

July 2010

NAV EUR 12.64 (4.5%)

## Contact Information

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## Fund Details

Fund Inception: 1 Oct 2001  
Dutch FBI  
Listed: Euronext Amsterdam  
Managers:  
IMC asset management  
VPV Bankiers  
Administrator: VPV Bankiers  
Auditor: Deloitte Consultants  
ISIN Code: NL0006056491  
Pricing frequency: Daily NAV

## Leverage

No leverage employed

## Management Fee

2.00% per annum

## Performance Fee

20% of net profits above 10%, payable annually, subject to a 2 year high water mark

## Total Fund Size

EUR 18.3 MM

## Investment Strategy

Phoenix Fund' strategy is based on the principle that it is possible to realize attractive capital gains in the medium and long term by investing in a portfolio consisting of illiquid and high yield debt instruments. The Fund invests in the debt, equity or trade claims of companies in distress or already in default.

## Monthly Comment

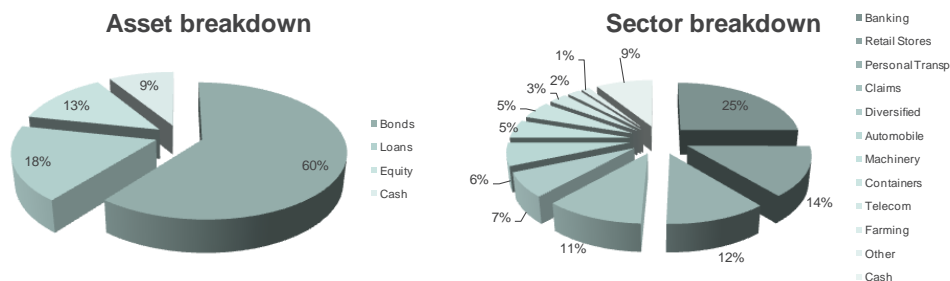
Monthly return of 4.5% was driven by higher valuations of bonds, especially Teksid Aluminum which contributed 2.8% on substantially improved expectations for the final payment in the 2003 bankruptcy. Additional increases in value were observed in Tui perpetual bonds (+0.3%) on positive statements regarding the profitability of the Hapag Lloyd shipping business and Edcon (+0.3%) on positive South African retail sales figures. On limited news the equity positions in Impellam (UK staffing) and Nobina (Scandinavian bus operator) each contributed 0.2% for the month. The mezzanine loan issued by Strix contributed -0.6% as the price dropped from 70 to 63, despite its very strong start to the year.

Equity markets, represented by the MSCI Europe index, increased by 4.9%. High yield, represented by the CS Western Europe High Yield Index, increased by 3.4% and senior leveraged loans, represented by ELLI, increased by 1.7%.

## Portfolio Activity

During the month we sold our entire position in bonds issued by Principality Building Society and the last portion of Deutsche Nickel equity as we saw limited upside potential in these names. We swapped a position in the Lloyds capital structure, as we saw more short term upside potential. We increased our exposure in Cirio Holding bonds on favourable levels and took a position a Northern Rock cumulative Tier 1 at 22, which in our view has a very attractive risk return profile.

## Portfolio Overview



## Net Returns (%)

Asset Class	July-10	June-10	May-10
Bonds	4.7%	-4.4%	-2.6%
Loans	-0.5%	0.0%	0.1%
Equity	0.5%	0.1%	0.0%
Income	0.2%	0.5%	0.3%
Fees & costs	-0.2%	-0.2%	-0.2%
Other	-0.1%	0.0%	0.3%
<b>Total monthly return</b>	<b>4.5%</b>	<b>-4.0%</b>	<b>-2.2%</b>

Performance	YTD	1M	3M	6M	12M	2009	2008
	10.9%	4.5%	-1.9%	7.3%	40.6%	8.3%	-59.9%
	2007	2006	2005	2004	2003	2002	2001
	-0.1%	9.9%	8.4%	17.9%	33.9%	3.9%	0.3%