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Investors should not subscribe to the shares referred to in this advertisement except on the basis of the information contained in the prospectus to be made generally available in The Netherlands and published prior to 31 December 2007 in connection with the proposed offering (and any supplement or amendment thereto). When made generally available, copies of the prospectus will be available on the Company's website (www.bgholdingltd.com), the Company's registered office Trafalgar Court, Admiral Park, St Peter Port, Guernsey, GY1 2JA, or the registered office of Boussard & Gavaudan Asset Management, LP (the "Investment Manager"), 33 Bruton Street, London W1J 6HH, UK.

10 April 2007

Boussard & Gavaudan Holding Limited ("B&G Holding" or the "Company")
(a closed ended investment company incorporated with limited liability under the laws of Guernsey with registration number 45582 and registered office at Trafalgar Court, Admiral Park, St Peter Port, Guernsey GY1 2JA), registered with the Dutch Authority for the Financial Markets

Circular in relation to planned capital increase and Notice of EGM

Further to the announcement released on 27 March 2007, B&G Holding confirms that a Circular has been posted to shareholders and is also available for inspection at the offices of Herbert Smith LLP, Exchange House, Primrose Street, London EC2A 2HS and the registered office of the Company during normal business hours on any business day until the conclusion of the Extraordinary General Meeting ("EGM") referred to below. Copies of this Circular are also available free of charge in The Netherlands from the Company's paying agent, Kempen & Co N.V., Beethovenstraat 300, 1077 WZ Amsterdam, P.O. Box 75666, 1070 AR Amsterdam, The Netherlands.

The Circular includes a notice convening an EGM to be held on 30 April 2007 at 11.00am at the offices of Close Fund Services Limited, Trafalgar Court, Admiral Park, St Peter Port, Guernsey GY1 2JA. A notice convening the EGM has also been published in the Euronext Daily Official List and in the Dutch newspaper 'Het Financieele Dagblad' on 10 April 2007.

At the EGM, resolutions will be proposed in relation to the planned capital increase regarding the amendment of the Articles of Association, the increase of the authorised share capital, the creation of C shares, amendments of the investment objective and policy, amendments to the management and performance fee arrangements and renewal of share buyback authority.

Full details of the EGM are being posted today to shareholders and the Circular is also available on the Company's website at www.bgholdingltd.com

The Board of Directors,
Boussard & Gavaudan Holding Limited

- ends -

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All investment is subject to risk. The value of the securities offered may go down as well as up. Past performance is no guarantee of future returns. Potential investors are advised to seek expert financial advice before making any investment decision. The value of the assets of B&G Holding may strongly fluctuate as a result of its investment policy.

The return target of B&G Holding is a target only and is based over the long-term on the performance projections of the investment strategy and market conditions at the time of modelling and are therefore subject to change. There can be no guarantee that any target return can be obtained.

This announcement is not an offer to sell or a solicitation of any offer to buy any securities in the United States or in any other jurisdiction.

B&G Holding has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "Investment Company Act"). In addition, the shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"). Consequently, the shares may not be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of, US persons except in accordance with the Securities Act or an exemption therefrom and under circumstances which will not require B&G Holding to register under the Investment Company Act. Accordingly, US persons acquiring the shares will be subject to significant restrictions on transfer. In addition, US persons who are not qualified purchasers (within the meaning of Section 3(c)(7) of the Investment Company Act) will be prohibited from purchasing the shares at any time, including on the secondary market. No public offering of the shares will be made in the United States.

The Investment Manager has filed a notice of exemption from registration requirements as a Commodity Pool Operator ("CPO") with respect to B&G Holding pursuant to US Commodity and Futures Trading Commission ("CFTC") Rule §4.13(a)(4). Consequently, the Investment Manager is not required to provide shareholders with a disclosure document or certified annual report meeting the requirements of the CFTC rules otherwise applicable to registered CPOs. No prospectus has been or will be, and no prospectus is required to be, filed with the CFTC, and the CFTC has not and will not review or approve any prospectus and the offering of shares.

Neither this document nor the fact of its distribution nor anything contained herein shall form the basis of, or form part of, or be relied upon in connection with, any offer, commitment, contract or investment decision whatsoever in any jurisdiction. This document is an advertisement for the purpose of applicable measures implementing Directive 2003/71/EC (such Directive, together with any applicable implementing measures in the relevant home Member State under such Directive, the "Prospectus Directive"). Any offer to acquire securities pursuant to the proposed offering will be made, and any investor should make his investment, solely on the basis of information that will be contained in a prospectus to be made generally available in The Netherlands in connection with such offering. When made generally available, copies of such prospectus may be obtained at no cost from the website of B&G Holding (www.bgholdingltd.com), B&G Holding's registered office and the registered office of the Investment Manager.

Any offering will only be made in any jurisdiction in compliance with local laws. In any EEA Member State that has implemented the Prospectus Directive (as defined above), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive (and it is only so addressed or directed to the extent permitted by all other applicable laws and regulations).

This communication is directed only at (i) persons outside the United Kingdom, or (ii) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or (iii) high net worth entities, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2)(a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005. Persons within the United Kingdom who receive this communication (other than persons falling within (ii) and (iii) above) should not rely on or act upon this communication.

In connection with the offering, one of the bookrunners (the "Stabilising Manager") (or persons acting on behalf of the Stabilising Manager) may over-allot shares or effect transactions with a view to supporting the market price of the shares at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the results of the offering is made and, if begun, may be ended at any time, but it must end no later than 30 days after such date.

The shares may not be offered, sold or delivered nor may copies of this communication or any other documentation relating to the shares be distributed in the Republic of Italy either to retail or to professional investors. This communication and the information contained herein are intended only for the use of their recipient and are not to be distributed, for any reason, to any third party resident or located in Italy. No person resident or located in Italy may rely on this document or its content.