HALF YEARLY REPORT AND CONDENSED UNAUDITED FINANCIAL STATEMENTS

Boussard & Gavaudan Holding Limited

For the six months ended 30 June 2009

Contents

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A- Background and Highlights

Background

Boussard & Gavaudan Holding Limited ("BGHL" or "the Company") is a closed-ended investment company incorporated under the laws of Guernsey on 3 October 2006.

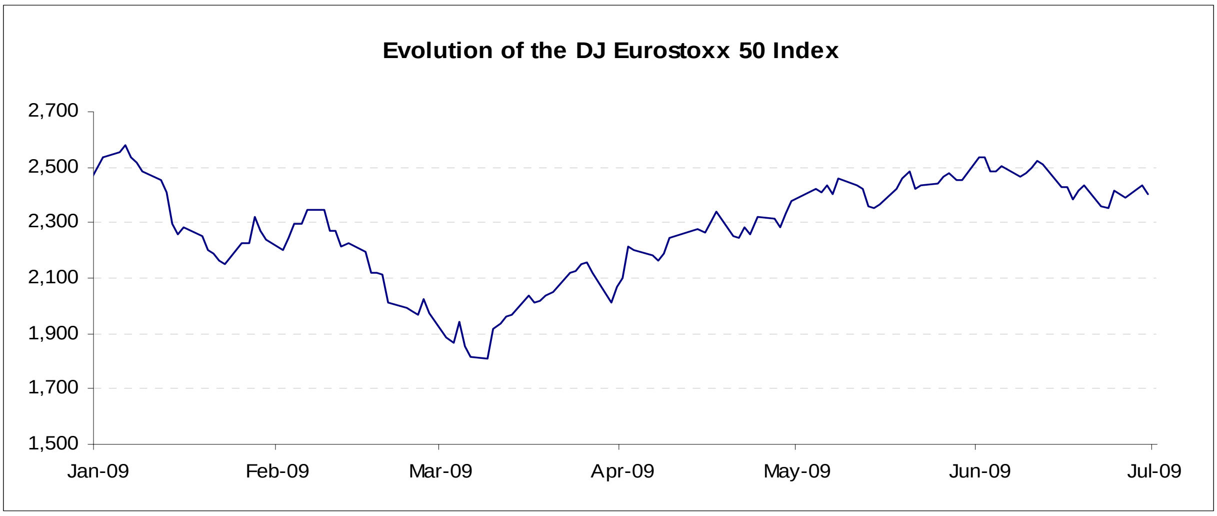
The Company is registered with the Dutch Authority for Financial Markets and listed on Euronext Amsterdam. Since 28 July 2008, BGHL has obtained the admission of its shares to the Official List of the UK Listing Authority and to trading on the London Stock Exchange ("LSE").

The Company has also created a sterling class of shares listed and traded alongside the existing euro share class on Euronext Amsterdam. The sterling share class has been created through the conversion of existing euro shares into sterling shares at the prevailing net asset value ("NAV") per euro share at 30 June 2008.

In addition, BGHL has obtained the admission of its sterling and euro classes of shares to the Official List of the UK Listing Authority and to trading on the LSE, creating a dual primary listing for BGHL in London and Amsterdam since 28 July 2008.

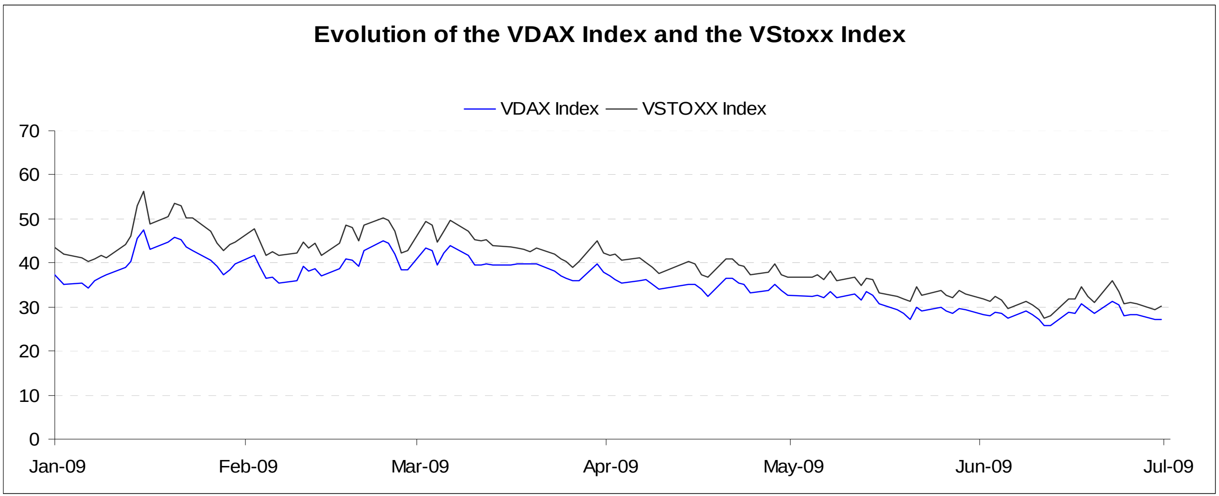
Through Sark Fund Limited, its main investment, BGHL is sensitive to equity and volatility prices as well as to credit spreads. BGHL is exposed to other markets but to a lesser extent.

From 1 January to 30 June 2009 ("the period"), European equity markets went down as much as -26.1% in early March before recovering and stabilizing somewhat. The DJ Eurostoxx 50 ended the period down 1.9%.



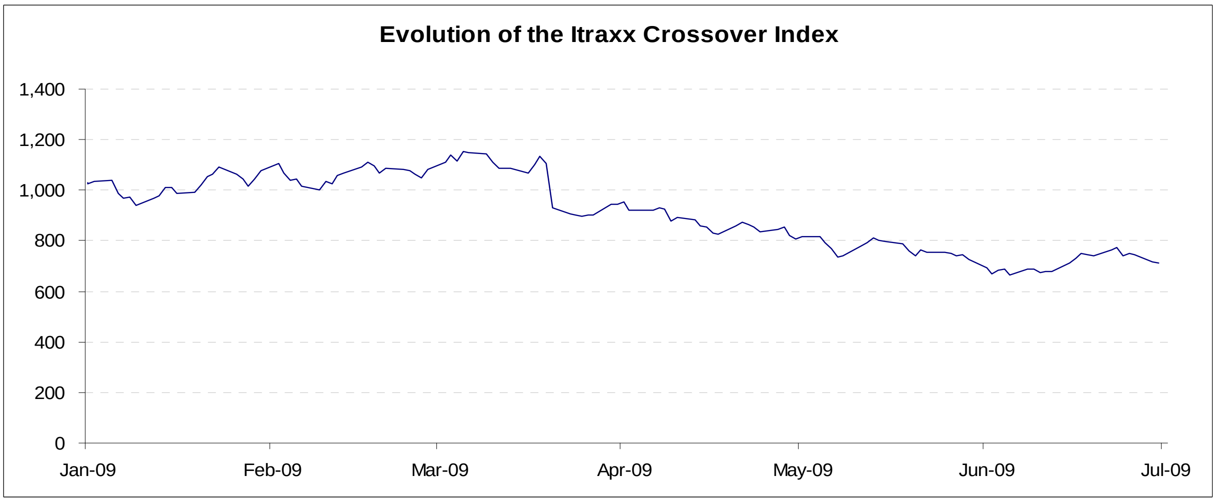
Graph 1 (source Bloomberg)

Volatilities on stock markets decreased consistently during the period with the VDAX index ending at 27.3% from 37.8% and the VStoxx index at 30.2% from 43.9%.



Graph 2 (source Bloomberg)

Credit spreads tightened significantly with the Itraxx Crossover finishing at 713bps from 1,029bps.



Graph 3 (source Bloomberg)

Highlights

As of 30 June 2009, the Company's assets under management were approximately €667 million, up from €622 million at 31 December 2008.

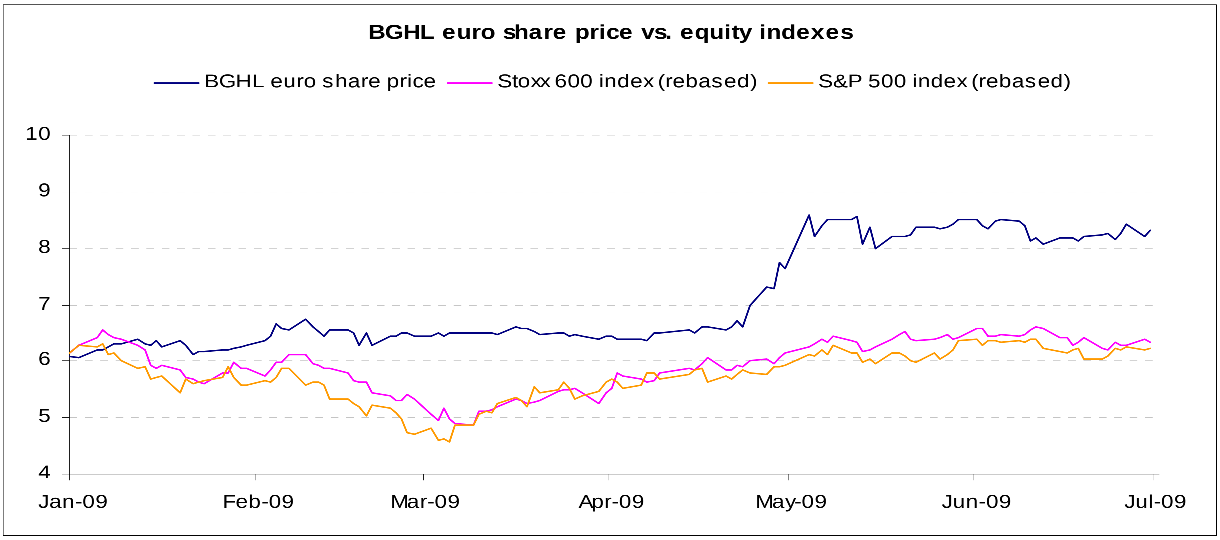
BGHL performance and discount to NAV

From 1 January to 30 June 2009, the euro share price[1] of the Company went up 36.2% at €8.31 and the sterling share price[2] of the Company went up 34.8% at £8.10.

