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Theta Multistar Medium Volatility

Monthly Commentary — March 2008

The Theta Multistar Medium Volatility Portfolio Fund lost 3.74% in March bringing the year-to-date number to a negative 6.7%. In reference, the HFRI Fund of Funds index lost 2.2% (-3.5% ytd) and the MSCI world lost 2.3% (-12.2% ytd).

March was a momentous month with the near-default and subsequent bail-out of Bear Stearns as the main event of the month. Sharp falls in the first couple of weeks were followed by considerable gains following the bailout, especially in the financial sector. Many seasoned investors were surprised by how aggressive the FED was in tackling the credit crunch and taking the unprecedented step of ensuring a Wall Street brokerage firm would not default. Whatever the exact reason for the FED's actions, it did signal to the markets that for the time being a bottom had been reached and things should stabilize.

However, most of our managers have been, and still are, conservatively positioned and still see considerable risks as a decade of increasing leverage is being unwound. That led to them being wrong-footed during the second half of the month of March, ending the month negative. As a consequence, March 2008 has been the worst month for the hedge fund industry since the default of LTCM in 1998.

One of our bigger detractors was one of our global macro managers who has considerable short positions in various financials. A significant part of his short exposure is through bought CDS protection which declined as spreads tightened very sharply following the FED's action. Other sizeable losses were seen in various Emerging Markets. Although our dedicated Asian managers are conservatively positioned and have outperformed the Asian indices, they have not managed to escape the onslaught in the Asian markets altogether.

The main contributor was one of our global long short managers with a considerable net short position who managed to hold on to some of his gains during the month. This fund now has a gross long position of 11% and a gross short position of 60% leading to a net short position of 49%.

March has been painful but this is a month we will see once in a while. Whilst we are certainly not happy with the current performance, we are comfortable with our current set of managers and expect them to make a good return over the coming three quarters and thus achieve a solid return on a 12-month basis. In addition the fund has ample liquidity to invest in interesting situations as they arise

Performance*	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008	-1.77%	-1.30%	-3.74%										-6.67%
2007	0.85%	2.21%	1.30%	0.41%	1.94%	2.32%	2.90%	-2.99%	-0.51%	3.03%	-2.80%	0.15%	8.93%
2006	4.42%	0.72%	0.86%	2.03%	-2.14%	-0.66%	-0.28%	0.86%	-0.95%	0.94%	1.20%	2.33%	9.58%
2005	1.63%	3.24%	-0.88%	-1.72%	0.64%	0.90%	2.38%	1.71%	2.96%	-2.59%	1.28%	1.80%	11.76%
2004	1.45%	1.46%	-0.40%	-1.57%	-1.32%	0.19%	-0.46%	-0.32%	1.27%	1.11%	3.29%	2.01%	6.80%
2003	0.96%	0.18%	-0.63%	1.35%	2.11%	0.75%	0.69%	1.17%	1.05%	1.90%	0.56%	2.02%	12.77%

Return table*	Theta Multistar Medium Volatility	HFRI Fund of Funds	MSCI World	JP Morgan Government Bonds
Net Asset Value as of April 2008	€1,310.99			
YTD	-6.67%	-3.97%	-12.15%	1.09%
2007	8.93%	9.06%	2.32%	-0.06%
2006	9.58%	8.08%	12.22%	1.95%
2005	11.76%	6.12%	12.89%	-2.29%
2004	6.80%	7.44%	9.62%	-4.23%
2003	12.77%	12.86%	23.46%	7.68%
Annualized Compounded Return	7.97%	6.63%	2.58%	0.54%
Sharpe Ratio	0.89	0.86	0.03	-
% Positive Months	70.67%	73.33%	58.67%	48.00%
Correlation (Theta Multistar with ...)	1.00	0.83	0.42	-0.13
Beta (Theta Multistar with ...)	1.00	1.09	0.20	-0.13
Alpha (Theta Multistar over ...)		1.00%		

Risk table*	Theta Multistar Medium Volatility	HFRI Fund of Funds	MSCI World	JP Morgan Government Bonds
Annualized standard deviation (%)	5.51%	4.21%	12.06%	4.66%
Maximum Drawdown (%)	-9.66%	-5.05%	-28.97%	-8.47%
Average Gain Positive Months (%)	1.48%	1.12%	2.49%	1.22%
Average Loss Negative Months (%)	-1.35%	-1.06%	-2.94%	-1.02%

* From January 2003 to January 2004 peformance of medium volatility Theta client portfolios; thereafter Theta Multistar Medium Volatility Fund. All figures are net of all fees. All indices hedged to EUR. Past results are not necessarily a guide to future preformance. For this product, a "Financiële Bijsluiter" has been prepared, which is available upon request. Theta Multistar Fund is regulated by Autoriteit Financiële Markten.

