

Monthly Commentary

May 2009

The Theta Multistar Medium Volatility Fund gained 2.4% in May which brings the year-to-date figure to 0.8%. In reference the HFRI Fund of Funds Index gained 3.2% (4.9% YTD) and the MSCI World gained 5.0% (2.9% YTD). All figures are presented hedged into Euros.

May was a reasonable month for the Theta Multistar Medium Volatility fund, bringing the year-to-date return back into positive territory. Solid returns were generated in discretionary commodity, long/short equity, global macro and emerging market funds. We continue our process of allocating capital to liquid, flexible funds whether this is in long/short equity, global macro or commodity trading. These managers continue to see good opportunities across various asset classes whilst running a very liquid portfolio.

In general, we have seen managers taking both their net and gross exposures up slightly, albeit from low levels. The general view (although of course within a portfolio of hedge funds, there are some exceptions) is that the systematic risk posed to the world's financial system has gone and there are opportunities on the long side. Having said that, we also see our managers continuously looking for additional short positions as it is clear that there will be numerous casualties from the dramatic economic slowdown. Going forward, we will add a financial sector fund to the portfolio as we feel this is a part of the market in particular where an experienced, active manager can generate outsized returns.

The largest contributor during the month was also the same as last month's which is a global emerging markets fund which has by now recouped a very significant part of last year's losses. Our second largest contributor is a commodities trading fund which has performed extremely well since we invested in the fund last year. The fund has a highly experienced oil trading team which uses not only the violent directional swings within the market but also a variety of relative value trades. The recent steep contango and/or significant dislocations in crack spreads have been trades where this team has generated outsized returns throughout last year, this year and again in May. In general, the fund remains bullish on oil prices and they expect inventories to shrink (considerably) during the remainder of the year.

Another sizeable contributor during the month was a global emerging markets manager who was up around 8% for the month, leaving the fund up around 18% for the year and thus recouping the vast majority of last year's losses. The manager has managed to capture a significant part of the recent rally in equity markets across various emerging markets with a particular bias towards the Chinese market which is seeing a solid recovery and demand growth. This is confirmed by our dedicated Greater China manager which had comparable performance figures. Both funds run with a net exposure of around 40% which, despite the attractive opportunities, seems appropriate when weighing up the risks the world economy still faces

Performance*	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2009	1.53%	0.68%	-2.44%	-1.31%	2.38%								0.76%
2008	-1.77%	-1.30%	-3.74%	-0.60%	1.30%	1.59%	-3.56%	-2.31%	-4.63%	-9.73%	-2.20%	-0.58%	-24.71%
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 June 2009	€ 1,065.43			
YTD	0.76%	4.94%	2.86%	-3.80%
2008	-24.71%	-20.03%	-40.73%	17.80%
2007	8.93%	9.07%	2.32%	-0.06%
2006	9.58%	8.08%	12.22%	-5.24%
2005	11.76%	6.12%	12.89%	7.71%
2004	6.80%	7.44%	9.62%	2.17%
Annualized Compounded Return	3.13%	3.83%	1.05%	1.86%
Sharpe Ratio	0.07	0.18	-0.05	-
% Positive Months	63.64%	70.13%	61.04%	48.05%
Correlation (Theta Multistar with ...)	1.00	0.85	0.54	-0.50
Beta (Theta Multistar with ...)	1.00	1.07	0.28	-0.56

