

**ALGEBRIS UCITS FUNDS PLC**  
**(an umbrella fund with segregated liability between sub-funds)**  
**ANNUAL REPORT & AUDITED FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

## ALGEBRIS UCITS FUNDS PLC

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## ALGEBRIS UCITS FUNDS PLC

### Management and Administration

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<b>Registered Office</b>	<p><i>Up to 8 July 2015:</i> Arthur Cox Building Earlsfort Terrace Dublin 2 Ireland</p> <p><i>From 9 July 2015:</i> 33 Sir John Rogerson's Quay Dublin 2 Ireland</p>
<b>Directors*</b>	Alexander Lasagna Carl O'Sullivan** Desmond Quigley**
<b>Investment Manager, Distributor and Promoter</b>	Algebris Investments (UK) LLP 7 Clifford Street London W1S 2FT United Kingdom
<b>Custodian</b>	HSBC Institutional Trust Services (Ireland) Limited 1 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
<b>Administrator, Registrar and Transfer Agent</b>	HSBC Securities Services (Ireland) Limited 1 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
<b>Independent Auditor</b>	KPMG 1 Harbourmaster Place IFSC Dublin 1 Ireland
<b>Legal Adviser</b>	<p><i>Up to 8 July 2015:</i> Arthur Cox Earlsfort Centre Earlsfort Terrace Dublin 2 Ireland</p> <p><i>From 9 July 2015:</i> Dillon Eustace 33 Sir John Rogerson's Quay Dublin 2 Ireland</p>

## ALGEBRIS UCITS FUNDS PLC

### Management and Administration (continued)

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**Company Secretary**

*Up to 8 July 2015:*

Bradwell Limited  
Earlsfort Centre  
Earlsfort Terrace  
Dublin 2  
Ireland

*From 9 July 2015:*

Tudor Trust Limited  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Representative in Switzerland**

ACOLIN Fund Services AG  
18 Stadelhoferstrasse  
CH-8001 Zurich  
Switzerland

**Paying Agent in Switzerland**

Bank Vontobel Limited  
43 Gotthardstrasse  
CH-8022 Zurich  
Switzerland

*\* All directors are non-executive*

*\*\* Independent director*

## ALGEBRIS UCITS FUNDS PLC

### Algebris Financial Credit Fund

#### Investment Manager's Report

for the financial year ended 31 December 2015

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2015 began much the way 2014 ended with weakness in the energy complex, a strengthening US Dollar, and creeping deflation in most established economies other than the US. Anxieties were punctuated by two material developments we have been anticipating: on January 22nd, Mario Draghi's European Central Bank launched a quantitative easing program to buy €1.1 trillion of mostly Sovereign bonds and on Sunday January 25th, Greek leftist party, Syriza, won Greek national elections and was able to form a governing coalition with ANEL, a right-wing political party.

A third development of particular interest was the Swiss National Bank's (SNB) decision to scrap their peg to the Euro, sending the CHF soaring vs. the Euro. Actions by the SNB have given us this year's first acronym – 'NIRP' or, negative interest rate policy – and while acronyms can be catchy and cliché, the effect of NIRP on markets is very real, powerful and something we are acutely aware of; there have been over a dozen central bank rate cuts this year already, indicating how seriously the deflation risks are being taken by policy holders. Consider that 52% of all global government bonds yield less than 1% and that there is now \$7.3 trillion of negatively yielding government debt in the Eurozone, Switzerland, and Japan. (BAML research, January 21st, 2015)

In March the fund participated in a series of preferred stock offerings from several US banks including Bank of America, Citigroup and Morgan Stanley. After continued issuance over the last several years, these banks are starting to fill the 1.5% of Additional Tier 1 capital bucket as required under Basel 3.

Fixed income markets generally had a rough spring, as 10-year yields of treasuries, bunds and gilts experienced an intra-month range of 28bps, 42bps and 32bps respectively. The dramatic selloff led by core European fixed income in April continued into May with new highs in yields for the year. The fund anticipated a potentially difficult few weeks due to the Greek situation, only exacerbated by Greece's referendum, and took down net exposure in the fund to lower risk exposure.

