



LAFFITTE
CAPITAL MANAGEMENT

FUND MANAGEMENT UPDATE

Paris, May 19th 2010

Laffitte Risk Arbitrage II confirms its un-correlation to the Equity Markets

Since Mid-April 2010, whereas Eurostoxx 50 and S&P 500 are respectively down by 13.5% and 7.5%, Laffitte Risk Arbitrage II is positive +0.23% and +2.81% since January.

Since the beginning of the year the asset managers have limited their positions especially on mergers sensitive to financing. They also kept a strong exposure in North America compared to Europe (75% of the portfolio) and covered the residual exposure of the fund to the equity market. We remind you that the fund is covered on FX risk.

Since Mid-April and the States financing issues in Europe, the managers profited from arbitrage opportunities to increase positions on industrial mergers of good quality. They also maintained the equity market and FX hedge.

Laffitte Risk Arbitrage II, Ucits III Merger Arbitrage Fund, can rely on an improved M&A market especially in the United States with daily mergers announcements.

You may contact our sales department to receive more information about this Fund

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Laffitte Risk Arbitrage II, Isin FR0010762187