During the period, the performance of the share price (euro and sterling share classes) outperformed significantly equity indices such as the Stoxx 600 and the S&P 500 (respectively up 3.8% and 1.8%).

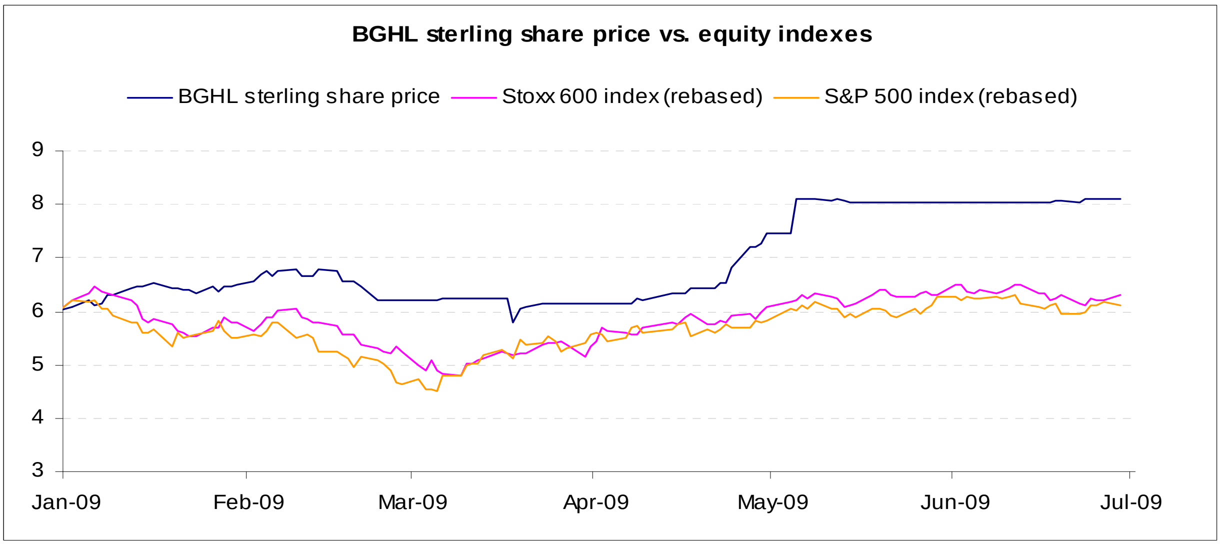
[1] Amsterdam (AEX) market close for euro share
[2] London (LSE) market close for sterling share

Euro share:



Graph 4 (source Bloomberg)

Sterling share:

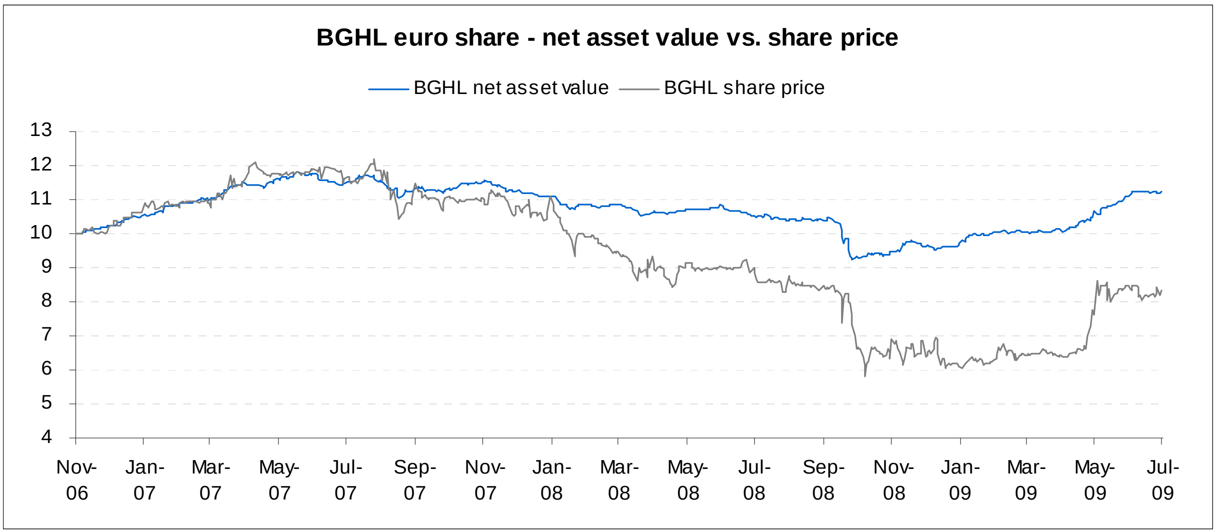


Graph 5 (source Bloomberg)

The strong outperformance of the share price compared to equity indices reflects the significant performance of the net asset value during the period and the share buy back. It also reflects the catching up of the share price underperformance vs. the net asset value.

The NAV of the euro share went up 15.3% at €11.2193 whilst the price of the euro share went up 36.2% at €8.31.

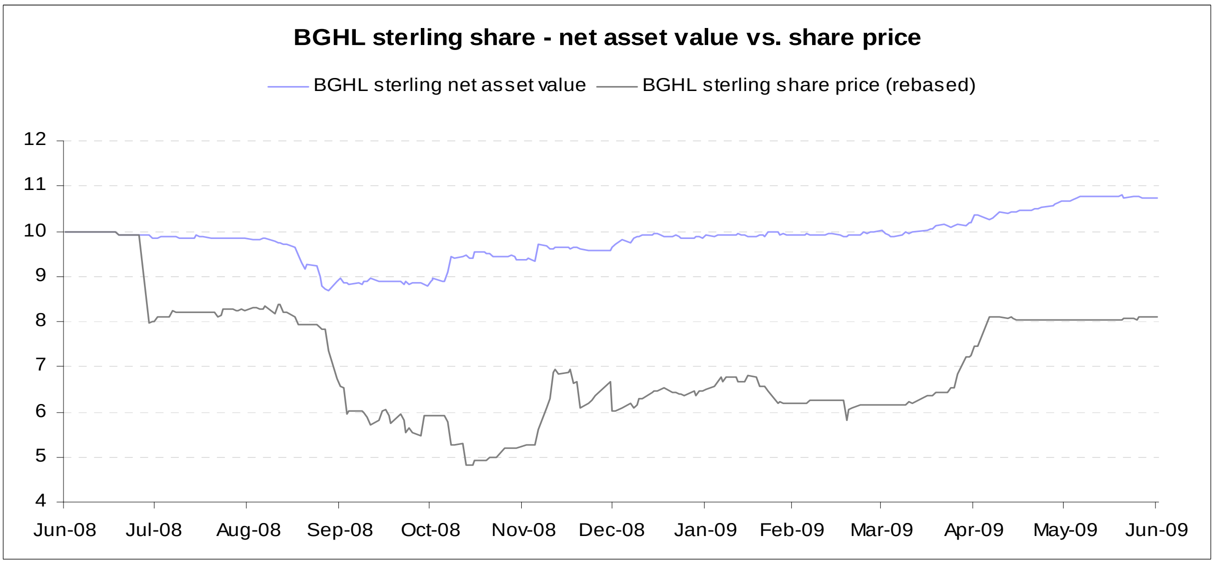
Euro share:



Graph 6 (source BGAM estimates / Bloomberg)

The NAV of the sterling share price went up 10.5% at £10.7387 whilst the price of the sterling share price went up 34.8% at £8.10.

Sterling share:

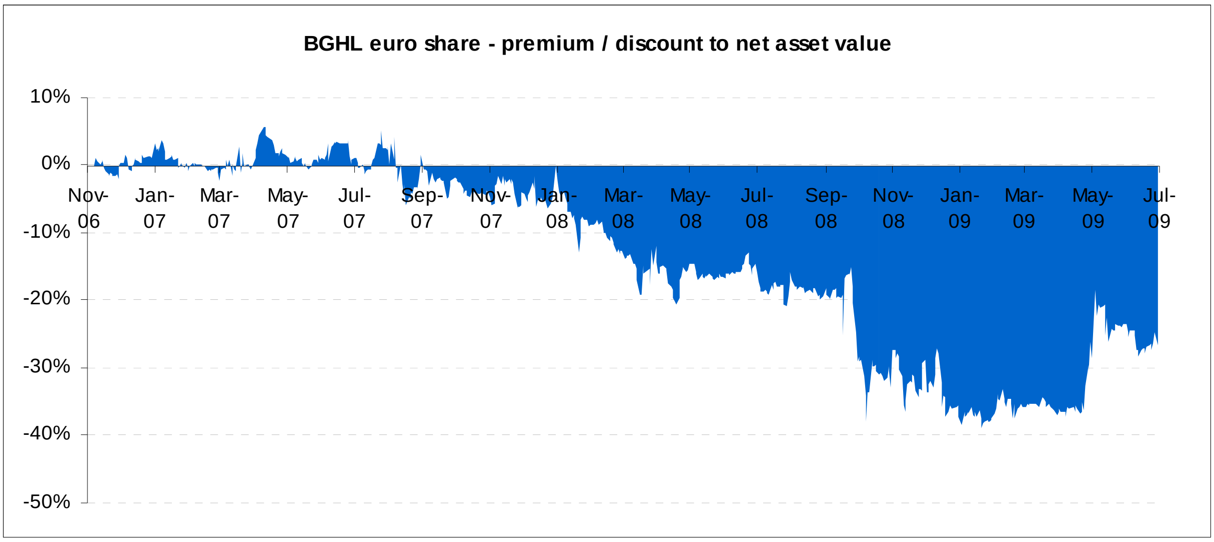


Graph 7 (source BGAM estimates / Bloomberg)

During the first 4 months of the period, the discount of the share price to the NAV remained stable before tightening towards May 2009.

