Tau Capital plc

Interim Report 2010

Tau Capital plc ("Tau") is a closed-end fund listed on AIM. It seeks to support the strong growth prospects of Kazakhstan and its neighbouring countries through a mix of public and private equity, and special situations.

Tau is an investment company established in 2007 to give investors the opportunity to participate in the wealth of investment opportunities in Kazakhstan and its neighbouring countries.

Although focused primarily on Kazakhstan, Tau will also seek investment opportunities in the Kyrgyz Republic, Uzbekistan, Turkmenistan, Tajikistan and Russia. These investments will be made utilising the knowledge and skills of a highly connected and credible investment management team with a track record of successful investments in this region.

Spencer House Compass Capital Limited acts as Investment Manager to the Company and is responsible for identifying, structuring and monitoring investments. The Investment Manager delegates its responsibilities to Spencer House Capital Management LLP ("SHCM") and Compass Asset Management ("CAM"), the Investment Advisers. CAM has both public and private equity execution skills combined with a strong presence in Kazakhstan and the wider region since the mid-1990s, while SHCM has notable international asset management expertise.

The Investment Advisers target a broad range of sectors, including oil and gas exploration and production, metals and mining, transport and logistics, consumer-related, telecommunications, financial services and business services.

Chairman's Statement

In the first half of 2010, Tau Capital plc ("Tau" or the "Fund") has focused on the capital protection of its public equity portfolio in the light of the uncertainties surrounding a continued economic recovery and the resulting volatility in financial markets. Cash has increased from 18% to 25% of the portfolio but could easily be consumed by private equity deals in the pipeline, details of which are set out below under private equity investments.

At the end of June 2010, 60% of Tau's public equity exposure was hedged. At the beginning of the year, the Fund's gold exposure through gold futures which have now been held for quite sometime, was reduced, amounting to 19% at the end of June.

Over the first half of the year, Tau's reported NAV moved from $0.68 per share to $0.61 per share at the end of June. This represents a decline of 9.4% compared with a fall of 0.98% for the MSCI Frontier Index which includes Kazakhstan and a 19.9% decline of the narrowly based and less liquid KASE Index.

The Fund's exposure to Kazakhstan banks was reduced over the period. Also our holding in Centerra was cut back over concerns about the political situation in Kyrgyzstan. We also reduced our position in Khan Resources as CNNC of China decided not to proceed with its take over bid. Of the oil stocks in the portfolio, our positions in BMB Munai and Dragon Oil were reduced, whilst a small position in Max Petroleum was added. Recently, equity weightings have been increased on the basis of an improved near term outlook.

Within its private equity portfolio the Fund continued to focus on its two portfolio companies, Alem Communications and Teniz Service. We also entered into the advanced stages of screening and assessing several new private equity investment opportunities.

As far as Alem is concerned, the company reached break-even operating EBITDA level, measured on a month by month basis, during May and June as a result of stringent cost management, operational restructuring and intensified sales efforts. Since the last capital injection of $29 million provided by Midas Telecom, Tau's share in Alem remains at 18.4% as at the end of June. Tau and Compass Asset Management retained the same participation on Alem's board. Tau envisages further capital calls by majority shareholders and is in the process of negotiating a new shareholders agreement with an aim of avoiding dilution of its position. The shareholders of Alem during the course of 2009 engaged an independent financial advisor to perform a strategic and financial valuation of the company, the result of which, compares favourably with Tau's book value of these investments.

Teniz continued its business development strategy throughout the first half of 2010. Teniz is owned by Waterford International (51%) and KazMunaiGaz (49%). Tau's investment in the company remains through a convertible loan structure with $19.5 million principal scheduled to be repaid by Visor Holdings in the autumn of 2011. Tau will also have an option to receive the accumulated interest payment at an 18% annual coupon rate in cash or to convert it into equity shares of Waterford international at the same time.

Regarding new investments, Tau has entered into the advanced stages of due diligence and evaluation of two investment opportunities, a pharmaceutical distribution business and an oil and gas exploration business. An announcement has very recently been made about investment into Lucent Petroleum LLP and assuming positive due diligence results, financial and business assessments and successful negotiations, Tau aims to conclude its process for Lucent and the pharmaceutical distribution business within the next two months whilst work on identifying other opportunities continues.

Philip Lambert
Chairman
29 September 2010

Investment Manager's Report

Global equity markets in the first six months of 2010 ("the Period") was a story of two halves. The markets experienced a pull back during the first two months of the year due to concerns over Chinese growth but this was brushed aside as the markets rallied strongly soon after. Strong first quarter global GDP was reported and provided support to the markets, driven mainly by the government stimulus packages around the world. Until April, the markets continued the appetite for risk that was experienced in 2009 with volatility decreasing to levels last seen in 2008. The early rally in 2010 was a continuation from 2009, as year-on-year corporate earnings expectations recovered from a low base in the previous period. Corporate earnings for the first quarter came in strong, beating expectations. This drove the market higher with the view that earnings strength for the remainder of the year had to be revised upwards.

In May 2010, a series of concerns crept into the markets, in particular the Greek government debt crisis and Eurozone government deficits caused investors to question the sustainability of the rally. To allay fears, the EU Commission released a €750 billion bailout package to provide support for any EU nation that comes into financial difficulty. Nonetheless, global markets fell and volatility increased to levels not seen since the financial crisis. Austerity packages across the EU were received poorly as it implied slower growth for the region. These concerns spilt over into other markets across the world. This coincided with government yields falling to the lowest levels in over one year. The MSCI Developed Markets Index decreased by 10.9% and the MSCI Emerging Markets Index fell 6.1% over the Period.

Portfolio

The table below outlines the reported monthly Net Asset Value ("NAV"), net of fees and expenses, and performance of the Company from 1 January 2010 to 30 June 2010.

Tau's NAV fell from $0.68 to $0.61 over the Period, reflecting a fall of 9.7%. For the early part of the Period performance was driven by mining stocks. Risk aversion across global markets in the latter part of the Period dragged the NAV lower. Metal prices fell over the six months, having a negative impact on all mining stocks across the region.

