--------|--------------|-----------------------------------|-------------|--------|---------|-------|
| News Corp / BskyB 144A 0.75% 15/03/2023 | 10.92% | 1000.0 | -4.22% | Media | BRITAIN | 0.00% | 52.37% | 0.00% |
| SWATCH 2.625% 2010 | 8.81% | 50.0 | 3.50% | Personal Goods | SWITZERLAND | 68.60% | 3.38% | 0.31% |
| ALCATEL 5% 2015 | 7.69% | 610.0 | 3.89% | Technology Hardware & Equipment | FRANCE | 67.81% | 39.41% | 0.55% |
| GOME ELECTRICAL 3% 2014 | 7.01% | 700.0 | 3.35% | General Retailers | HONG KONG | 58.88% | 24.64% | 0.57% |
| SOHO CHINA 3.75% 2014 | 6.70% | 820.0 | 4.87% | Real Estate Investment & Services | CHINA | 39.73% | 47.79% | 0.38% |

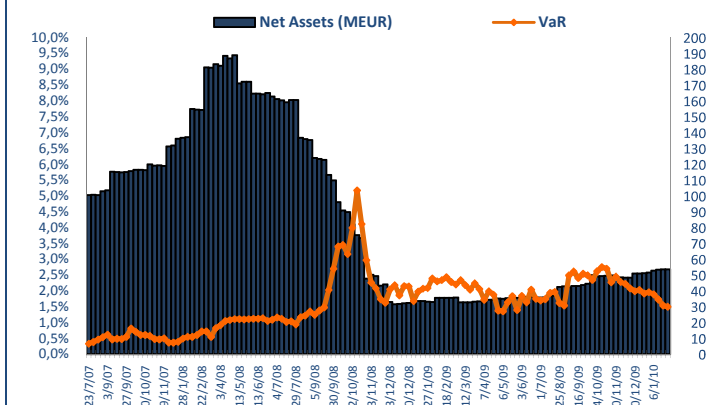
| COMMENTS | |
|--|--|
| <p>PERFORMANCE ANALYSIS</p> <p>The early part of the month was marked by rising markets, falling volatility and healthy new issue flow (more than \$5bn in 2 weeks) the trend reversed mid-month.</p> <p>This sharp correction was due to several factors : Obama's speech outlining plans to limit the scope of business for investment banks, Greece and the risk of contagion and finally, persistent worries of an eventual rate rise and a tightening in credit conditions in China.</p> <p>The stock markets dropped, credit spreads widened and volatility rose (the VIX rising to 24.6%). Despite these factors, the fund did not suffer unduly – less expensive convertibles held up considerably better than the less attractive names which fits with our selection process which prefers technically « undervalued » names.</p> | <p>In this context, the fund closed the month +0.41% vs (for information purposes only) +0.30% for the HFR Index. As in the past few months, the gamma trading positions which make up the majority of the fund were again the main source of performance.</p> <p>Europe and Asia were the best performing regions, but the USA was expensive in performance terms. The best performers in Europe were TUI AG, REC, Sol Melia and Soitec. In Asia, Lonking Soho China and Shanghai Real Estate. In Japan, Orix. In the USA, First Quantum.</p> <p>We took profits early in the month in Klöckner, Actelion, Clariant, Anglogold, Aquarius and Anglo American. Towards the end of the month we initiated new positions in Petropavlovsk and Hochschild (both miners).</p> <p>OUTLOOK</p> <p>Whilst remaining conservative with leverage still under 2x, we are still highly selective and continue to believe that the outlook for convertible bond arbitrage in 2010 is good.</p> |

Past performance is not a guarantee of future returns.