At the beginning of the period the discount to NAV for the euro share class was -37.3% whilst on 30 June 2009, it stood at -25.9% (respectively -38.1% and -24.6% for the sterling share class).

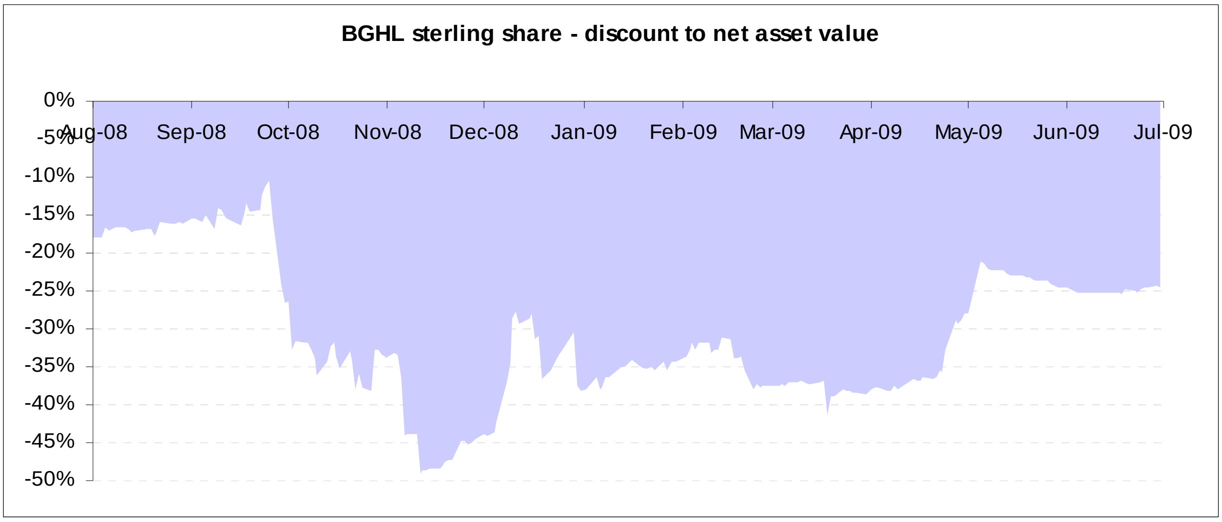
Euro share:



Graph 8 (source BGAM estimates / Bloomberg)

The average discount to NAV over the period was 31.9% for the euro share. Since inception of the Company, the average discount to NAV stood at 13.5%.

Sterling share:



Graph 9 (source BGAM estimates / Bloomberg)

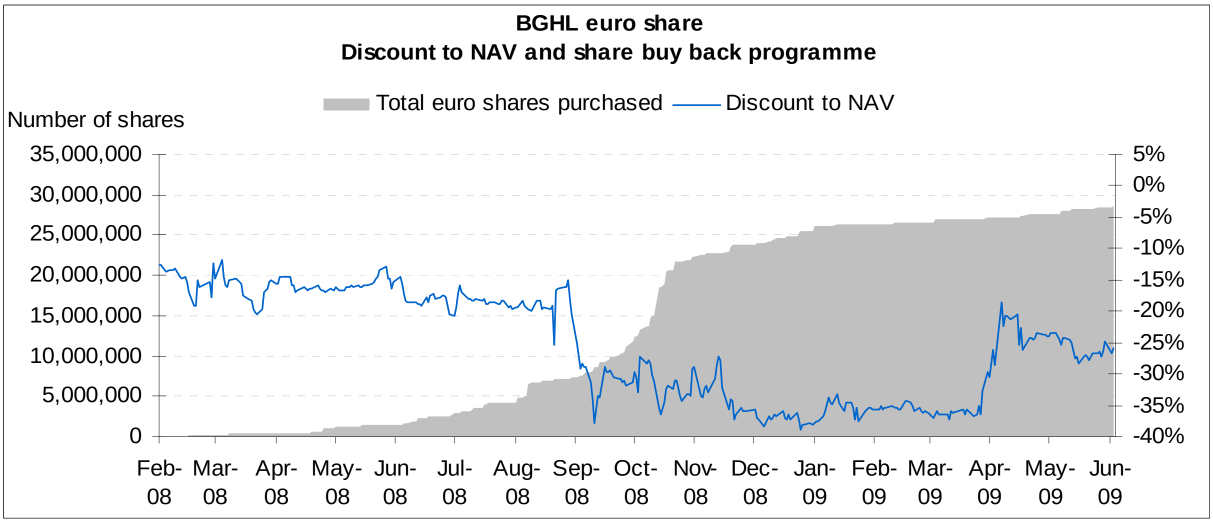
The average discount to NAV over the period was 31.8% for the sterling share. Since inception of BGHL sterling share (28 July 2008), the average discount to NAV is at 30.3%.

Set of measures to ease the discount to NAV and/or to increase the liquidity of the share

<u>Share buy back programme</u>

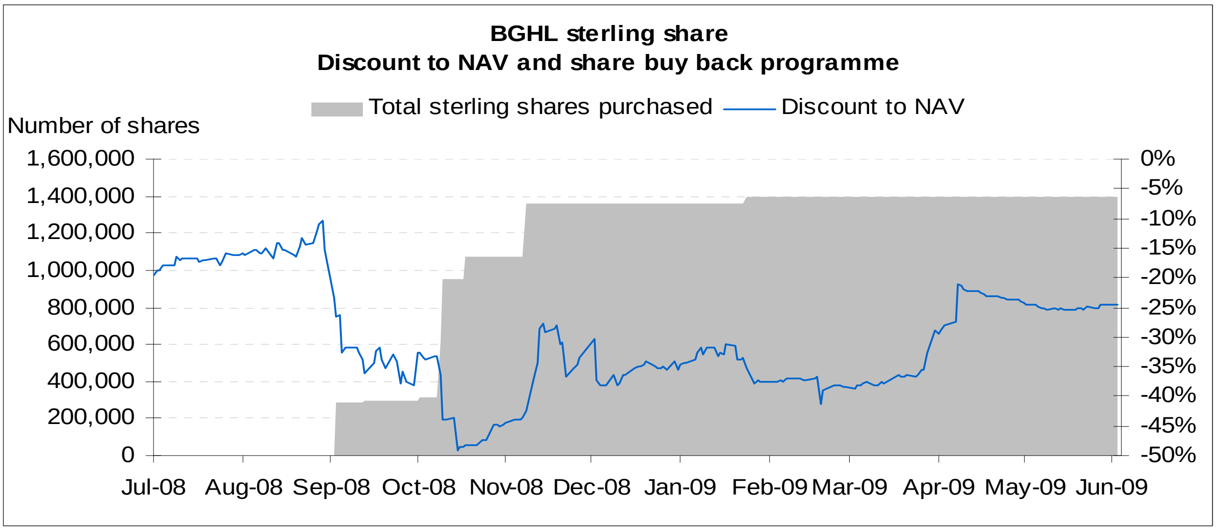
Since its listing, the Company has set up a share buy back programme voted by its shareholders. BGHL has been active throughout the period, continuing the programme initiated on 27 February 2008. As the discount to NAV tightened significantly towards the end of the period, the share buy back programme has gradually been reduced.

Euro share:



Graph 10 (source BGAM estimates)

Sterling share:



Graph 11 (source BGAM estimates)

The share buy back programme is accretive to the Company. Whilst the Sark Fund's NAV (euro share class) was up 12.80% during the period, the Company's NAV (euro share) which is almost 100% invested in the Sark Fund was up 15.25%.

The volume of the share buy back programme during the period shows the Investment Manager's commitment to the Company's strategy and its efforts to reduce the discount to NAV.

<u>Liquidity enhancement agreement</u>
To increase the liquidity of the Company's shares, the Company has set up a liquidity contract with Exane BNP Paribas, which became effective from 14 August 2008. The contract is renewed every 31 December for one year by tacit agreement.

Exane BNP Paribas handles the execution of the liquidity enhancement agreement of the Company in accordance with the Dutch accepted market practice. The Company intends to limit the amount allocated to the execution of this contract to € 10 million per year.

Creation of a sterling share and dual listing
The Company announced on 28 July 2008 that the admission to listing and trading of the sterling shares on Euronext Amsterdam by NYSE Euronext took place on an "as-if-and-when-issued" basis. The Company also announced that the admission of the sterling shares and euro shares to the Official List of the UK Listing Authority and to trading on the London Stock Exchange plc's main market for listed securities occurred on 28 July 2008.

Shareholders may convert their existing holding of shares in the Company from one class into another class on a quarterly basis, subject to satisfying certain requirements.

B- Review of the development of the business

The Company had almost 100% of its assets invested in the Sark Fund Limited ("the Fund"): a Europe-focused multi-strategy fund which aims primarily at arbitraging instruments with non-linear pay-offs in special situations. It implements diversified investment strategies, including volatility, equity and credit strategies.

On top of its investment in the Fund, the Company had two private equity investments, representing approximately 1% of its assets under management.

C- Results for the period and state of affairs at 30 June 2009

Below is the Sark Fund limited's overview during the period followed by the private equity investments.

Sark Fund Limited

From 1 January to 30 June 2009, the Fund NAV (Euro A share class) went up 12.8% at €141.7772.

The Fund has three main strategies, which can be split into the following sub-strategies.