The Fund held a defensive position during the Period with cash and gold positions representing 25.5% and 18.7% respectively. Additionally, we entered into a contract to hedge our UK sterling exposure. Private Equity holdings represented 30.1% of the portfolio at the end of the Period.

Commodity Markets

The Reuters/Jefferies CRB Index fell by 8.8% over the Period while copper prices declined by 11.7% due to concerns that China's economy may start to slow as the government withdraws its stimulus and the local housing market cools off. During the Period, China made multiple announcements to cool the economy after very strong growth statistics. House price inflation and excess liquidity were a concern and the government instilled mechanisms to reduce these risks. Oil prices fell 4.7% over the Period after reaching a 12 month peak based on concerns that global growth will slow and governments across the world will reduce spending. Gold increased by 13.3%, hitting a 12 month peak in June 2010, corresponding with the peak in the US dollar. Oil and gas stocks, as measured by the STOXX 600 Oil & Gas Index, dropped by 29.4% over the Period and mining stocks, as measured by the STOXX 600 Basic Resource Index, fell 21.1%.

Kazakhstan Market

The Kazakhstan Stock Exchange ("KASE") ended the Period down 19.9% in US dollar terms. All members were driven down mainly by falling commodity prices. In particular, copper fell 23.8% from peak to trough between April and June 2010. Kazkommertsbank ("KKB") was the worst performer as its share price declined by over 40% for the Period. The fall was driven by the perceived low quality of earnings over the first quarter of 2010 and the growing realisation that the bank will not meet its ambitious loan growth targets. Halyk Bank on the other hand fell 6.7% in the six months mainly due to relatively strong earnings generated from its retail business in the first quarter of 2010. Overall, Kazakhstan banks' first quarter earnings showed

Reported Monthly NAV

	NAV	One month performance %
31 January 2010	$0.68	0.49
28 February 2010	$0.68	(0.35)
31 March 2010	$0.69	2.18
30 April 2010	$0.67	(2.78)
31 May 2010	$0.62	(8.63)
30 June 2010	$0.61	(1.02)

some improvement in quality. However, investors were unconvinced that this would be sustained throughout 2010. The best performing stock was Eurasian Natural Resources Corporation which fell by only 0.4%. In the first three months of the year, mining stocks in general benefited from the relatively good performance in metal prices. The lack of liquidity in the local market does not provide a true representation of underlying performances for some locally listed stocks. Overall volumes on the KASE continued to fall, with average daily volumes of approximately $1.7 million during the Period.

Kazakhstan Economy

Economic conditions during the Period improved as a result of the government stimulus. GDP growth for January 2010 to April 2010 was reported at 7.6%, and Prime Minister Massimov stated that growth for the first half of 2010 would be at least 7%. Industrial production continued at a healthy rate, increasing by 12.9% in April 2010 and 12.3% in May 2010, continuing the expansion that began in the summer of 2009. Inflation remains within the National Bank's target range of 6-8%. In May 2010, consumer price inflation was 7.0%. The official unemployment rate remains low at 5.7% for June 2010.

The Current Account was in surplus for the second straight quarter, rising to an estimated $3.0 billion in the first quarter of 2010 due to reduced imports and a 67% increase in export revenues. The Capital Account remains in surplus thanks to continued strong foreign direct and portfolio investments in Kazakhstan. Although the general trend recently in foreign reserves has been upward as a result of the Balance of Payment movements, this trend was reversed in May as the weaker euro reduced the value of euro-denominated holdings in US dollar terms. Total foreign reserves stood at $54.7 billion at the end of May 2010. While the Kazakh tenge continued its slow appreciative trend during the Period, the reduction in reserves lowers the appreciative pressure on the currency going forward due to the National Bank's medium-term goal of maintaining reserves at a level covering 100% of the money supply and the lower real effective exchange rate that resulted from the weaker euro.

Banks

At a macro level, the banking sector in Kazakhstan showed an important improvement in early 2010 as the first overall decline in non-performing loans was registered since April 2008. However, from our own analysis we believe that the actual level of non-performing loans is higher than that disclosed. KKB's performance was held back by weak year end results compared to other Kazakh banks. The bank's asset quality continued to deteriorate while loan quality at the majority of other Kazakh banks started to improve. The first quarter 2010 earnings results released by Kazakh banks during the Period have been boosted by lower provisions and stabilisation of the economy.

Performance of the Kazakh banks was weak during the Period for a variety of reasons, including continued margin erosion due to steady growth in relatively expensive deposits while loan growth deteriorates. This dynamic is reflected in increasing levels of excess liquidity. However, Halyk Bank and Bank CenterCredit ("BCC") have fared better than the rest in terms of loan quality in their portfolios. The lagging recovery among non-resource sectors in Kazakh, in which the majority of lending by domestic banks takes place, has been challenging due to concerns related to credit worthiness of borrowers. There is continued weakness in the real estate sector, despite signs of stabilisation. Mortgage rates remain high and the volume of new mortgages remains a fraction of the pre-crisis level, which is also a reflection of the extent to which housing prices remain at unaffordable levels for most Kazakh citizens. As per the Kazakh regulator's definition, Halyk Bank and KKB's non-performing loans were 16.7% and 14.9% respectively in March while BCC's were 9.1%.

Another dynamic observed is the difference between the banks' reported and cash income. This discrepancy ranges from roughly one quarter to one third (among KKB, Halyk Bank, BCC), which may indicate poor earnings quality, rather than merely timing differences. On a more positive note, the sector is clearly in a more stable position than in the recent past as restructuring processes are completed. Signs indicating a recovery of the Kazakh banking sector were:

(1) a rating upgrade of Alliance Bank by Standard and Poor's subsequent to the completion of restructuring of the bank's debt (from "D" to "B-" long-term counterparty rating, and from "D" to "C" short-term counterparty rating); and

(2) an outlook revision of KKB's corporate rating by Fitch (to "Stable" from "Negative").