THETA MULTISTAR FUND

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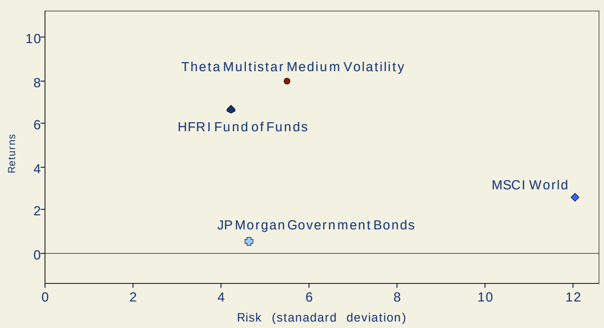
Portfolio Analysis — March 2008

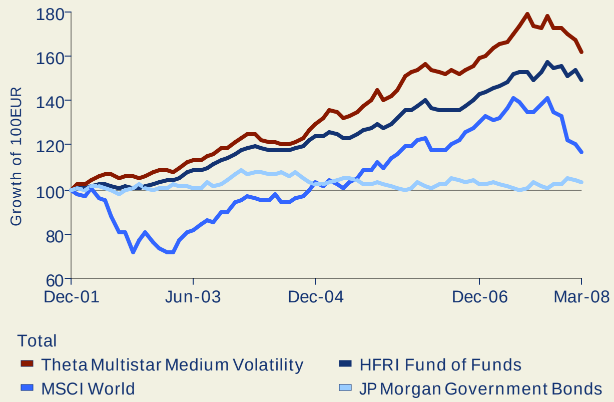
Risk / reward profile: Jan 2002 to Mar 2008



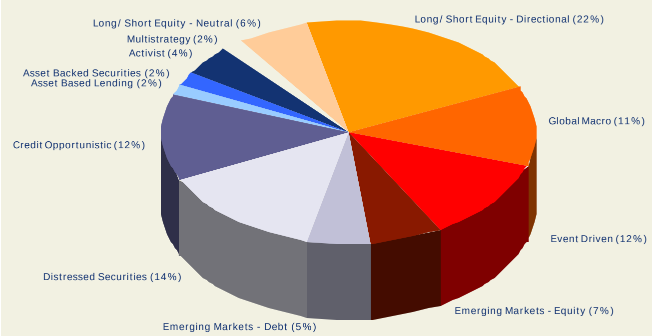
Information

Subscription	Monthly
Redemption	Monthly
Redemption Notice	40 days notice
Managment Fee	1.25%
Incentive Fee	10%
Hurdle Rate	Euribor (3m) + 2.0%
Lockup	No
High Water Mark	Yes
Custodian	KDTC Trust
Auditor	Ernst & Young
Reporting Frequency	Monthly
Currency	Euro
Inception	Jan-04
Bloomberg Ticker	THMDVOL NA

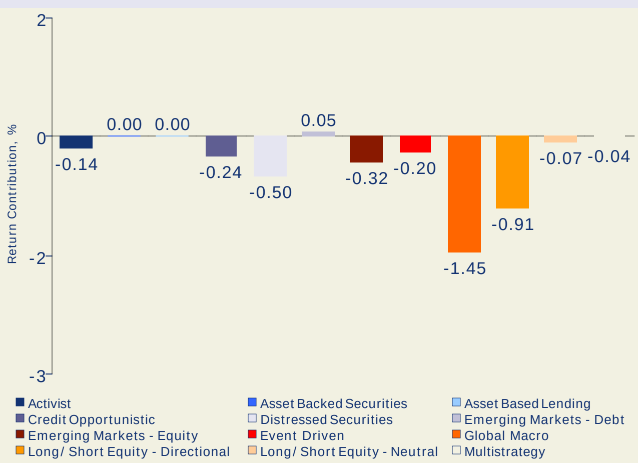
Cumulative return: Jan 2002 to Mar 2008



Strategy allocation Mar 2008



Attribution gross performance by strategy Mar 2008



Fund versus indices

Fund versus indices	Jan-02 - Mar-08
Capture Ratio when MSCI up	48.17%
Average return when MSCI up	1.25%
Capture Ratio When MSCI down	7.64%
Average Return when MSCI down	-0.21%
Capture Ratio when JPM Bond Index up	42.66%
Average Return when JPM Bond Index up	0.53%
Capture Ratio when JPM Bond Index down	-76.31%
Average Return when JPM Bond Index down	0.75%
Capture Ratio when HFRI Index up	118.60%
Average Return when HFRI Index up	1.32%
Capture Ratio when HFRI Index down	113.70%
Average Return when HFRI Index down	-1.21%

The Capture Ratio calculates the portion of market performance that was captured by the Fund under up and down markets. A positive upmarket capture and a negative downmarket capture indicate absolute returns versus the benchmark.