Volatility strategies include:
- Mandatory convertible bond arbitrage ("mandatories")
- Convertible bond arbitrage
- Gamma trading
- Corporate warrant arbitrage

Equity strategies include:
- Risk arbitrage
- Special situations
- Value with Catalyst

Credit strategies include:
- Capital structure arbitrage
- Credit long / short

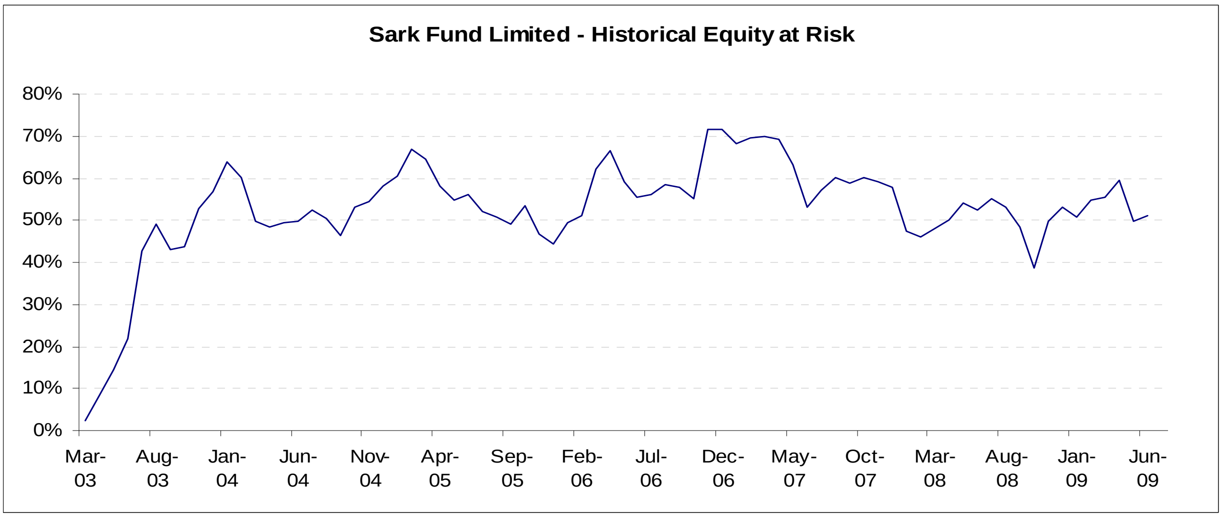
In addition the Fund has a **Trading** strategy.

The Investment Manager monitors the risks of the Fund within the limits allocated by its prime brokers and custodians and has defined a model, named "equity at risk", whereby an amount of equity, considered at risk, is allocated to a specific asset class. The equity at risk also allows the Investment Manager to estimate the potential for additional leverage for the Fund with its prime brokers and custodians. The total equity at risk for the Fund is expected to be between 25% and 100%.

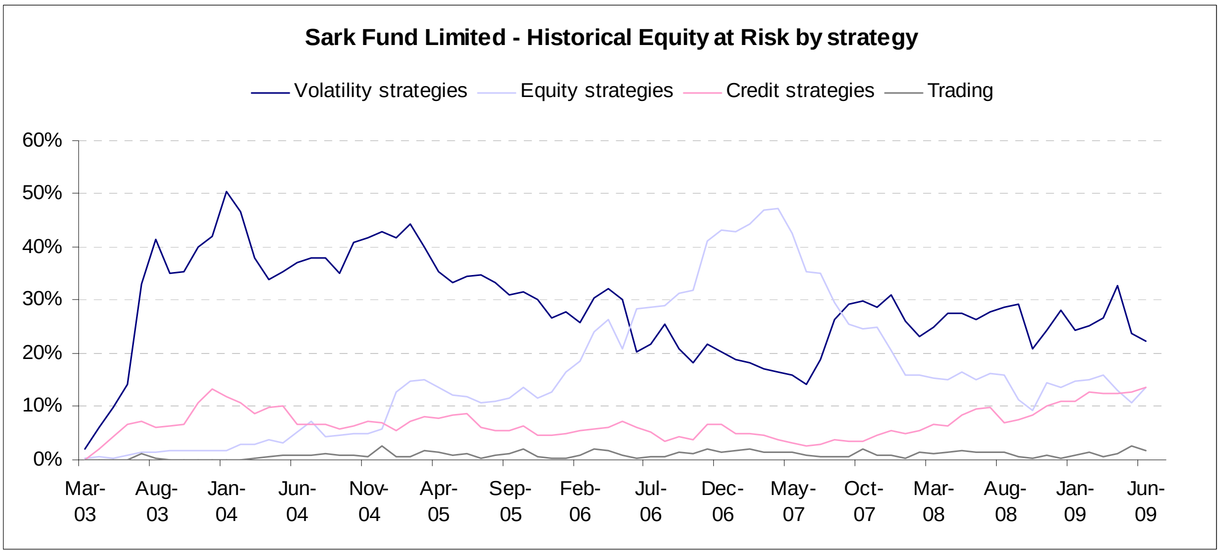
The equity at risk has been stable over the period. As of 30 June 2009, the Fund's total equity at risk was at 51% compared to 53% on 31 December 2008.

The Investment Manager continued to be very selective on deploying equity with a specific focus on liquid and short-term trades with hard catalysts.

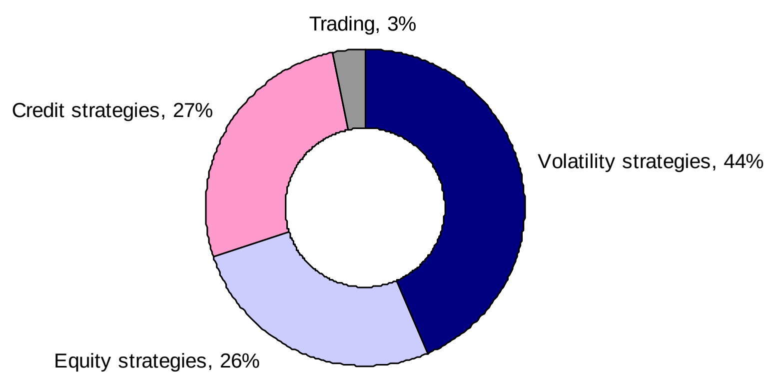
The graphs below illustrate the evolution of the equity at risk of the Fund as a whole and by strategy since its inception.



Graph 12 (source BGAM Estimates)



Graph 13 (source BGAM estimates)



Graph 14 (source BGAM estimates)

During the period, volatility strategies continued to be the main strategies using the equity at risk of the Fund. Arbitrage is the core competence of the Investment Manager. It is reflected in the shift of the Fund's strategy in 2007 away from equity strategies in favour of volatility strategies, in particular mandatories arbitrage. The Investment Manager believes that the arbitrage space has become more and more attractive and that it offers the most attractive risk/reward opportunities in the medium term.

Below is an overview of each strategy during the period.

Credit strategies
Credit strategies posted a marginal positive contribution to the performance of the Fund over this period.

Trades did not contribute evenly to the strategy. On the positive side, several stressed positions, particularly in cable and senior financial paper have performed well on the back of company specific improvements as well as the overall tightening of credit spreads. The Investment Manager decided hence to progressively monetize these situations during the period.

On the negative side, the underperformance stemmed mostly from an adverse development in one of Fund's main investments. At the end of the period, the Investment Manager was still negotiating a debt restructuring with the corporate, alongside a tight group of lenders. The restructuring has finally been agreed on in early July.

The primary market has been particularly active during the period. An unprecedented wave of non-financial issuance has set the market alight, with new issue after new issue, and raising questions in many investors' minds about whether or not it can continue. The market has seen €169bn of issuance in the first 6 months of the year, now just €31bn short of the all-time highest annual total of €200bn (set in 2001).

This surge of issuance may be more sustainable than it seems. Corporates are issuing more in place of taking loans from banks. And banks are issuing less as they slim down their balance sheets. Hence there seems plenty of scope for recent activity to continue. However demand is not there at any price for the more levered corporates, especially when interest rates markets are extremely shaky.

Going forward, the Investment Manager's understanding is that the market is going to be macro-driven, with the upcoming earnings season being crucial to decipher if companies are finally coming out of the crisis. We think credit markets will be macro driven for the second half of the year. Indeed, macro data will only start challenging the V-shaped recovery that is being priced-in, well in the back-end of Q3.

Equity strategies

Equity strategies posted also a marginal positive contribution to the performance of the Fund during the period.

In this particularly constricted market environment, no major position was initiated. The Investment Manager kept on being extremely selective on its investments with a specific focus on liquid trades with short term duration and hard catalyst.

In that sense, the Fund has been involved in some safe risk arbitrage trades offering attractive carry, earnings release trades on very liquid large caps (especially on defensive consumer goods companies) as well as dividend trades.

Most of them were profitable to the Fund. In some few cases, when trades went against the Fund, the Investment Manager remained rigorous in its risk management process and decided to cut positions rather early on the way.

Volatility strategies

<u>Convertible Bond Arbitrage</u>

This sub-strategy was one of the main drivers to the Fund's performance. Whilst the primary market was a significant contributor to the Income statement, the majority of the performance in this sub-strategy came from legacy positions which the Investment Manager had decided to keep at the end of 2008, as well as from restructuring trades.

The long-standing position in Jazztel finally came to a conclusion as the company announced it had reached an agreement for the restructuring of the €275m 5% convertible bonds due April 2010. The restructuring scheme, which the Investment Manager designed and negotiated directly with the corporate, provided for a rights issue, the buyback and cancellation of bonds for around half of the original amount outstanding, the postponement of the rest and the free allotment of warrants to bondholders.

The Fortis CASHES position also performed very well as the revised deal with BNP Paribas, which was finally voted at the end of April, removed some of the long-running uncertainty surrounding Fortis Holding and Fortis Bank Belgium. The second catalyst to the trade came as Fortis Holding announced that dividend payment for the 2009 financial year would be resumed. The Investment Manager expects a third catalyst will come in the course of H2 2009 as both Fortis and BNP Paribas are likely to seek to restructure this instrument.

The new issuance market was also a key contributor to the convertibles book performance. Since the re-opening of the primary market in March, around €15bn have been raised by European corporates through more than 30 transactions.

The Investment Manager participated in most of them and received large allocations. Those deals met very strong demand and were mostly allocated to outright accounts. From June onwards there was a significant shift in the offer/demand balance between issuers and investors. The most recent deals actually came at or sometimes above fair value and traded around or below issue price in the immediate aftermarket. The Investment Manager remained therefore selective in this market environment.