Generally NPL and LLP levels have moderated for some of the major banks. Loan quality however, is still a concern for the sector. Negative carry is still a problem and it does not appear that a resolution will be forthcoming soon.

INVESTMENT MANAGER'S REPORT
CONTINUED

PUBLIC EQUITY

Portfolio Activity

The Fund's performance during the Period was mainly driven by risk aversion in the markets as concerns over future growth crept into the markets. At the start of the year the Fund shifted to protect capital by implementing hedging strategies. The cash balance increased over the Period from 17.9% to 25.5%. At the same time, public equity exposure was reduced from 59% to 42%. As at 30 June 2010, with the use of option strategies, over 60% of the public equities exposure was hedged.

In January 2010, we reduced our gold exposure and implemented a hedge around the position as the gold price came under pressure. As at the end of June 2010, this position represented approximately 19% of the NAV. While it has been a strong contributor to the Fund's performance, our exposure is being re-evaluated based on risk appetite and currency movements.

The Fund's position in Kazakhstan banks was reduced over the period, cutting exposure in BCC and Halyk Bank on price strength. After a global rally in banks, the share price of Kazakh banks increased in the hope that the financial crisis was over. In fact, during the first quarter of 2010, most Kazakh banks reported improved results as a result of government stimulus and the financial support provided by Samruk-Kazyna ("SK"). In our view, loan growth rates in Kazakhstan seem ambitious and we expect meeting expectations to be challenging for 2010.

In the mining sector we began to increase our exposure to Uranium One in February 2010 as uranium prices stabilised and its valuation become attractive. In March, we added Ivanhoe Mines in the run up to the release of its resource base and Integrated Development Plan ("IDP"). We expect over time that the stock should perform well as the resource base of Ivanhoe Mines increases. We exited our position in Kazakhmys by exercising put options used to hedge the position. We sold Centerra over concerns in relation to the political situation in Kyrgyzstan; the political situation remains to be resolved, until which point we shall remain on the sidelines.

We reduced our exposure to Khan Resource ("Khan") as CNNC of China decided not to proceed with its takeover. The background to the offer started in November 2009 when ARMZ made an unsolicited bid of CAD$0.65c per share which the company rejected. In February 2010, CNNC Overseas Uranium Holdings Ltd ("CNCC") made an offer to acquire Khan Resources for CAD$0.96 per share, supported by Khan. ARMZ abandoned its bid citing "uncertainty over licensing and ownership of Dornod Uranium Property". ARMZ in March 2010 released a statement stating, "ARMZ has serious concerns with the validity of the Dornod Property exploration license...". On 13 April 2010, Khan received a "Notice of Licence Invalidations" from the Mongolian Nuclear Energy Agency ("NEA") that sent the stock sharply lower, whilst the Chinese bid was still due to proceed. Khan decided to take legal action; however, in May 2010 CNNC decided to pull out of the bid as it had failed to obtain regulatory approval for its offer. Since then, Khan has managed to obtain a court decision which ruled that the decision by the NEA was "invalid and illegal" for Khan's 58% joint venture subsidiary, Central Asian Uranium Company LLC ("CAUC"). Khan is now awaiting a similar decision for Khan Mongolia, its 100% owned subsidiary and the other licence holder.

Among oil stocks, we reduced our exposure to BMB Munai due to concerns about the company's ability to refinance loans. We took profits when trimming our position in Dragon Oil after the stock performed well in the early part of the Period. We added a small position in Max Petroleum as the company began its drilling program. To date, Max Petroleum has managed to drill one successful well out of four. This was taken poorly by the markets and the stock has performed disappointingly since. We expect further positive news to flow from future drilling results.

Outlook

We are cautiously optimistic that the second quarter earnings announcements are supportive of the moderate recovery underway. Global inflation remains in check, though the lack of job creation remains a concern. This is most evident in the persistently low government bond yields. Recent equity and commodity strength is at odds with the historically low bond yields as investors remain unconvinced about the strength of the recovery. We have recently increased equity weightings and have reduced the cash balance on the improved near term outlook. However, we will continue to monitor bond yields closely as an indicator of investor risk appetite.

Private Equity

In the first half of 2010, Tau continued to focus on the business development of its two portfolio companies, Alem Communications and Teniz Service as well as entering into advanced stages of the screening and assessment of several new private equity investment opportunities.

Alem Communications Holding LLP ("Alem")
By the end of June 2010, Alem had reached over 450,000 homes serviced for cable TV services, 120,000 homes serviced for fixed broadband services and 230,000 homes serviced for mobile broadband ("WiMax") services. The company had over 160,000 cable TV subscribers across various TV services. Alem successfully launched its first commercial WiMax service in Almaty in May and by the end of June, the company had nearly a thousand mobile broadband customers. The company also intensified the rollout of broadband internet services and had over 6,000 fixed line internet subscribers in the same period. Additionally, the company reached break-even operating EBITDA level (as measured by month) during the months of May and June as a result of more stringent cost management, operational restructuring and intensified sales efforts.

In February 2010, Alem's Chief Operating Officer, Mr Grigory Grigorov, assumed the role of Chief Executive Officer after Henry Radzikowsky resigned from the company. Mr Grigorov, a Bulgarian national, joined Alem in September 2009. He is a former founder and Chief Operating Officer of Eurocom Cable, which was sold to, and managed by the private equity firm Warburg Pincus. Mr Grigorov brings significant operational experience in cable TV and broadband internet services.

Since the last capital injection of $28.6 million provided by Midas Telecom, DTV Investco's ("DTVI's") shareholding in Alem remains at 33.36%. Tau is the major economic participant in DTVI with a 55.2% share, which implies Tau's indirect ownership stake in Alem is at 18.4%. Tau and Compass Asset Management have retained the same participation on Alem's board (two Directors). Tau envisages further capital calls by the majority shareholders and is in the process of agreeing a new shareholders agreement with the majority shareholder.