Despite the generally weak market tone, May issuance of \$151.8bn was a new all-time high, surpassing the previous record of \$143bn in May 2008 and March of this year. At the end of July we saw UBS announce another high trigger AT1, RBS announced a roadshow for their first AT1 issue and Barclays also tapped the market in early August for a 7 year Sterling deal.

In August, weakness was widespread across equity, rates and credit. The S&P finished down 6.26% and despite the weakness in equities, Treasury markets had negative returns as well. The same is true for European markets with the MSCI Europe equity index down 8.7% while bunds had negative returns in the month. The negative returns unsurprisingly carried over to the credit markets with the total return for High grade bonds at -0.44%, HY bonds -1.94%, and EM corporates -1.74%. Risk markets continued to come under pressure in September as the combination of uncertainty around Fed policy, idiosyncratic company news and weaker global growth led to negative returns broadly. The FOMC decision to postpone a rate increase was largely expected but the heightened focus on global concerns took markets back towards the lows reached in August. Headlines around VW and Glencore proved another challenge particularly in credit markets where VW is a large issuer. The bank capital market held up relatively well over the August-September period but returns were still negative. The combination of lower underlying rates and wider spreads after the selloff has created an interesting opportunity and we slightly added to risk as a result.

In a long anticipated announcement, October saw the Fed introduced US standards for Total Loss Absorbing Capital (TLAC). The eight GSIB banks will be required to hold between 21.5% and 23% of TLAC capital depending on their GSIB buffer requirement. The buffer will be held in a mixture of equity, preferred and senior debt issued from the holding company level. We believe this will be catalyst for new issuance and we expect €100bn of new issues of Basel III compliant securities by 2018 whilst witnessing a widening of its investor base (asset managers represent ~58% outstanding issues and traditional mandates are increasingly being adapted to new regulatory frameworks).

Despite a challenging 2015 in the markets it has been a relatively strong year for bank capital. Our fund achieved an impressive 5.50 % (net of fees) return for the financial year 2015.

# ALGEBRIS UCITS FUNDS PLC

## Algebris Financial Income Fund

### Investment Manager's Report

for the financial year ended 31 December 2015

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2015 began much the way 2014 ended with weakness in the energy complex, a strengthening US Dollar, and creeping deflation in most established economies other than the US. Anxieties were punctuated by two material developments we have been anticipating: on January 22nd, Mario Draghi's European Central Bank launched a quantitative easing program to buy €1.1 trillion of mostly Sovereign bonds and on Sunday January 25th, Greek leftist party, Syriza, won Greek national elections and was able to form a governing coalition with ANEL, a right-wing political party.

A third development of particular interest was the Swiss National Bank's (SNB) decision to scrap their peg to the Euro, sending the CHF soaring vs. the Euro. Actions by the SNB have given us this year's first acronym – 'NIRP' or, negative interest rate policy – and while acronyms can be catchy and cliché, the effect of NIRP on markets is very real, powerful and something we are acutely aware of; there have been over a dozen central bank rate cuts this year already, indicating how seriously the deflation risks are being taken by policy holders. Consider that 52% of all global government bonds yield less than 1% and that there is now \$7.3 trillion of negatively yielding government debt in the Eurozone, Switzerland, and Japan. (BAML research, January 21st, 2015)

Fixed income markets generally had a rough spring, as 10-year yields of treasuries, bunds and gilts experienced an intra-month range of 28bps, 42bps and 32bps respectively. The dramatic selloff led by core European fixed income in April continued into May with new highs in yields for the year. The fund anticipated a potentially difficult few weeks due to the Greek situation, only exacerbated by Greece's referendum, and took down net exposure in the fund to lower risk exposure.