Even if the new deals were less attractively priced, the Investment Manager believes the renewal of the European convertible universe currently underway is extremely positive as it paves the way for potential future very interesting investment opportunities in the secondary market, particularly in a market now dominated by outright (non-hedged) investors.

Mandatory Convertible Bond Arbitrage

The mandatory convertible bond arbitrage sub-strategy was the second main driver to the Fund's performance with all of the positions contributing positively.

In particular, the Bayer mandatory arbitrage was the best performer of this sub-strategy as the bonds traded progressively towards fair value as it came to maturity on 1 June 2009. The Fund also earned a significant amount of theta thanks to the options it had sold in the market as a dynamic hedge, thereby marginally exceeding the target performance the Investment Manager had set at the end of 2008 for this trade.

The UBS / BBVA mandatory exchangeable was also a key contributor as the bond traded higher on the back of a better perception of UBS' credit risk, the rise in the BBVA share price and the improvement in the market perception of BBVA's future dividends. The Fund also managed to book profit on the dividend payment thanks to the pass-through feature and to do some gamma on the BBVA options bought to hedge the downside exposure in the mandatory.

Prime brokerage conditions have started to ease significantly and the use of capital remains limited for most of the Fund's mandatory convertible bonds with a number of them having short residual maturities; this means that returns on equity remain extremely compelling despite the recent increase in valuations.

Gamma trading

The year started off with high implied volatilities and limited liquidity on single stock options. During this period, equity markets grinded lower in an orderly fashion before recovering, all this happening in an environment of low realized volatility in both indices and single stocks. This in turn dragged short term implied volatilities along; the bright side of this move lower in volatilities being a greater liquidity and smaller bid-offer spreads provided in the options space.

This is a scenario the Investment Manager had anticipated and therefore the Fund was positioned close to the minimum long exposure on its long gamma books. However, the Fund suffered from both low realized and falling implied volatilities.

With a quiet summer looming, the Investment Manager decided to cut significantly the gamma exposure, reflecting as well the reduced risks on the downside in the Fund. The Investment Manager is continuously monitoring the situation in order to raise the gamma exposure, should the downside risks increase.

Corporate Warrant Arbitrage

This sub-strategy was almost flat for the period.

Trading

Trading posted a small negative return this period spread across the board.

Private equity investments

On top of its investment in the Fund, and as described in the offering memorandum, the Company may enter into private equity investments. The Company currently has two private equity investments for approximately 1% of the assets under management.

D- Review of important events since the period end

There is no important event to report since the period end.

E- Principal Risks and Uncertainties for the next six months

Even though equity and credit markets have been recovering over the period, the equity at risk is expected to be deployed in a very cautious way. The Investment Manager continues to be fully committed to the strategies of the Fund.

F- Related Party Transactions

There have been no major related party transactions during the period except as disclosed in note to the Financial Statements.

The Directors present their half yearly report and interim condensed financial statements for the six months ended 30 June 2009.

Principal Activities

Boussard & Gavaudan Holding Limited ("BGHL" or "the Company") has invested substantially all of its assets in the Sark Fund Limited ("the Fund"), a Europe-focused multi-strategy hedge fund which aims primarily at arbitraging instruments with linear or non-linear pay-offs on equities and credit markets. The overall investment objective of the Fund is to provide investors with consistent absolute returns primarily through investing and trading in financial instruments of companies incorporated in or whose principal operations are in Europe.

Additionally, BGHL may enter into private equity investments, and is currently invested for approximately 1% of its assets under management.

Boussard & Gavaudan Asset Management LP ("BGAM" or "the Investment Manager") is the investment manager for both the Company and the Fund.

Review of Recent Developments

The performance of BGHL is driven primarily by the financial results of the Fund and the relative effect of the shares bought back. Under these circumstances, the Directors are satisfied with the Fund strategies and performance, particularly given the volatile market conditions.

After the difficult market conditions since the middle of 2007 until February 2009, the first half of 2009 has seen some recovery in the financial markets and the close monitoring of the various strategies deployed by the Investment Manager has shown its efficiency.

Thus, the assets under management grew from €622 million at 31 December 2008 to €667 million at 30 June 2009 and the share price and discount to NAV improved significantly. The share price of the euro share closed at the end of the period at €8.31 up 36.2% and the sterling share price saw a 34.8% increase closing at £8.10. While the NAV of the euro share went up 15.3% at €11.2193 and the NAV of the sterling share went up 10.5% at £10.7387, the discount to NAV reduced significantly from -38.4% to -25.9% for the euro share and from -38.1% to -24.6% for the sterling share.

Finally, the Company continued to actively improve the liquidity of the shares in the market by continuing its share buy-backs on Euronext Amsterdam and the London Stock Exchange.

Results for the period and State of Affairs at 30 June 2009

The Balance Sheet and the Income Statement for the six months ended 30 June 2009 are set out in the enclosed financial statements.

Directors

The Directors at the date of this report include:

- Christopher Fish, Chairman;
- Nicolas Wirz, Chairman of the Audit Committee;
- Sameer Sain.

Save as disclosed in these financial statements, the Company is not aware of any potential conflicts of interest between any duty of any of the Directors owed to it and their respective private interests. Each Director is paid an annual fee of €30,000, the Chairman is entitled to receive €50,000 per annum and the Chairman of the Audit Committee will receive an additional fee of €7,500 per annum.

Directors' interests in shares

As of 30 June 2009, Christopher Fish had invested, directly or indirectly, in 8,631 BGHL ordinary € shares. Sameer Sain had invested, directly or indirectly, in 40,000 BGHL ordinary € shares. Nicolas Wirz had invested, directly or indirectly, in 16,168 BGHL ordinary € shares.

Corporate Governance

As a Guernsey incorporated company, the Company is not, strictly speaking, required to comply with the Combined Code (the "Code") appended to the listing rules of the UK's Financial Services Authority. However, the Directors place a high degree of importance on ensuring that high standards of corporate governance are maintained and have adopted the spirit of the Code which sets out principles of good governance and a code of best practice for listed companies. There are no significant requirements of the Code that the Company does not comply with.

The Board meets formally at least four times a year. In addition to these scheduled meetings, over the past period the Board has met on an ad hoc basis and has consulted the Investment Manager regularly. The Directors are satisfied that they have been kept fully informed of the investment performance, financial and operational controls, and other matters relevant to the business of the Company. The Directors have, where necessary to the furtherance of their duties, taken independent professional advice at the expense of the Company.

The attendance record of the Directors is set below:

Meetings attended	**Quarterly Board Meeting**	**Ad hoc Board Meetings**	**Audit Committee**
	No. of meetings	**No. of meetings**	**No. of meetings**
Christopher Fish	0*	2*	0*
Nicolas Wirz	2	3	1
Sameer Sain	1	3	1

* Due to Mr Fish's illness during the period he appointed as his alternate Mr Nigel Govett who attended 1 Quarterly Board and 1 Audit Committee meeting on his behalf, and Mr Andrew Cole who attended 1 Quarterly Board and 1 Ad hoc Board meeting on his behalf. Mr Fish resumed his full duties on 1 August 2009.

The focus at Board Meetings is a review of investment performance, marketing/investor relations, risk management, general administration and compliance, peer group information and industry, regulatory and corporate governance issues. Board papers are circulated in advance, allowing Directors the opportunity to add agenda items they consider appropriate for Board discussion. Each Director is required to inform the Board of any potential or actual conflicts of interest prior to Board discussion.

The Board evaluates its performance and the performance of individual Directors on an annual basis, and believes that the current mix of skills and experience of the Directors are appropriate to the requirements of the Company.

Directors' Duties and Responsibilities

The Directors have decided to follow, where applicable, the Association of Investment Companies ("AIC") Code on Corporate Governance. A summary of their duties according to the AIC Code is set out below.

The Directors are responsible for:

- Statutory obligations and public disclosure;
- Strategic matters and financial reporting;
- Oversight of management and advisors matters;
- Risk assessment and management, including reporting, monitoring, governance and control;
- Other matters having a material effect on the Company.

Committees of the Board

The Board has not deemed it necessary to appoint a nomination or remuneration committee as, being comprised wholly of non-executive Directors, the whole Board considers these matters.

Audit Committee

An Audit Committee, with defined terms of reference and duties, has been established to consider inter alia: (a) annual and semi-annual accounts, (b) auditors reports, and (c) terms of appointment and remuneration for the auditor (including overseeing the independence of the auditor particularly as it relates to non-audit services). In addition, the Audit Committee will ensure that the Company maintains high standards of integrity, financial reporting and internal controls. The Audit Committee comprises the following as members: Nicolas Wirz (Chairman), Christopher Fish and Sameer Sain.

Internal Controls

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness. The Board has developed a framework that is designed to identify, evaluate and manage the primary operating risks faced by the Company. The framework specifies an ongoing review timetable that ensures at least an annual review of the Company's system of internal control, covering of controls, including financials, operational, compliance and risk management.

The Board has delegated the management of the Company's investment portfolio; the provision of custody services; the administration, registrar and corporate secretarial functions (including the independent calculation of the Company's Net Asset Value); and the production of the Annual Report and Financial Statements which are independently audited. The Board retains accountability for the functions it delegates and is responsible for the system of internal control. Formal contractual arrangements have been put in place between the Company and the Providers of these services.

Compliance reports are provided at each quarterly Board meeting by the Company Secretary.

Corporate Responsibility

The Company considers the ongoing concerns of investors on the basis of open and regular dialogue with the Investment Manager.

The Company keeps abreast of regulatory and statutory changes and responds as appropriate.

The Board will assess its performance on an annual basis based on the guidelines set out by the AIC and the Combined Code.

Going Concern

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

Relations with Shareholders

The Investment Manager maintains a regular dialogue with institutional shareholders, the feedback from which is reported to the Board.

The Company reports formally to Shareholders twice a year. Additionally, current information is provided to shareholders on an ongoing basis through the Company website (www.bgholdingltd.com) and monthly newsletter. Shareholders may contact the Directors via the Company Secretary.