During 2009, the shareholders of Alem engaged an independent financial adviser to perform a strategic and financial valuation of the company. Whilst the financial valuation remains confidential (due to the involvement of other parties and shareholders), the independent valuation results compared well with Tau's book value of the investment.

Tau, together with other DTVI shareholders, is currently evaluating various options regarding its ownership stake in Alem.

Teniz Service LLP ("Teniz")
Teniz, the oil and gas services company in Kazakhstan, continued its business development strategy through building new infrastructure facilities at its ports on the Caspian Sea coast and forming joint ventures with specialised engineering and logistics services companies in order to service vessels and construction activity related to oil production on the Caspian Sea.

Teniz is owned by Waterford International (51%) and KazMunaiGaz (49%). Tau's investment in the company remains through a convertible loan structure (through Waterford International and Visor Holding, one of the shareholders in Waterford International) with $19.5 million principal scheduled to be repaid by Visor Holding by October 2011. Tau will also have an option to receive the accumulated interest payment, at an 18% annual coupon rate in cash or to convert it into equity shares of Waterford International at the same time.

Teniz audited accounts for 2009 show a revenue increase in KZT terms of 17.1% (–6.3% in US dollar terms) compared to 2008, in line with higher activity in core business, bringing total revenues to KZT 2.46 billion ($16.4 million).

INVESTMENT MANAGER'S REPORT CONTINUED

PRIVATE EQUITY CONTINUED

Alem Communications Holding LLP ("Alem") continued

Notably this increase was experienced in parallel with improvements in internal efficiency, as the company further expanded operations, reflected in a 52.9% EBITDA margin for 2009 versus a 39.3% EBITDA margin for 2008. These improvements brought 2009 EBITDA figures to KZT 1.31 billion ($8.7 million) versus KZT 0.83 billion ($6.9 million) in 2008, hinting at a significantly higher cash flow from operations.

Notwithstanding this, Teniz recorded lower profitability in 2009 with net income coming in at –$2.2 million versus $1.5 million in 2008, mainly due to higher financing costs incurred of $7.3 million versus $2.9 million for the previous year.

Note: the FX translation was calculated by Tau using foreign exchange rates of KZT 150/$1 for 2009 results and KZT 120/$1 for 2008 results reflecting the devaluation of the Kazakh tenge.

Outlook for private equity investment opportunities

In the first six months of 2010, Tau screened a number of investment opportunities, conducting extensive assessments on six potential targets. Several of these, spanning from oil and gas services to liquified petroleum distribution industries, did not fit Tau's investment criteria due to various commercial reasons. As at the end of July 2010, Tau has entered into the advanced stages of due diligence and valuation of two investment opportunities, a pharmaceutical distribution business and an oil and gas exploration business.
On 22 September, Tau announced an investment into Lucent Petroleum LLP.

Assuming positive due diligence results, financial and business assessment and successful negotiations of pending transactions, Tau aims to conclude its process for Lucent and the pharmaceutical distribution business within the next two months.

SPENCER HOUSE COMPASS CAPITAL LIMITED
SEPTEMBER 2010

Independent Review Report to Tau Capital Plc

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 2010 which comprises the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows, the company statement of cash flows and related notes 1 to 16. 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 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. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review 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 financial report in accordance with the AIM Rules of the London Stock Exchange.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). 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 issued by the IASB.

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 Standards 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 inquiries, 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 2010 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as issued by the IASB and the AIM Rules of the London Stock Exchange.

Emphasis of Matter – Valuation of Private Equity Investments

In arriving at our review conclusion, which is not qualified, we draw attention to the disclosures in note 13 concerning the valuation of investments. The Directors of the Company have estimated the total fair value of the private equity investments at US$36,521,602 as of 30 June 2010 in accordance with the Company's accounting policy, as disclosed in note 2. This value has been estimated by the Directors following the opinions and advice of the Investment Manager in the absence of readily ascertainable market values. However, because of the inherent uncertainty of the valuations, the estimated value may differ materially from the values that could have been realised had disposals of the investments been made between a willing buyer and seller at the statement of financial position date. Uncertainty also exists in relation to the valuation of interest receivable associated with one of the private equity investments of US$7,637,186. The recovery of this interest is dependent on a number of factors which are further detailed in note 13. It is not possible to quantify the effect of such uncertainties.

Deloitte & Touche
Chartered Accountants
Isle of Man
29 September 2010

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2010

	Note	**For the six months ended 30 June 2010 (unaudited) US$**	For the year ended 31 December 2009 (audited) US$	For the six months ended 30 June 2009 (unaudited) US$
Investment income				
Interest income		**2,327,437**	4,379,436	2,077,881
Dividend income		**465,480**	293,007	190,756
Less: withholding tax		**(68)**	(37,523)	(7,471)
Net (loss)/gain in financial assets and liabilities at fair value through profit or loss	3	**(16,239,608)**	33,409,785	6,044,156
Total operating (loss)/income		**(13,446,759)**	38,044,705	8,305,322
Expenses				
Operating expenses		**(2,256,444)**	(5,306,415)	(2,852,524)
(Loss)/profit for the period/year		**(15,703,203)**	32,738,290	5,452,798
Other comprehensive income		**—**	—	—
Total comprehensive (loss)/income for the period/year		**(15,703,203)**	32,738,290	5,452,798
Total comprehensive (loss)/income attributable to:				
Owners of the parent		**(15,703,203)**	32,738,290	5,452,798
Non-controlling interests		**—**	—	—
		(15,703,203)	32,738,290	5,452,798
(Loss)/earnings per share	12	**($0.07)**	$0.14	$0.02

The accompanying notes on pages 15 to 20 are an integral part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