In August, weakness was widespread across equity, rates and credit. The S&P finished down 6.26% and despite the weakness in equities, Treasury markets had negative returns as well. The same is true for European markets with the MSCI Europe equity index down 8.7% while bunds had negative returns in the month. The negative returns unsurprisingly carried over to the credit markets with the total return for High grade bonds at -0.44%, HY bonds -1.94%, and EM corporates -1.74%. Risk markets continued to come under pressure in September as the combination of uncertainty around Fed policy, idiosyncratic company news and weaker global growth led to negative returns broadly. The FOMC decision to postpone a rate increase was largely expected but the heightened focus on global concerns took markets back towards the lows reached in August. Headlines around VW and Glencore proved another challenge particularly in credit markets where VW is a large issuer. The bank capital market held up relatively well over the August-September period but returns were still negative. Whilst our equity holdings got further dragged down in the turmoil. Perhaps the surprise was how little was spared in the global equity markets – there were no hiding places.

In a long anticipated announcement, October saw the Fed introduced US standards for Total Loss Absorbing Capital (TLAC). The eight GSIB banks will be required to hold between 21.5% and 23% of TLAC capital depending on their GSIB buffer requirement. The buffer will be held in a mixture of equity, preferred and senior debt issued from the holding company level. We believe this will be catalyst for new issuance and we expect €100bn of new issues of Basel III compliant securities by 2018 whilst witnessing a widening of its investor base (asset managers represent ~58% outstanding issues and traditional mandates are increasingly being adapted to new regulatory frameworks).

We believe there are significant opportunities in financials globally and with the pariah status of the sector beginning to ease as the regulatory landscape becomes clearer, banks are beginning to reach and exceed the capital required by regulators. As European management teams have finally become confident about the quality of their balance sheets, we are seeing loan growth for the first time since the GFC started.

Despite a challenging 2015 in the market, our fund achieved an impressive 2.92% (net of fees) return for the financial year 2015.

# ALGEBRIS UCITS FUNDS PLC

## Algebris Asset Allocation Fund

### Investment Manager's Report

for the financial period from 20 April 2015 (date of launch) to 31 December 2015

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The launch of the fund coincided with two high volatility market events: the Greek debt crisis in May/June and the significant drawdown of global equity markets driven by the Chinese stock market in August. The MSCI World Index returned -6.6% in August, while commodity and credit market ended up the month flat

Since the fund inception, we have maintained a cautionary approach to portfolio construction to protect against the myriad of auto-correlating risks out there. Our short positions in the S&P 500 Index, the Nikkei 225 and iShares Brazil made meaningful contributions to the portfolio in August. The market sell-off was global in nature and all major markets were affected during the month. With most markets having experienced fairly violent corrections, we monetized some of our convexity protection and added selectively to equity positions perceived as oversold.

We are becoming marginally more constructive in China. We do not claim to have a strong structural view here, but are struck by the very pronounced turn in market sentiment, with investors seemingly assuming that the Chinese government has made a number of policy errors that will push the country's economy over the cliff. This narrative is nothing new, and the economy is certainly slowing, but that was the case when the onshore equity market was almost double its value today. The currency has indeed weakened, but only marginally. Perhaps most importantly, China remains in a relatively unique position as it still has a substantial tool of policy items to deploy in the case of a further dramatic weakening of the economy

With respect to regional allocation, Europe and Japan are our favoured jurisdictions, with Eurozone August IFO, PMI and EC confidence surveys rebounding despite the volatility in China, and EPS revisions having economic improvement significantly improved across both regions. With the credit impulse in Europe and Japan improving sequentially, we believe the foundations for further economic improvement are there. Given the level of operating leverage in these markets, we see substantial scope for EPS growth still, in contrast with the US market

Our constructive market views after the worst quarterly equity performance since 2011 allowed the fund to take advantage of beneficial entry points throughout the month of October. Our belief that markets were in an oversold state following September's volatility was proven correct as the S&P and Eurostoxx indexes returned 8% and 10% respectively, followed by strong returns across a majority of Asian markets. US and European credit markets also rallied, with US HY markets returning just under 3%, offsetting some of the 6% fall from May to September, and European HY returning 3% for the month.

The cross-currents continued to cause volatile gyrations, and as a result of this we took down market exposures moderately, taking profit and tightening risk where appropriate. The result was a lower net exposure and a portfolio composition that has been tilted towards a market that prices in the possibility of a US rate hike from "not at all" to "maybe just a little". In equities, financial stocks (and life insurers in particular) should be beneficiaries of this theme, and conversely real estate and utility names that have been rerated via yield metrics may suffer a de-rating. In credit, our only exposures remain to bank hybrid debt, where we see scope for spread tightening because higher rates benefit financials, and a very high yield for relatively short duration in an under owned asset class.