The Directors each confirm to the best of their knowledge that:

(a) the Interim Management Report includes a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that the Company faces as required by the Disclosure and Transparency Rules of the UK Listing Authority and related party transactions;

(b) the condensed financial statements for the period ended 30th June 2009 have been prepared in accordance with IAS 34 'Interim Financial Reporting', and give a true and fair view of the assets, liabilities, financial position and profit of the Company.

By order of the Board

Christopher Fish	Nicolas Wirz
Chairman	Director

26 August 2009

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2008 which comprises the Balance sheet, Income statement, Statement of Changes in Equity, Cash flow statement and the related notes 1 to 13. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with guidance contained in ISRE 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half yearly report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority and legislation and rules pertaining to Amsterdam Euronext Listings.

As disclosed in note 2, the annual financial statements of the company are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial 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 United Kingdom. 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 condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority and legislation and rules pertaining to Amsterdam Euronext Listings.

Ernst & Young LLP
Guernsey, Channel Islands
26 August 2009

Boussard & Gavaudan Holding Limited
Balance Sheet
30 June 2009 (Unaudited)

	Note	UNAUDITED As at 30 June 2009 Euro	AUDITED As at 31 December 2008 Euro
Assets			
Non- current Assets			
Investments at fair value through profit or loss (Cost 2009:€ 730,756,160, 2008 € 789,324,249)	3	680,830,711	656,354,663
Current Assets			
Foreign exchange forward derivatives contracts		249,734	-
Due from brokers		250,233	295,847
Total assets		**681,330,678**	**656,650,510**
Equity and Liabilities			
Current Liabilities			
Bank Loan	10	-	24,925,991
Other Short Term Loan	11	6,050,000	-
Foreign exchange forward derivatives contracts		-	5,745,209
Due to brokers		539,059	730,779
Performance fee payable	7	2,721,378	-
Management fee payable	7	4,757,309	2,665,069
Interest payable		6,877	14,483
Administrative fees payable		9,646	-
Audit fees payable		23,671	70,000
Legal fees payable		-	133,997
Total liabilities		**14,107,940**	**34,285,528**
Equity			
Share Capital	8	5,956	6,394
Share Premium		762,250,965	785,523,000
Treasury Shares	9	(20,683,831)	(11,714,342)
Retained Losses		(74,350,352)	(151,450,070)
Total Equity		**667,222,738**	**622,364,982**
Total Equity and Liabilites		**681,330,678**	**656,650,510**
Net asset value per share:			
Class A EURO shares outstanding 2009: 57,401,088 (2008: 60,335,176)		€ 11.2193	€ 9.7345
Class A GBP shares outstanding 2009: 1,842,818 (2008: 3,464,566)		£10.7387	£9.7161

The condensed financial statements on pages 22 to 37 were approved by the Board of Directors on 26 August 2009 and signed on behalf of the Board by:

Christopher Fish
Chairman

Nicolas Wirz
Director

The accompanying notes on pages 26 to 37 form an integral part of these financial statements

Boussard & Gavaudan Holding Limited
Income Statement
For the six months ended 30 June 2009 (Unaudited)

	Note	UNAUDITED For Six months ended 30 June 2009 Euro	UNAUDITED For Six months ended 30 June 2008 Euro
Income			
Net realised (loss)/gain on financial instruments at fair value through profit or loss		(956,062)	4,737,501
Change in unrealised gain/(loss) on financial instruments at fair value through profit or loss		83,044,138	(53,350,087)
Net gain/(loss) on financials assets at fair value through profit or loss		82,088,076	(48,612,586)
Realised and unrealised foreign currency (loss)/gain on bank loan		(355,738)	1,253,995
Realised and unrealised foreign currency gain/(loss) on forward derivatives contracts		3,167,316	(50,145)
Other realised and unrealised foreign currency loss		(5,316)	29,225
		84,894,338	(47,379,511)
Interest income		13,971	43,502
Total income/(loss)		84,908,309	(47,336,009)
Trading Expense			
Interest expense		80,480	557,338
Company Expenses			
Performance fees	7	2,721,378	-
Management fees	7	4,757,309	7,274,365
Administrative fees	6	43,097	61,571
Directors fees		62,500	59,203
Professional fees		(33,534)	55,000
Audit fees		(13,589)	30,910
Other expenses		190,950	73,603
Total expenses		7,808,591	8,111,990
Net profit/(loss)		77,099,718	(55,447,999)
Basic and diluted earnings per share			
Class A EURO €72,043,410 / 58,725,481 shares (2008: €55,447,999 loss / 88,558,064 shares)		€ 1.2268	€ (0.6261)
Class A GBP £2,043,622 / 2,385,346 shares, (2008: Nil)		£0.8567	-

All activities are of a continuing nature.

Boussard & Gavaudan Holding Limited
Statement of Changes in Equity
For the six months ended 30 June 2009 (Unaudited)

	Share Capital	Share Premium	Treasury Shares	Retained Losses	Total Equity
	Euro	Euro	Euro	Euro	Euro
Balance as at 1 January 2009	6,394	785,523,000	(11,714,342)	(151,450,070)	622,364,982
Net profit attributable to ordinary shares	-	-	-	77,099,718	77,099,718
Treasury shares acquired	-	-	(32,241,962)	-	(32,241,962)
Shares cancelled	(438)	(23,272,035)	23,272,473	-	-
Balance as at 30 June 2009	5,956	762,250,965	(20,683,831)	(74,350,352)	667,222,738

For the six months ended 30 June 2008 (Unaudited)

	Share Capital	Share Premium	Treasury Shares	Retained Earnings/ (Losses)	Total Equity
	Euro	Euro	Euro	Euro	Euro
Balance as at 1 January 2008	9,743	951,870,007	-	48,406,023	1,000,285,773
Effect of conversion of C Shares	(732)	732	-	-	-
Net loss attributable to Class A Shares	-	-	-	(55,447,999)	(55,447,999)
Treasury Shares acquired	-	-	(13,971,556)	-	(13,971,556)
Balance as at 30 June 2008	9,011	951,870,739	(13,971,556)	(7,041,976)	930,866,218

Boussard & Gavaudan Holding Limited
Cash Flow Statement
For the six months ended 30 June 2009 (Unaudited)

	UNAUDITED For Six months ended 30 June 2009 Euro	UNAUDITED For Six months ended 30 June 2008 Euro
Cash flows from operating activities		
Net profit/(loss)	77,099,718	(55,447,999)
Adjustments to reconcile net profit/(loss) to net cash used in operating activities:		
Unrealised (gain)/loss on financial instruments at fair value through profit or loss	(83,044,138)	53,350,087
Realised loss/(gain) on financial instruments at fair value through profit or loss	956,062	(4,737,501)
Realised and unrealised foreign currency (gain)/loss on forward derivatives contracts	(3,167,316)	50,145
Decrease/(increase) in due from brokers	45,614	(9,911,489)
Increase in other assets	-	(1,657)
Decrease in due to brokers	(191,720)	6,575,342
Increase/(decrease) in performance fee payable	2,721,378	(6,433,656)
Increase/(decrease) in management fee payable	2,092,240	(301,353)
Decrease in interest payable	(7,606)	(15,346)
Increase/(decrease) in administrative fee payable	9,646	(9,774)
Decrease in audit fees payable	(46,329)	(794)
Decrease in legal fees payable	(133,997)	-
Realised foreign currency loss/(gain) on bank loan	512,011	(1,478,343)
Unrealised foreign currency (gain)/loss on bank loan	(160,532)	224,348
Net cash used in operating activities	(3,314,969)	(18,137,990)
Cash flows from investing activities		
Purchase of investments at fair value	-	(6,350,416)
Sales of investments at fair value	57,612,027	38,200,000
Net cash provided by investing activities	57,612,027	31,849,584
Cash flows from financing activities		
Treasury shares acquired	(32,241,962)	(13,971,556)
Net payments on foreign exchange forward derivative contracts	(2,827,626)	(50,145)
Proceeds from other short term loan	6,050,000	-
Proceeds from bank loan	17,956,875	106,889,674
Repayment of bank loan	(43,234,345)	(106,579,567)
Net cash used in financing activities	(54,297,058)	(13,711,594)
Net movement in cash and cash equivalents	-	-
Cash and cash equivalents		
Beginning of the period	-	-
Cash and cash equivalents at end of the period	-	-
Supplementary information		
Interest received	13,971	43,502
Interest paid	88,086	572,684

The accompanying notes on pages 26 to 37 form an integral part of these financial statements

1. General information

Company information

Boussard & Gavaudan Holding Limited (the “Company” or “BGHL”) is a closed-ended investment company incorporated on 3 October 2006, under the laws of Guernsey. The Company was listed on the Euronext Amsterdam on 3 November 2006. Prior to the listing of the Company, there has not been a public market for the shares. Upon listing and trading of the shares on Eurolist by Euronext and, as a result, the Company is subject to Dutch securities regulations and supervision by the relevant Dutch authority

The Company has also created a sterling class of shares listed and traded alongside the existing euro share class on Euronext Amsterdam. The sterling share class has been created through the conversion of existing euro shares into sterling shares at the prevailing net asset value (“NAV”) per euro share at 30 June 2008.

In addition, BGHL has obtained the admission of its sterling and euro classes of shares to the Official List of the UK Listing Authority and to trading on the LSE, creating a dual primary listing for BGHL in London and Amsterdam since 28 July 2008.

Investment policy (The following information is required pursuant to Chapter 15 of the Listing Rules of the United Kingdom Listing Authority).

The Company will invest its assets in order to deliver an exposure to multiple alternative investment strategies. Boussard & Gavaudan Asset Management, LP (the “Investment Manager”) is responsible for the day-to-day management of the Company's investments.

The Company will seek to achieve its investment objective by investing the proceeds of any fund raising, net of any amounts retained to be used for working capital requirements, into Sark Fund, which is a feeder fund of Sark Master Fund and by utilising its borrowing powers to make leveraged investments into private equity situations. The gross investment exposure of the Company at any time may represent a maximum of 200 percent of Net Asset Value at the time of investment.