	Note	**As at 30 June 2010 (unaudited) US$**	As at 31 December 2009 (audited) US$	As at 30 June 2009 (unaudited) US$
Assets				
Cash and cash equivalents		**94,839**	54,267	283,387
Amounts due from brokers		**36,350,143**	28,838,722	56,597,879
Financial assets at fair value through profit or loss	3	**101,353,941**	130,923,814	85,001,905
Dividends receivable		**407,010**	—	—
Other receivables		**91,740**	60,367	1,596,069
Interest receivable	13	**7,637,186**	5,131,523	3,042,059
Total assets		**145,934,859**	165,008,693	146,521,299
Liabilities				
Financial liabilities at fair value through profit or loss	3	**(100,485)**	(3,539,660)	(12,318,175)
Accounts payable and accrued expenses		**(247,277)**	(178,733)	(198,316)
Total liabilities		**(347,762)**	(3,718,393)	(12,516,491)
Total net assets		**145,587,097**	161,290,300	134,004,808
Shareholders' equity				
Share capital		**4,752,070**	4,752,070	4,752,070
Capital redemption reserve		**250,109**	250,109	250,109
Distributable reserves		**140,584,918**	156,288,121	129,002,629
Total shareholders' equity		**145,587,097**	161,290,300	134,004,808
Net Asset Value per share	11	**$0.61**	$0.68	$0.56

Approved on behalf of the Board of Directors.

PHILIP LAMBERT
DIRECTOR
29 SEPTEMBER 2010

PHILIP SCALES
DIRECTOR

The accompanying notes on pages 15 to 20 are an integral part of these financial statements.

Condensed Company Statement of Financial Position
as at 30 June 2010

	Note	**As at 30 June 2010 (unaudited) US$**	As at 31 December 2009 (audited) US$	As at 30 June 2009 (unaudited) US$
Assets				
Investment in subsidiaries	14	**145,587,097**	161,290,300	134,004,808
Total assets		**145,587,097**	161,290,300	134,004,808
Total net assets		**145,587,097**	161,290,300	134,004,808
Shareholders' equity				
Share capital		**4,752,070**	4,752,070	4,752,070
Capital redemption reserve		**250,109**	250,109	250,109
Distributable reserves		**140,584,918**	156,288,121	129,002,629
Total shareholders' equity		**145,587,097**	161,290,300	134,004,808
Net Asset Value per share	11	**$0.61**	$0.68	$0.56

Approved on behalf of the Board of Directors.

PHILIP LAMBERT
DIRECTOR
29 SEPTEMBER 2010

PHILIP SCALES
DIRECTOR

The accompanying notes on pages 15 to 20 are an integral part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2010

	Share capital US$	Capital redemption reserve US$	Distributable reserves US$	Total (unaudited) US$
Balance at 31 December 2009	4,752,070	250,109	156,288,121	161,290,300
Total comprehensive loss for the period	—	—	(15,703,203)	(15,703,203)
Balance at 30 June 2010	**4,752,070**	**250,109**	**140,584,918**	**145,587,097**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009

	Share capital US$	Capital redemption reserve US$	Distributable reserves US$	Total (audited) US$
Balance at 31 December 2008	4,752,070	250,109	123,549,831	128,552,010
Total comprehensive income for the year	—	—	32,738,290	32,738,290
Balance at 31 December 2009	4,752,070	250,109	156,288,121	161,290,300

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2009

	Share capital US$	Capital redemption reserve US$	Distributable reserves US$	Total (unaudited) US$
Balance at 31 December 2008	4,752,070	250,109	123,549,831	128,552,010
Total comprehensive income for the period	—	—	5,452,798	5,452,798
Balance at 30 June 2009	4,752,070	250,109	129,002,629	134,004,808

The accompanying notes on pages 15 to 20 are an integral part of these financial statements.

CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2010

	Share capital US$	Capital redemption reserve US$	Distributable reserves US$	Total (unaudited) US$
Balance at 31 December 2009	4,752,070	250,109	156,288,121	161,290,300
Total comprehensive loss for the period	—	—	(15,703,203)	(15,703,203)
Balance at 30 June 2010	**4,752,070**	**250,109**	**140,584,918**	**145,587,097**

CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009

	Share capital US$	Capital redemption reserve US$	Distributable reserves US$	Total (audited) US$
Balance at 31 December 2008	4,752,070	250,109	123,549,831	128,552,010
Total comprehensive income for the year	—	—	32,738,290	32,738,290
Balance at 31 December 2009	4,752,070	250,109	156,288,121	161,290,300

CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2009

	Share capital US$	Capital redemption reserve US$	Distributable reserves US$	Total (unaudited) US$
Balance at 31 December 2008	4,752,070	250,109	123,549,831	128,552,010
Total comprehensive income for the period	—	—	5,452,798	5,452,798
Balance at 30 June 2009	4,752,070	250,109	129,002,629	134,004,808

The accompanying notes on pages 15 to 20 are an integral part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2010

	For the six months ended 30 June 2010 (unaudited) US$	For the year ended 31 December 2009 (audited) US$	For the six months ended 30 June 2009 (unaudited) US$
Cash flows from operating activities			
(Loss)/profit for the period/year	**(15,703,203)**	32,738,290	5,452,798
Adjustments to reconcile (loss)/profit for the period/year to net cash provided by/(used in) operating activities			
Purchase of financial assets and settlement of financial liabilities	**(41,573,313)**	(129,324,138)	(76,423,269)
Sale of financial assets and settlement of financial liabilities	**51,068,020**	111,286,929	89,160,292
Realised loss on investments	**18,874,708**	41,406,881	41,767,953
Net change in unrealised gain on investments	**(2,452,201)**	(75,290,643)	(51,852,755)
Net change in amortisation of debt instruments	**213,484**	(213,484)	(86,252)
(Increase)/decrease in amounts due from broker	**(7,511,421)**	19,876,399	(7,882,758)
(Increase)/decrease in interest receivable	**(2,505,663)**	(3,911,985)	(1,822,521)
(Increase)/decrease in dividends receivable	**(407,010)**	8,303	8,303
(Increase)/decrease in other receivables	**(31,373)**	7,982	(1,527,720)
Increase/(decrease) in accounts payable and accrued expenses	**68,544**	(30,300)	(10,717)
Net cash provided by/(used in) operating activities	**40,572**	(3,445,766)	(3,216,646)
Net increase/(decrease) in cash and cash equivalents	**40,572**	(3,445,766)	(3,216,646)
Cash and cash equivalents at beginning of period/year	**54,267**	3,500,033	3,500,033
Cash and cash equivalents at end of period/year	**94,839**	54,267	283,387
Supplementary disclosure of cash flow information			
Dividends received	**58,470**	301,310	199,059
Interest received	**(178,226)**	467,451	255,360

The accompanying notes on pages 15 to 20 are an integral part of these financial statements.