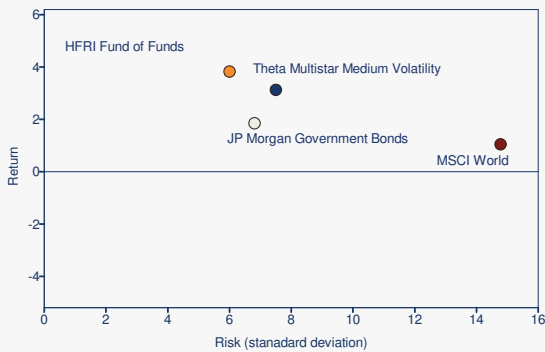
Risk table*	Theta Multistar Medium Volatility	HFRI Fund of Funds	MSCI World	JP Morgan Government Bonds
Annualized standard deviation (%)	7.50%	6.00%	14.78%	6.81%
Maximum Drawdown (%)	-28.27%	-20.92%	-52.85%	-8.47%
Average Gain Positive Months (%)	1.55%	1.20%	2.62%	1.67%
Average Loss Negative Months (%)	-1.96%	-1.74%	-3.75%	-1.23%

* From January 2003 to January 2004 performance 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 performance. For this product, a "Financiële Bijsluiter" has been prepared, which is available upon request. Theta Multistar Fund is regulated by Autoriteit Financiële Markten.

Portfolio Analysis

May 2009

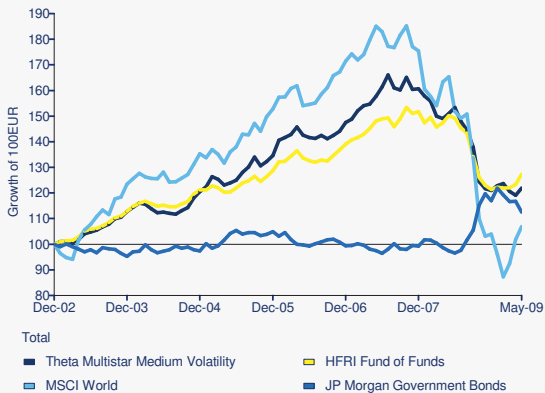
Risk/ reward profile: Jan 2003 to May 2009



Fund Information

Subscription	Monthly
Redemption	Monthly
Redemption Notice	40 days notice
Management 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

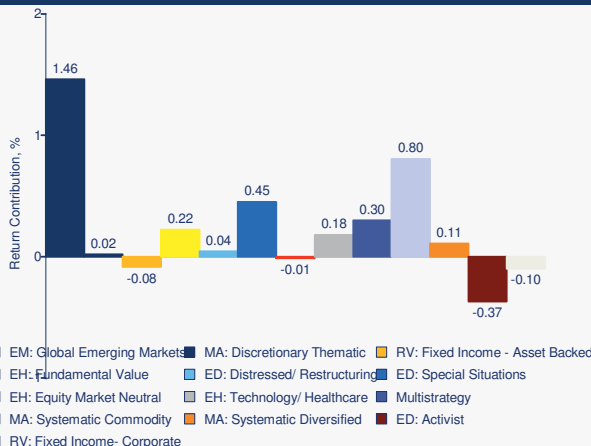
Cumulative return: Jan 2003 to May 2009



Strategy allocation May 2009

Strategy	%
EM: Global Emerging Markets	25
MA: Discretionary Thematic	15
RV: Fixed Income - Asset Backed	11
EH: Fundamental Value	8
ED: Distressed/ Restructuring	6
ED: Special Situations	6
EH: Equity Market Neutral	4
RV: Multistrategy	4
EH: Technology/ Healthcare	4
Multistrategy	4
MA: Systematic Commodity	6
MA: Systematic Diversified	3
ED: Activist	2
RV: Fixed Income- Corporate	1

Attribution gross performance by strategy May 2009



Fund versus indices

	Jan-03 - May-09
Capture Ratio when MSCI up	37.67%
Average return when MSCI up	1.04%
Capture Ratio When MSCI down	26.69%
Average Return when MSCI down	-0.95%
Capture Ratio when JPM Bond Index up	-15.62%
Average Return when JPM Bond Index up	-0.27%
Capture Ratio when JPM Bond Index down	-64.23%
Average Return when JPM Bond Index down	0.75%
Capture Ratio when HFRI Index up	98.81%
Average Return when HFRI Index up	1.19%
Capture Ratio when HFRI Index down	108.61%
Average Return when HFRI Index down	-1.90%

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.