The Company will invest in a separate class of Euro denominated shares of the Sark Fund which will not be subject to management fees and performance fees at the Sark Fund level, as the Investment Manager will receive management fees and performance fees in respect of its role as Investment Manager of the Company. Therefore, the Company will benefit from exposure to the multiple strategies offered by the Sark Fund but with no multiple layering of fees.

1. General information (continued)

Company information (continued)

Over time, a proportion of the net assets of the Company may, at the discretion of the Investment Manager, be invested in other hedge funds and/or other financial assets within the limits set out under the heading "Asset allocation1" below and subject to the limit on the leverage set out under the heading "Gearing"2 below, provided that, where such hedge funds are managed by the Investment Manager, the Company will invest through a share class which will not be subject to management or performance fees at the level of the underlying hedge fund.

The Investment Manager may also use the Company's borrowing facilities to enable it to make private equity investments at its discretion within the limits set out under the heading "Asset allocation" below. The Investment Manager's ability to use borrowings for such purposes is subject to the limit on leverage set out under the heading "Gearing" below. Such investments may include the acquisition of minority or majority interests in unlisted companies or listed companies ("Direct Investments"). The Investment Manager may also make private equity investments through investing in funds that have a private equity investment focus ("Indirect Private Equity Investments").

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[1] ***Asset allocation***

Investments in Manager Funds

Substantially all of the net assets of the Company are currently invested in the Sark Fund and it is anticipated that a significant proportion of the Company s net assets will remain invested in the Sark Fund.

Over time, no less than 90 percent of the Net Asset Value and no more than 110 percent of the Net Asset Value will be invested in Manager Funds, with at least 80 percent of the Net Asset Value invested in the Sark Fund.

Investments in assets other than Manager Funds

In relation to those investments in assets other than Manager Funds, the Directors have determined that such investments shall not exceed certain limits:

Direct Investments

The aggregate value of Direct Investments may not exceed an amount equal to 50 per cent.of the Net Asset Value at the time of making any such investment.

Indirect Private Equity Investments

The aggregate value of Indirect Private Equity Investments may not exceed an amount equal to 25 per cent. of the Net Asset Value at the time of making any such investment. In addition, the Company will not make any single private equity investment representing in excess of an amount equal to 10 per cent. of its Net Asset Value as at the time that investment is made. Private equity investments made in linked transactions will be aggregated for the purposes of this calculation.

Hedge fund investments (other than Manager Funds)

The Directors have also determined that the Company s investments in hedge funds (other than Manager Funds) when aggregated may not exceed an amount equal to 25 percent of the Net Asset Value at the time of making any such investment."

[2] Gearing

As described above, the Company intends to make use of its borrowing facilities to allow it to have an investment exposure of up to 200 per cent. of Net Asset Value at the point of investment.
The Company has power under its Articles of Incorporation to borrow up to an amount equal to 100 percent of its Net Asset Value as at the time of borrowing.
It is intended that leverage will be used by the Company for the purposes of (i) managing day to day cash flow, i.e. for meeting expenses of the Company and for funding repurchases of Shares and (ii) leveraging investments made by the Company.
The Company may make use of borrowing facilities in order to leverage its investments, including its investment in the Sark Fund or in other hedge funds managed by the Investment Manager (hereafter, "Manager Funds"), provided that the Company complies with the exposure limitations set out under the heading "Asset allocation" below.

1. General information (continued)

Company information (continued)

With the possible application of leverage and when taken with the returns achieved from the Sark Fund, non-Sark Fund investments as described above are intended to allow the Company to achieve its target annualised return. The Company's investments in non-Sark Fund assets are expected to consist of investment opportunities that are identified by the Investment Manager in connection with its and its affiliates current activities but which are not pursued by the Sark Master Fund due to risk profiles or liquidity profiles inconsistent with those of the Sark Fund and the Sark Master Fund. The Company's investment policy will be diversified by exposure to the investment strategies of Sark Master Fund through the Company's investment in Sark Fund and through the other leveraged investments made by the Investment Manager as described above.

Close Fund Services (the "Administrator") arranges for the monthly publication of the NAV of the Company as at the end of the previous month and the Investment Manager provides daily estimates.

As of 30 June 2009 none of the Company, the Sark Fund or the Sark Master Fund currently has any employees or owns any facilities.

2. Accounting policies

Basis of Preparation

The condensed interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and with legislation and rules pertaining to Amsterdam Euronext and London Stock Exchange Listing.

The condensed interim financial statements do not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2008, which are prepared in accordance with IFRS as adopted by the European Union.

Significant accounting policies

The same accounting policies, presentation and methods of computation are followed in these condensed interim financial statements as those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2008.

Segment reporting

An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other operating segments. The directors consider that the Company operates in a single operating segment.

2. Accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts in the financial statements and accompanying notes. Management believes that the estimates utilised in preparing its financial statements particularly with reference to the valuation of unquoted investments based on the capitalised earnings methods and the related earnings multiples applied are reasonable and prudent. However, actual results could differ from these estimates.

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which company operates ('the functional currency'). The functional currency is Euro, which reflects the Company's primary activity of investing in Euro denominated securities. The Company has adopted the Euro as its presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on non-monetary items held at fair value through profit or loss are reported as part of the fair value gain or loss.

Investments at fair value through profit and loss

Financial assets are designated by management at fair value through profit or loss at inception as the group of assets is managed and its performance is evaluated on a fair value basis in accordance with the company's investment strategy and information about the investment is provided to the board of Directors on that basis.

Investment transactions are accounted for on a trade date basis. Investments are initially recognised at fair value excluding attributable purchase costs. Investments are subsequently carried at fair value determined, by the Valuation Agent, GlobeOp Financial Services Limited, at the un-audited NAV of the Sark Fund on a monthly basis except for the year end NAV which is based on the audited NAV.

Changes in the fair value of investments are recorded in the income statement.

Recognition/derecognition
Purchases and sales of investments are recognised on the trade date - the date on which the Company commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

2. Accounting policies (continued)

Taxation

The Company has been granted exemption under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 from Guernsey Income Tax, and is charged the annual fee of £600. As a result, no provision for income taxes has been made in the financial statements.

Income and expenses

Other income is recognised in the income statement as it occurs on an accrual basis.

Expenses are accounted for as they occur on an accrual basis. Expenses are charged to the Income Statement.

Interest income and expense

Interest income, arising on cash and interest expense, arising on overdrafts, borrowed debt securities are recognised in the income statement within interest income and interest expense using the effective interest method.

Basic earnings per share, and NAV per share

Basic earnings per share are calculated by dividing the net income by the weighted average number of registered shares in issue, during the period. There is no difference between the basic and diluted earnings per share.

Net Asset Value per share is calculated by dividing the net assets at the Balance Sheet date by the number of shares outstanding at the Balance Sheet date.

Share issue cost

Share issue costs have been borne by the Investment Manager.

Bank loan

Bank loans are carried at amortised cost. Interests paid on loans are recognised in the income statement within interest expense using the effective interest method.

Treasury shares

When the Company purchases its own equity instruments (treasury shares), they are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Class C Shares

The share premium reserve relates to the ordinary euro shares issued on 1 November 2006, and C shares reclassified at 31 December 2007.

On 12 February 2008, C shares were converted into new ordinary euro shares in the Company on the basis of the net assets attributable to the C shares at 31 December 2007. 46,113,135 new ordinary euro shares of the Company arose from the Conversion.

2. Accounting policies (continued)

Forward currency contracts

A forward currency contract involves an obligation to purchase or sell a specific currency at a future date, at a price set at the time the contract is made. Forward foreign exchange contracts are valued by reference to the forward price at which a new forward contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward currency contracts is calculated as the difference between the contract rate and this forward price, and is recognised in the Income Statement.

3. Investments in financial instruments through profit or loss

	As at 30 June 2009	As at 31 December 2008
	Euro	Euro
Investments in Sark Fund Limited Cost €705,835,188 (2008: € 763,803,839)	672,955,788	647,842,523
Investments in Private equity deals Cost €24,920,971 (2008: €25,520,411)	7,874,923	8,512,140
Total	680,830,711	656,354,663

	For the six months ended 30 June 2009	For the year ended 31 December 2008
	Euro	Euro
Investments		
Beginning cost	789,324,249	978,887,037
Additions	-	965,827,861
Disposal	(57,612,027)	(1,161,230,907)
Realised (loss)/gain	(956,062)	5,840,258
Ending Cost	730,756,160	789,324,249
Unrealised loss on investments at fair value through profit or loss	(49,925,449)	(132,969,586)
Investments at fair value through profit or loss	680,830,711	656,354,663

4. Related Party transactions

There have been related party transactions as set out below over the period and as disclosed in notes 6 and 7.

The Directors are paid an annual fee of €30,000; the Chairman is entitled to receive €50,000 per annum and the Chairman of the audit committee receives on additional fee of €7,500 per annum.

5. Prime broker and Custodian

BNP Paribas Jersey Branch has been appointed as the Company's Custodian pursuant to a custodian agreement, under which it is appointed to act as a custodian of the Company's investments, cash and other assets and accepts responsibility for the safe custody of the property of the Company, which is delivered to and accepted by the Custodian. The Custodian is entitled to receive a fee from the Company based on an agreed percentage per annum of the assets held in custody.

The Company has entered into a liquidity enhancement agreement with Exane BNP Paribas SA ("Exane") on 14 August 2008. Under the agreement, Exane, acting independently but on behalf and in the name of the Company, effects purchases and sales of euro shares of the Company on Euronext Amsterdam. To enable Exane to operate the Company has opened a cash account and a securities account with BNP Paribas Securities Services. Any shares of the Company purchased by Exane on behalf of the Company and not cancelled are held on this securities account in the name of the Company. The cash account is being credited from time to time by the Company with the necessary amount in order to fund further purchases of shares. This agreement is tacitly renewed for one year every 31 December.