Condensed Company Statement of Cash Flows
for the six months ended 30 June 2010

	For the six months ended 30 June 2010 (unaudited) US$	For the year ended 31 December 2009 (audited) US$	For the six months ended 30 June 2009 (unaudited) US$
Cash flows from operating activities			
(Loss)/profit for the period/year	**(15,703,203)**	32,738,290	5,452,798
Adjustments to reconcile (loss)/profit for the period/year to net cash used in operating activities			
Net change in unrealised loss/(gain) on investments	**15,703,203**	(32,738,290)	(5,452,798)
Net cash provided by operating activities	**—**	—	—
Net change in cash and cash equivalents	**—**	—	—
Cash and cash equivalents at beginning of period/year	**—**	—	—
Cash and cash equivalents at end of period/year	**—**	—	—

The accompanying notes on pages 15 to 20 are an integral part of these financial statements.

Condensed Notes to the Financial Statements

1. General

Tau Capital plc (the "Company") is a closed-ended investment fund incorporated and domiciled in the Isle of Man on 3 April 2007 and registered with number 119384C. The Company was established to allow investors the opportunity to realise returns through investing in both public and private businesses that are established in, operating in or have exposure to Kazakhstan. Although Kazakhstan focused, the Company will also seek investment opportunities in the Kyrgyz Republic, Uzbekistan, Turkmenistan, Tajikistan and Russia (the "Investment Countries"). The Company is listed on the Alternative Investment Market of the London Stock Exchange. The Company has no employees.

The Company's public investments are held by a subsidiary, Tau Cayman LP. The Company's private equity investments are held by two subsidiary companies Tau SPV 1 Cooperatief and Tau SPV 3 Cooperatief. Hereinafter, Tau Cayman LP, Tau SPV 1 Cooperatief, Tau SPV 3 Cooperatief, Tau Cayman Limited and Tau Capital plc will be referred to as the "Group" (see note 14).

The Group intends to invest in public companies with substantial operating assets in Kazakhstan or in the Investment Countries who have securities listed on the KASE or other stock exchanges or over-the-counter-markets. These investments may be in combination with additional debt or equity-related financings, and potentially in collaboration with other financial and/or strategic investors.

In addition, the Group aims to provide equity and equity-related investment capital to private companies operating in, or with business exposure to Kazakhstan and further in the Investment Countries who are seeking capital for growth and development, consolidation or acquisition, or as a pre-initial public offering round of financing. Investments may also be made in special situations if Spencer House Compass Capital Ltd (the "Investment Manager") considers the investment to be of a type in keeping with the aims of the Group.

2. Accounting Policies

The significant accounting policies and estimation techniques adopted by the Group for the period ended 30 June 2010 are consistent with those adopted by the Group for the annual financial statements for the year ended 31 December 2009.

Statement of compliance

The annual financial statements of Tau Capital plc are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The condensed set of financial statements in this half-yearly financial report have been prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting", as issued by IASB.

Segment reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of Directors in order to allocate resources to the segment and assess its performance.

The investment strategy of the Group is focused on entities that operate in or have an exposure to Kazakhstan and the Investment Countries, which represent one geographical segment. Accordingly, the Directors are of the opinion that the Group is engaged in a single segment of business being investment business in one geographical area being Kazakhstan and the Investment Countries and as such, no additional disclosures are required in accordance with IFRS 8.

Unlisted investments

Unlisted investments are valued at the Directors' estimate of their fair value in accordance with the requirements of IAS 39 and guidelines issued by the International Private Equity and Venture Capital Association. In estimating fair value for an investment, the Directors will apply a methodology that is appropriate in light of the nature, facts and circumstances of the investment and its materiality in the context of the total investment portfolio and will use reasonable assumptions and estimations. An appropriate methodology will incorporate available information about all factors that are likely to materially affect the fair value of the investment. Valuation methodologies will be applied consistently from period to period, except where a change would result in a more accurate estimate of the fair value of the investment, which may be up or down.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2010 US$	As at 31 December 2009 US$	As at 30 June 2009 US$
Held for trading			
Public equities	**58,486,322**	90,849,702	45,824,551
Private equity	**36,521,602**	36,094,055	36,162,178
Debt instruments	**2,952,615**	2,567,826	2,998,912
Derivatives: futures	**653,400**	—	—
Derivatives: forward contracts	**280,899**	—	—
Derivatives: options	**2,459,103**	1,412,231	16,264
Total financial assets at fair value through profit or loss	**101,353,941**	130,923,814	85,001,905
Held for trading			
Public equities	**—**	—	(9,118,043)
Derivatives: contracts for difference	**—**	—	(1,733,952)
Derivatives: futures	**—**	(2,968,100)	(1,421,040)
Derivatives: options	**(100,485)**	(571,560)	(45,140)
Total financial liabilities at fair value through profit or loss	**(100,485)**	(3,539,660)	(12,318,175)
Net (loss)/gain on financial assets and liabilities at fair value through profit or loss			
Net realised (loss) on investments and foreign exchange	**(19,143,647)**	(42,907,521)	(46,270,814)
Net unrealised gain on investments and foreign exchange	**2,904,039**	76,317,306	52,314,970
Total (losses)/gains	**(16,239,608)**	33,409,785	6,044,156

4. SHARE CAPITAL AND SHARE PREMIUM

The authorised share capital of the Group is £3,502,000 comprising 350,199,998 ordinary shares of £0.01 each and two founder shares of £0.01 each. The founder shares carry identical rights and privileges to the ordinary shares of the Group. The share capital of the Group has been allocated, called up and fully paid. No shares were issued during the period/year, the table below shows the shares in issue at the period/year end:

	Shares in issue
As at 30 June 2010	238,450,002
As at 31 December 2009	238,450,002
As at 30 June 2009	238,450,002

5. Related Party Transactions

Richard Horlick, a Director of the Group as listed on page 24, is a Fund Manager at Spencer House Capital Management, LLP.