ACROPOLE CONVERTIBLES ARBITRAGE



AUM & VAR PROGRESSION (since inception)



CREDIT SENSITIVITY ANALYSIS

| | Positions in % of NAV | |
|--------------------|-----------------------|-------------------------------------|
| | Gross Exposure | Net Exposure Including Credit Hedge |
| Spread < 50 | 8.81% | 3.50% |
| 50 < Spread < 150 | 1.35% | 1.25% |
| 150 < Spread < 300 | 26.75% | 15.04% |
| 300 < Spread < 500 | 29.38% | 16.99% |
| 500 < Spread | 105.31% | 46.76% |

VEGA ANALYSIS

| Positions in % of NAV | |
|-----------------------|--------|
| Vega < 0.15 | 12.27% |
| 0.15 < Vega < 0.30 | 15.96% |
| 0.30 < Vega < 0.50 | 79.72% |
| 0.50 < Vega < 0.75 | 63.66% |
| 0.75 < Vega | 0.00% |

DELTA ANALYSIS

| Positions in % of NAV | |
|-----------------------|--------|
| Delta < 25% | 22.22% |
| 25% < Delta < 45% | 35.56% |
| 45% < Delta < 65% | 37.62% |
| 65% < Delta < 75% | 45.19% |
| Delta > 75% | 31.03% |

SECTOR ALLOCATION

| Positions in % of Portfolio | |
|---------------------------------|--------|
| Travel & Leisure | 14.95% |
| Mining | 7.86% |
| Technology Hardware & Equipment | 6.75% |
| Personal Goods | 6.39% |
| Media | 6.37% |
| General Retailers | 5.40% |
| Oil Equipment, Services & Dist | 5.13% |
| Oil & Gas Producers | 4.47% |
| Construction & Materials | 3.19% |
| Support Services | 2.45% |
| Automobiles & Parts | 2.34% |
| Industrial Engineering | 1.70% |
| Industrial Transportation | 0.80% |

VAR CALCULATION METHODOLOGY

The VaR is calculated on a weekly horizon with a 95% confidence interval.

The parametric method is used. The risk level has increased progressively in line with the portfolio, from 0.7 leverage at the launch of the fund to 1.7x at the end of January.

As of 29/01/2010, the VAR is of 1.5%, and it corresponds to an annualized volatility of approximately 7.01%.

CREDIT STRESS ANALYSIS

| Ratings | Stress (bps) | Impact | Part Portfolio (%AN) |
|---------|--------------|--------------|----------------------|
| AAA | 7 | 0.1% | -41.8% |
| AA | 30 | 0.0% | 0.0% |
| A | 40 | 0.0% | 6.6% |
| BBB | 55 | -0.1% | 30.7% |
| BB | 75 | -0.1% | 8.6% |
| B | 100 | -0.4% | 26.6% |
| C | 100 | 0.0% | 0.0% |
| NR | 100 | -1.5% | 94.2% |
| | | -2.1% | 125.0% |

NB: This approach is prudent as it does not take into account CDS.

FUND CHARACTERISTICS

| | |
|-----------------------------------|---|
| Fund Classification : | FCP ARIA EL |
| Launch Date : | 17/07/2007 |
| Geographical Focus : | Global |
| Recommended investment period : | Minimum 3 years |
| Benchmark (1) : | Absolute Performance |
| Currency : | EURO / DOLLAR |
| Initial NAV at launch : | €10 000 / \$10 000 |
| Dividend Frequency : | Dividends reinvested |
| Management Fees Euro Share : | 1.5% (all taxes included) |
| Management Fees Dollar Share : | 1.5% (all taxes included) |
| Performance Fees : | 20% (from 1st euro) |
| Subscription/Redemption Fees (2): | 2% / none |
| NAV Frequency : | Monthly |
| Settlement Day (Subsc./Redemp.): | T +2 |
| Custodian / Fund Administrator: | BPSS / BPFS |
| Prime Broker : | Citigroup |
| Subscription Notice : | 5 days prior to trade day (orders to be given to BPSS before 11am) |
| Redemption Notice : | 1 month prior to trade day (order to be given to BPSS before 11 am) |

This is an absolute return fund with no benchmark index

(2) Subscription Fees negotiable

FUND MANAGEMENT TEAM

| | |
|--------------|---------------------|
| EUROPE : | Emmanuel MARTIN |
| ASIA/JAPAN : | Xavier LINSSENMAIER |
| USA : | Damien VERMONET |

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INVESTORS INFORMATION

Past performance is not a guarantee of future returns.

THE ACROPOLE CONVERTIBLES ARBITRAGE fund is a UCIT with reduced investment restrictions and increased leverage. It is not subject to the same rules as UCIT for "all subscribers" and may therefore be more risky. Only investors referred to under the section "subscribers concerned" may purchase parts in the ACROPOLE CONVERTIBLES ARBITRAGE UCIT.