6. Administration fees

Close Fund Services Limited, the Administrator, is entitled to a fee of £85,000 per annum. In addition, the Administrator outsources the accounting to GlobeOp Financial Services LLC for an annual service fee equal to €20,000 payable monthly.

7. Management fees and Performance fees

The Company has appointed Boussard & Gavaudan Asset Management, LP as investment manager pursuant to an investment management agreement entered into on 13 October 2006.

Under the Investment Management Agreement, the Investment Manager has been given responsibility for the day-to-day discretionary management of the Company's assets in accordance with the Company's investment objective and policy, subject to the overall supervision of the Directors.

The Investment Management Agreement is terminable by either party giving to the other not less than twelve months' notice in writing, such notice not to expire before the third anniversary of admission of the Company's existing Shares to Euronext Amsterdam, except in certain circumstances where, inter alia, the Investment Manager ceases to have all necessary regulatory permissions, becomes insolvent or is in material breach of the Investment Management Agreement, in which case the Investment Management Agreement may be terminated forthwith.

In the event that the Investment Management Agreement is terminated before the third anniversary of admission of the Company's existing Shares to Euronext Amsterdam other than, inter alia, as a result of the material breach or insolvency of the Investment Manager, the Company would, nonetheless, be obliged to pay the Investment Manager any management fee or performance fee that would otherwise be payable in respect of the period to such third anniversary. This has been agreed on the basis of the Investment Manager bearing all the costs and expenses of establishing the Company.

If the Investment Management Agreement is terminated before 31 December in any year, the performance fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

The Investment Manager receives a management fee, accrued monthly and payable quarterly, calculated at the annual rate of 1.5 per cent of the Net Asset Value. The Investment Manager is also entitled to receive a performance fee.

The Performance Fee will be calculated in respect of each Calculation Period. The Performance Fee shall be deemed to accrue on a monthly basis as at each Valuation Day. For each Calculation Period, the Performance Fee will be equal to 20 per cent. of the appreciation in the Net Asset Value per share during that Calculation Period above the net asset value per Share of the relevant class (the "Base Net Asset Value per Share"), multiplied by the weighted average number of Shares of the relevant class in issue (excluding shares held in Treasury) over the Calculation Period. The Base Net Asset Value per Share is the highest Net Asset Value per Share achieved as at the end of any previous Calculation Period (if any).

The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value per Share before deduction for any accrued Performance Fee. The Performance Fee attributable to each class of Shares shall be paid solely from the relevant Pool underlying each class of Shares such that no class of Share shall bear any part of the Performance Fee attributable to any other class of Shares. The effect of hedging the currency exposure of a class of Shares on the relevant Pool will be included when the Performance Fee is calculated.

7. Management fees and Performance fees (continued)

For the purposes of calculating the Performance Fee and for the avoidance of doubt, the Net Asset Value per Share of a class will include in full any increase in the Net Asset Value per Share of that class attributable to any repurchase by the Company of that class of Shares.

During the six months period ended 30 June 2009 the management fees were €4,757,309 (six months ended 30 June 2008: €7,274,365); at 30 June 2009 €4,757,309 (31 December 2008: €2,665,069) was payable.

During the six months period ended 30 June 2009 the performance fees were €2,721,378 (six months ended 30 June 2008: €Nil); at 30 June 2009 €2,721,378 (31 December 2008: €Nil) was payable.

8. Share Capital

Authorised Shares

On incorporation, the authorised share capital of the Company was represented by 100,000,000 shares of €0.0001 par value. At incorporation, two shares were subscribed by CO1 Limited and CO2 Limited of 7 New Street, St Peter Port, Guernsey, the subscribers to the Memorandum of Association. On 13 October 2006 the holders of the two subscriber shares in the Company, CO1 Limited and CO2 Limited, passed a written special resolution approving the cancellation of the entire amount standing to the credit of the share premium account immediately after the initial public offering of the Company's existing shares, conditionally upon the issue of such shares and the payment in full thereof. An application was made to the Royal Court of Guernsey to confirm the reduction of the share premium account.

This cancellation was confirmed by the Royal Court on 10 November 2006, enabling the Company to effect purchases of its own shares and/or C shares.

On 1 November 2006, 43,999,998 Class A shares were issued fully paid for cash at a price of €10 each. By a resolution of shareholders passed on 30 April 2007, the authorised share capital of the Company was increased from €10,000 to €1,010,000 by the creation of 5,000,000,000 shares of €0.0001 each and 5,000,000,000 C shares of €0.0001 each.

Allotted, issued and fully paid

As on 30 June 2009	**Shares**	**Euro**
Class A EURO of €0.0001	57,401,088	5,740
Class A GBP of €0.0001	1,842,818	216

As on 31 December 2008	**Shares**	**Euro**
Class A EURO of €0.0001	60,335,176	6,034
Class A GBP of €0.0001	3,464,566	360

8. Share Capital (continued)

Voting
The shareholders shall have the right to receive notice of and to attend and vote at general meetings of the Company and each holder of shares being present in person or by attorney at a meeting shall upon a show of hands have one vote and upon a poll each such holder present in person or by proxy or by attorney shall have one vote in respect of each share held by him.

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or restrictions whether as to dividend, voting, return of capital or otherwise as the Company at any time by ordinary resolution may determine and subject to and in default of such determination as the Board may determine.

Subject to the provisions of the Companies Laws, the terms and rights attaching to any class of shares, the Articles and any guidelines established from time to time by the Directors, the Company may from time to time purchase or enter into a contract under which it will or may purchase any of its own shares. The making and timing of any buy back will be at the absolute discretion of the Directors. If at any time the share capital is divided into further classes of shares the rights attached to any class (unless otherwise provided by the terms of issue) may whether or not the Company is being wound up be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution of the holders of the shares of that class.
On a winding-up, the shareholders shall be entitled to the surplus assets remaining after payment of all the creditors of the Company.

9. Treasury shares

The acquisition of treasury shares started on 27 February 2008. The Company holds 4.47% (31 December 2008: 2.84%) of its issued share capital in treasury shares on 30 June 2009.

The Company shall not hold more than 10% of its issued share capital in treasury.

Situation

Company's allotted, issued and fully paid share capital

Prior to the effect of the treasury shares held at €0.0001 each

	Nominal Euro	Shares Euro	Nominal GBP	Shares GBP
30 June 2009	€6,017.4590	60,174,590	£216.2625	1,842,818
31 December 2008	€6,179.0142	61,790,142	£403.4439	3,877,316

After the effect of the treasury shares acquired at €0.0001 each

	Nominal Euro	Shares Euro	Nominal GBP	Shares GBP
30 June 2009	€5,740.1088	57,401,088	£216.2625	1,842,818
31 December 2008	€6,033.5176	60,335,176	£360.4963	3,464,566

9. Treasury shares (continued)

Activity

The Company has bought back the following shares during the period

	Number of EUR shares	EUR amount	Average Price	Number of GBP shares	GBP amount	Average Price
For the six months ended 30 June 2009	4,605,913	€ 32,034,739	€ 6.9551	30,000	£184,685	£6.1562
For the six months ended 30 June 2008	1,555,071	€ 13,971,556	€ 8.9800	N/A	N/A	N/A

The Company has cancelled the following shares during the period

	Number of EUR shares	EUR amount	Average Price	Number of GBP shares	GBP amount	Average Price
For the six months ended 30 June 2009	3,287,377	€ 20,496,076	€ 6.2348	442,750	£2,365,827	£5.3435
For the six months ended 30 June 2008	N/A	N/A	N/A	N/A	N/A	N/A

10. Bank loan

	For the six months ended 30 June 2009	For the year ended 31 December 2008
Bank Loan	Euro	Euro
Beginning cost	(24,765,459)	(17,364,342)
Repayments	43,234,345	266,920,556
Drawdown	(17,956,875)	(274,021,212)
Foreign currency realised loss	(512,011)	(300,461)
Ending Cost	-	(24,765,459)
Change in unrealised foreign currency loss on bank loan	-	(160,532)
Bank loan at fair value	-	(24,925,991)

On 31 December 2008 the Company had a loan facility with Natixis for €40,000,000 of which €24,925,991 was due to Natixis. €133,069,533 in Sark Fund EUR B Class Shares were pledged as collateral as at 31 December 2008.

The facility granted by Natixis has been early terminated during the reporting period. The pledge in Sark Fund EUR B shares has also been released and there is no guarantee left. All outstanding loans have been reimbursed. The facility has not been replaced. Private equity investments are currently financed with equity share capital.

11. Other short term loan

The share buy back programme is financed by redemptions of Sark Fund shares which are payable only once in each calendar month. As a result, the share buy back programme creates a need for intra-month bridge financing. Since 28 January 2009, Sark Fund has agreed to make an intra-month interest bearing advance to the Company under a facility agreement. All amounts outstanding under the facility must be repaid in full by the end of each calendar month, subject to cash settlement delays. The facility has a maximum amount of €30 million. The facility has a tacitly renewable one year stated term. Sark may at any time terminate the facility on a 90 calendar days notice. As of 30 June 2009 €6,050,000 was due to Sark under the loan facility agreement.

The terms of the Agreement are at arms' length and have been approved by the Board of the Company and the Board of Sark Fund Ltd. The Company borrows from Sark at a 1.5 percent spread over the 1 month Euribor. The Company (as well as Sark Fund) has a real and sufficient corporate benefit and is paying an adequate consideration.

	For the six months ended 30 June 2009
Other short term loan	**Euro**
Repayments	11,700,000
Drawdown	(17,750,000)
Ending cost and fair value	(6,050,000)

12. Comparatives

Comparative information has been provided for the six months from 1 January 2008 to 30 June 2008. Certain comparative figures have been reclassified in order to conform to the presentation.

13. Post balance sheet events

There were no material post balance sheet events subsequent to period end.

14. Approval of financial statements

The condensed financial statements were approved by the Company on 26 August 2009 at which date these financial statements were considered final.