November saw Commodities continued their double digit declines in the month (Silver -9.4%, Brent -11.3% and Copper -11.6%). This has had knock on implications for credit markets, with US High Yield (-2.5%) continued underperforming due to concerns on energy exposures. Despite improving macro data, both IG and HY market spread levels are sending recessionary signals, and interestingly the European high yield market was repriced in line with the US HY market, despite having a much lower energy exposure. We are maintaining a strong focus on the spread dynamics as sooner or later this divergence between equity and credit will resolve through either lower equity markets or tighter spreads.

It was a challenging 2015 in the market, our fund achieved -0.88% (net of fees) return for the financial year 2015.

# ALGEBRIS UCITS FUNDS PLC

## Algebris Financial Equity Fund

### Investment Manager's Report

for the financial period from 20 April 2015 (date of launch) to 31 December 2015

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2015 was a strong year for Algebris' financial long/short equity strategies which returned over 18% on the year, comfortably beating the MSCI World Financials index, which lost 2.7%. The Financial Equity Fund only started part way through the year so did not benefit from the strong first quarter of the year and the launch of the fund coincided with heightened volatility in the markets

The first week of July was dominated by Greece. With a non-trivial possibility of an accident leading to Grexit, and heightened volatility, our risk management process led us to reduce our net exposure to the Eurozone to protect performance.

China quickly grabbed investors' attention with a continuation of the market rout that started in June. This was stopped in its tracks by some heavy handed policy action but the intra-day and monthly volatility hurt market confidence.

In August, weakness was widespread across equity, rates and credit. The S&P finished down 6.26% and despite the weakness in equities, Treasury markets had negative returns as well. The same is true for European markets with the MSCI Europe equity index down 8.7% while bunds had negative returns in the month. The negative returns unsurprisingly carried over to the credit markets with the total return for High grade bonds at -0.44%, HY bonds -1.94%, and EM corporates -1.74%. Risk markets continued to come under pressure in September as the combination of uncertainty around Fed policy, idiosyncratic company news and weaker global growth led to negative returns broadly. The FOMC decision to postpone a rate increase was largely expected but the heightened focus on global concerns took markets back towards the lows reached in August. Headlines around VW and Glencore proved another challenge particularly in credit markets where VW is a large issuer. The bank capital market held up relatively well over the August-September period but returns were still negative. The combination of lower underlying rates and wider spreads after the selloff has created an interesting opportunity and we slightly added to risk as a result.

The short book performed well in this environment, whilst our long book got dragged down in the turmoil. Perhaps the surprise was how little was spared in the global equity markets – there were no hiding places. As part of our risk management process, we had built up a relatively sizeable book of out-of-the-money put options. With the pull-back in the markets we decided to monetize a sizeable part of this book. Regionally we were up in the US, gave back our gains of July in Europe and although we had a relatively scaled back book in Asia we still got hit modestly.

Following the worst quarterly equity market performance in Q3 since 2011, we positioned the Fund in late September to take advantage of some of the interesting entry points created by this air pocket and closed a number of our shorts and added selectively to some of our highest conviction long positions

As we end 2015 it is time to take stock of the year and the outlook for 2016. For most investors, in most asset classes, across most strategies, 2015 was a year to forget. Despite MSCI World and Financial indices being down for this year, Algebris' long-short financial hedge fund strategy was up over 18%. With banks finally digging themselves out of the massive hole created by the global financial crisis (GFC) and largely shunned by investors ever since, we are starting to see both a normalization and rehabilitation of the sector which should continue to provide a wealth of alpha generating ideas in the years ahead. In the US, after 7 years of margin compression, higher Fed rates will begin to reverse this trend, whilst in Europe we are seeing loan growth, material capital build and an improving NPL trend.

We believe there are significant opportunities in financials globally and with the pariah status of the sector beginning to ease as the regulatory landscape becomes clearer, banks are beginning to reach and exceed the capital required by regulators. As European management teams have finally become confident about the quality of their balance sheets, we are seeing loan growth for the first time since the GFC started.