Michael Sauer, a Director of the Group as listed on page 24, is the Chairman of Compass Asset Management Ltd and CEO of Visor Holding LLP.

Philip Scales, a Director of the Group as listed on page 24, is the Managing Director of IOMA Fund and Investment Management Ltd.

Details of Directors' remuneration can be found in note 6.

As at 30 June 2010, 31 December 2009 and 30 June 2009 Philip Lambert and Robert Brown, III each held 500,000 ordinary shares. These shares were granted in consideration for the provision of services pursuant to their letters of appointment as Non-executive Directors.

As at 31 December 2009 and 30 June 2009, Richard Horlick held 22,600,000 ordinary shares.

As at 30 June 2010 Richard Horlick held 19,600,000 ordinary shares with a further 3,000,000 ordinary shares held by his pension fund.

As at 30 June 2010, 31 December 2009 and 30 June 2009, both Spencer House Capital Management, LLP and Compass Asset Management Ltd held one founder share each.

6. Fees and Expenses

Director's remuneration for the period ended 30 June 2010 amounted to US$75,375 (31 December 2009: US$158,282; 30 June 2009: US$67,287).

The investment management fee for the period ended 30 June 2010 amounted to US$1,603,578 (31 December 2009: US$2,672,811; 30 June 2009: US$1,297,686) and is calculated at 2% per annum of the NAV of the Group.

No performance fees were earned for the period ended 30 June 2010 (31 December 2009: US$Nil; 30 June 2009: US$Nil). The investment manager is entitled to a performance fee if the NAV of the Group as at 31 December, in the relevant period, is greater than or equal to the Group's high water mark.

7. Exchange Rates

The following exchange rates were used to translate assets and liabilities into US dollars at 30 June 2010, 31 December 2009 and 30 June 2009:

	30 June 2010	31 December 2009	30 June 2009
Australian dollar	—	0.899353	—
Canadian dollar	**0.941044**	0.953880	1.161350
Euro	**1.224905**	1.434741	1.402643
Kazakhstan tenge	**0.006786**	0.006733	0.006648
Pound sterling	**1.496110**	1.614857	1.646850

CONDENSED NOTES TO THE FINANCIAL STATEMENTS CONTINUED

8. Distributions

Subject to the provisions of the Articles, the Group may by ordinary resolution, declare that out of profits available for distribution, in accordance with Isle of Man law, dividends be paid to members according to their respective rights and interests in the profits of the Group. However, no dividend shall exceed the amount recommended by the Board. There is no fixed date on which an entitlement to dividend arises.

No dividends were paid during the period ended 30 June 2010, the year ended 31 December 2009 and the period ended 30 June 2009.

9. Soft Commissions

During the period, the Investment Manager and connected persons have not entered into soft commission arrangements with brokers in respect of which certain goods and services used to support investment decision making were received.

10. Commitments and Contingent Liabilities

As at 30 June 2010, the Group did not have any significant commitments or contingent liabilities.

11. Valuation of the Group

The NAV of the Group as at 30 June 2010, 31 December 2009 and 30 June 2009, as reported at the time (based on last traded prices), differs from the financial statements. In accordance with IAS 39, long positions in the financial statements are valued at bid prices and short positions at offer prices.

	As at 30 June 2010 US$	As at 31 December 2009 US$	As at 30 June 2009 US$
Net Asset Value for reporting purposes	**146,071,069**	161,686,774	135,754,170
Adjustment to last traded prices	**(483,972)**	(396,474)	(249,362)
Adjustment to valuation of private equities	—	—	(1,500,000)
Net Asset Value per financial statements	**145,587,097**	161,290,300	134,004,808
Reported Net Asset Value per share	**$0.61**	$0.68	$0.57
Adjusted Net Asset Value per share	**$0.61**	$0.68	$0.56

12. (Loss)/Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss attributable to shareholders by the weighted average number of ordinary shares outstanding during the period.

	For the six months ended 30 June 2010	For the year ended 31 December 2009	For the six months ended 30 June 2009
Net (loss)/profit attributable to shareholders	**($15,703,203)**	$32,738,290	$5,452,798
Weighted average number of ordinary shares in issue	**238,450,002**	238,450,002	238,450,002
Basic earnings per share	**($0.07)**	$0.14	$0.02

There is no difference between the fully diluted earnings per share and basic earnings per share.

13. Investments

As at 30 June 2010, the Group has two private equity investments (31 December 2009 and 30 June 2009: Two). The total charter capital of Alem Communications Holding LLP ("Alem") is KZT 9.2 billion (or US$62 million at prevailing exchange rates). The fair value of the Group's indirect investment in Alem of US$17,021,602 is based on its share of the total cost of the charter capital of Alem (at the exchange rate prevailing at the period end between the Kazakhstan tenge and US dollar).

There have been no significant developments during the period in respect of the investment in Teniz Service LLP ("Teniz") and the fair value of the investment as at 30 June 2010 of US$19,500,000 is equal to its historic cost (31 December 2009 and 30 June 2009: US$19,500,000). Accrued interest of US$7,637,186 is receivable in respect of this investment at the period end. Interest accrues at a rate of 18% per annum, calculated on a daily basis, on the US$19.54 million investment. Tau has the option to convert all or part of the interest into fully paid ordinary shares in a holding company owning shares in Teniz based on a predetermined formula. The Directors consider the carrying amount of interest receivable is equal to its fair value.

