

### INVESTMENT OBJECTIVE

The Alpinvesta 180 Protected Note and the Alpinvesta 180 PLUS Note have been designed to provide investors with access to an innovative investment which offers protection, diversification and performance.

100% principal protection is provided by the purchase of European medium term notes issued by BNP Paribas – one of Europe's leading financial institutions. BNP Paribas is rated Aa2 by Moody's, AA by Fitch Ratings and AA by Standard & Poor's. The return of the Notes is linked to the performance of a 'multi-manager fund of funds' – the Alpinvesta Multi Strategy Fund. The Alpinvesta Multi Strategy Fund is an 'absolute return' fund: the Fund's structure is designed to deliver this absolute return at maturity under a variety of market conditions.

The Alpinvesta 180 Protected Note has a target return of 10% p.a. return, and the PLUS Note a target return of 16% p.a.

### 2006 HEDGE FUND PERFORMANCE

Hedge funds suffered negative returns May to July inclusive across the majority of strategies but have since recovered. The sharp and unexpected fall across all asset classes, precipitated by a range of factors including concerns over US growth rates and inflation, was the principal cause of asset price declines across the summer.

The combined three components of the Alpinvesta Multi Strategy Fund actually outperformed the rest of the hedge fund market and appreciated May to July inclusive. The reason for the slight decline in the Alpinvesta Notes' NAV across the summer, despite the good performance of the underlying assets, is due to changes in long term US\$ interest rates over the past four months. Ten year US\$ rates reached a recent high of 5.81% in late June and have now fallen back. Whilst lower interest rates increase the value of the fixed income part of the Alpinvesta Notes they decrease the present value of the fund linked part of the structure. The latter effect has recently outweighed both the former as well as the increase in value of the underlying funds.

Longer term, the price of the Alpinvesta Notes will closely reflect the performance of the underlying assets in the Alpinvesta Multi Strategy Fund, which returned 7.36% in 2006.

### Annualised compound return to 30 June 2006

Winton Trading Strategies Fund: USD – 20.80% p.a.

Source: BNP Paribas since December 1994

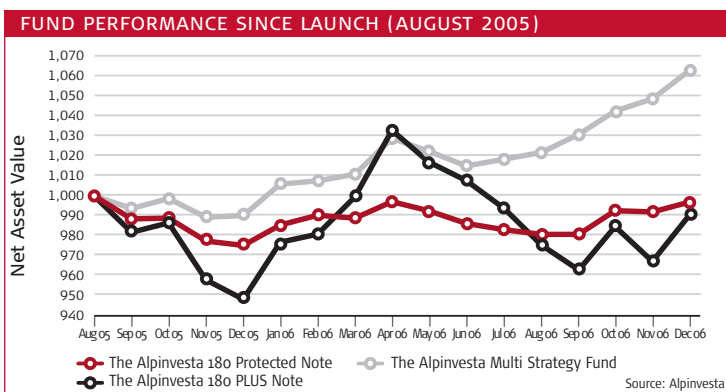
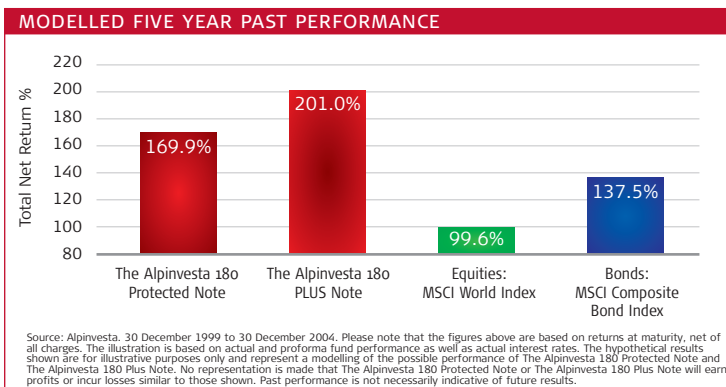
Dow Jones Hedge Fund Balanced Portfolio Index – AX: 7.34% p.a.

Source: BNP Paribas since January 1999

HFRX Equal Weighted Strategies Index: 8.18% p.a.

Source: HFR Asset Management since January 1998. Back-tested monthly values to March 2003, live daily data from 1 April 2003

Please note that the performance of the Alpinvesta notes will be similar but not identical to underlying BNP Paribas holdings and are reflected both by asset allocation changes and the degree of internal leverage within the note.



#### PERCENTAGE RETURNS

	Dec 06	YTD	Since launch
Alpinvesta 180 Protected Note	0.49%	2.29%	-0.36%
Alpinvesta 180 PLUS Note	2.35%	4.68%	-0.98%
Alpinvesta Multi Strategy Fund	1.27%	7.36%	6.27%

#### FUND DATA

**Alpinvesta 180 Protected Note Series 1 & Series 2**  
 ISIN Number XS0220209869  
 NAV @ January 2007: \$ 996.40

**Alpinvesta 180 PLUS Note Series 1**  
 ISIN Number XS0220209604  
 NAV @ January 2007: \$ 990.20

Base currency: US Dollar  
 Inception date: 28 August 2005  
 Note domicile: Luxembourg  
 Note Status: 10 year term (matures Aug 2015)

**Underlying Assets as at 30 June 2006**

- Dow Jones Hedge Fund Balanced Portfolio Index – AX  
Assets under management: US\$ 41.4m
- HFRX Equal Weighted Strategies Index  
Assets under management: US\$ 72.6m
- Winton Trading Strategies Fund  
Assets under management: US\$ 57m

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**Registrar and Transfer Agent:** Kleinwort Benson (Guernsey) Fund Services Ltd, PO Box 44, The Grange, St Peter Port, Guernsey, Channel Islands GY1 3BG, UK. Telephone +44 1481 719 5533.

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