14. Investments in Subsidiaries

Name	Country of incorporation	Principal investment activity	Proportion of ownership interest
Tau Cayman Limited	Cayman Islands	Business administration	100%
Tau Cayman LP	Cayman Islands	Investment holding	100%
Tau SPV 1 Cooperatief	The Netherlands	Investment holding	100%
Tau SPV 3 Cooperatief	The Netherlands	Investment holding	100%

The value of the subsidiaries at 30 June 2010, 31 December 2009 and 30 June 2009 were as follows:

	As at 30 June 2010 US$	As at 31 December 2009 US$	As at 30 June 2009 US$
Tau Cayman Limited	**—**	—	—
Tau Cayman LP	**101,428,309**	120,064,950	93,284,091
Tau SPV 1 Cooperatief	**17,021,602**	16,594,055	18,195,561
Tau SPV 3 Cooperatief	**27,137,186**	24,631,295	22,525,156
	145,587,097	161,290,300	134,004,808

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
CONTINUED

15. SHARE-BASED PAYMENTS

The following share-based payment arrangement was in existence with Numis Securities Limited, the Company's Nominated Adviser and Broker, at 30 June 2010, 31 December 2009 and 30 June 2009. This arrangement was conditional upon admission of the ordinary share capital of the Company to AIM, part of the London Stock Exchange.

Options	Number	Grant date	Expiry date	Exercise price US$
Issued 3 May 2007	2,510,000	3 May 2007	3 May 2012	1.00

The Directors have determined that the fair value of the options granted (which were fully vested at the date of grant) could not be reliably measured at the measurement date (the date of grant). Therefore in accordance with IFRS 2: Share Based Payments, the intrinsic value method has been used to determine the value of the share-based payment transaction. As at the measurement date and the current financial period end, the intrinsic value is nil as the exercise price is greater than the market price.

16. EVENTS AFTER THE DATE OF THE STATEMENT OF FINANCIAL POSITION

In July 2010 PNC Global Investment Servicing (Europe) Limited changed its name to BNY Mellon Investment Servicing (International) Limited.

As announced on 22 September 2010, the Company entered into a binding term agreement (the "agreement") for the purchase of a private equity investment in Lucent Petroleum LLP ("Lucent"), an oil and gas exploration company registered under the laws of the Republic of Cyprus and a wholly owned subsidiary of Visor Investment Services, a related party of the investment manager of the Company. The Company has committed to providing up to $15 million of financing to Lucent subject to Lucent complying with the conditions laid down in the agreement.

There were no other material events after the date of the Statement of Financial Position, which have a material bearing on the understanding of these financial statements.

Schedule of Investments
as at 30 June 2010

Financial assets at fair value through profit or loss

	Country (of stock market listing)/industry sector	Fair value – US$	% of net assets
EQUITIES – PUBLIC			
	Canada		
	Gold mining	786,419	0.54
	Metals diversified	17,124,370	11.76
	Oil exploration	341,658	0.23
		18,252,447	12.53
	Ireland		
	Oil exploration	6,954,443	4.78
		6,954,443	4.78
	Kazakhstan		
	Commercial banks (non-US)	2,425,075	1.67
	Gold mining	39,600	0.03
	Oil exploration	18,502,965	12.71
	Paper and related products	302,400	0.21
	Pharmaceuticals	1,849,932	1.27
	Telecom services	2,152,859	1.48
		25,272,831	17.37
	United Kingdom		
	Financial	1,130,485	0.78
	Metals diversified	3,014,304	2.07
	Oil exploration	2,530,336	1.74
		6,675,125	4.59
	United States of America		
	Oil exploration	1,331,476	0.91
		1,331,476	0.91
EQUITIES – PRIVATE			
	Kazakhstan		
	Oil services and infrastructure	19,500,000	13.39
	Telecom services	17,021,602	11.69
		36,521,602	25.08
Total equities		**95,007,924**	**65.26**

SCHEDULE OF INVESTMENTS
AS AT 30 JUNE 2010
CONTINUED

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS CONTINUED

	Country (of stock market listing)/industry sector	Fair value – US$	% of net assets
DEBT INSTRUMENTS			
	Uzbekistan		
	Gold mining	2,457,615	1.69
		2,457,615	1.69
	United States of America		
	Financial	495,000	0.34
		495,000	0.34
Total debt instruments		**2,952,615**	**2.03**
FUTURES CONTRACTS			
	United States of America		
	Financial	653,400	0.45
		653,400	0.45
Total futures contracts		**653,400**	**0.45**
OPTIONS			
	Canada		
	Metals diversified	888,372	0.61
		888,372	0.61
	Germany		
	Financial	923,548	0.63
		923,548	0.63
	Ireland		
	Oil exploration	151,966	0.10
		151,966	0.10
	United Kingdom		
	Metals diversified	382,897	0.26
		382,897	0.26
	United States of America		
	Energy	33,200	0.02
	Financial	79,120	0.05
		112,320	0.07
Total options		**2,459,103**	**1.67**
FORWARD CONTRACTS			
	Buy US$17,000,000/sell £11,175,371	280,899	0.19
		280,899	0.19
Total forward contracts		**280,899**	**0.19**
Total financial assets at fair value through profit and loss		**101,353,941**	**69.60**

Financial liabilities at fair value through profit or loss

	Country (of stock market listing)/industry sector	Fair value – US$	% of net assets
OPTIONS			
	Canada		
	Metals diversified	(29,310)	(0.02)
		(29,310)	(0.02)
	Germany		
	Financial	(7,151)	—
		(7,151)	—
	Ireland		
	Oil exploration	(62,424)	(0.04)
		(62,424)	(0.04)
	United States of America		
	Energy	(1,600)	—
		(1,600)	—
Total options		**(100,485)**	**(0.06)**
Total financial liabilities at fair value through profit or loss		**(100,485)**	**(0.06)**
Financial assets and liabilities at fair value through profit or loss		101,253,456	69.54
Cash and cash equivalents		94,839	0.08
Other assets in excess of liabilities		44,238,802	30.38
Total net assets		**145,587,097**	**100.00**

COMPANY INFORMATION

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** In July 2010 PNC Global Investment Servicing (Europe) Limited changed its name to BNY Mellon Investment Servicing (International) Limited.

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