# ALGEBRIS UCITS FUNDS PLC

## Directors' Report

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The Directors present their annual report and the audited financial statements for the financial year ended 31 December 2015.

### Activities, business review and future prospects

Algebris UCITS Funds plc (the "Company") was incorporated on 17 February 2012 as an umbrella fund with segregated liability between Sub-Funds pursuant to the Companies Act 2014 and the Central Bank (Supervision and Enforcement Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank UCITS Regulations"). The assets of each Sub-Fund will be invested separately on behalf of each Sub-Fund in accordance with the investment objective and policies of each Sub-Fund. As at the date of this report the Company comprised of four Sub-Funds: Algebris Financial Credit Fund, Algebris Financial Income Fund, Algebris Asset Allocation Fund and Algebris Financial Equity Fund.

A detailed business review is outlined in the Investment Manager's Reports on pages 4-7.

### Risk management objectives and policies

Investment in the Company carries with it a degree of risk including, but not limited to, the risks referred to in the prospectus and note 13 of these financial statements.

### Principal risks and uncertainties

The Company is an umbrella fund with segregated liability between sub funds. The principal risks facing the Company relate primarily to the holding of financial instruments and markets in which it invests. The most significant types of financial risk to which the Company is exposed are market risk, credit risk and liquidity risk. Market risk includes other price risk, currency risk and interest rate risk. Details of the risks associated with financial instruments are included in Note 13 to the financial statements.

### Results and dividends

The results for the financial year are shown in the Statement of Comprehensive Income on pages 16-17. Dividends amounting to EUR 14,355,776 were declared during the financial year ended 31 December 2015 for the Algebris Financial Credit Fund and EUR 3,528,372 for the Algebris Financial Income Fund. No dividends were declared for the Algebris Asset Allocation Fund and the Algebris Financial Equity Fund.

### Directors

The Directors of the Company are detailed on page 2.

### Directors' and secretary's interests

None of the Directors nor the Company Secretary held any interest, beneficial or otherwise, in the share capital of the Company during or at the end of the financial year.

### Statement of Directors' responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable Irish law and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Irish company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the assets, liabilities and financial position of Algebris UCITS Funds Plc ("The Company") and of the Statement of Comprehensive Income of the Company for that financial year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union ("EU") and ensure that they contain additional information required by Companies Act 2014; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

**Directors' Report (continued)**

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**Statement of Directors' responsibilities (continued)**

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements are prepared in accordance with IFRS and comply with Irish statute comprising the Companies Act 2014, and the Central Bank (Supervision and Enforcement Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank UCITS Regulations"). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under the UCITS Regulations, the Directors are required to entrust the assets of the Company to the Custodian for safe-keeping. In carrying out this duty, the Directors have delegated custody of the Company's assets to HSBC Institutional Trust Services (Ireland) Limited, 1 Grand Canal Square, Grand Canal Harbour, Dublin 2.

The Central Bank UCITS Regulations came into effect on 1 November 2015. The Central Bank UCITS Regulations consolidate into one location all of the requirements which the Central Bank imposes on UCITS, UCITS management companies and depositaries of UCITS. They supplement existing legislative requirements, in particular the Central Bank (Supervision and Enforcement Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank UCITS Regulations").

**Accounting Records**

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and the employment of competent service providers. The accounting records are kept at HSBC Securities Services (Ireland) Limited, 1 Grand Canal Square, Grand Canal Harbour, Dublin 2.

**Connected Party Transactions**

In accordance with the requirements of the UCITS Notices, all transactions carried out with the Company by the promoter, manager, trustee, investment adviser and associates/group companies ("connected parties") must be carried out as if negotiated at arm's length and be in the best interests of shareholders. The Directors are satisfied that there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out in the UCITS Notices are applied to all transactions with connected parties and transactions with connected parties entered into during the period complied with the obligations set out in the UCITS Notices.

**Corporate Governance Code**

The Board of Directors has assessed the measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies as published by the Irish Funds in December 2011 (the "IF Code"). The Board has adopted all corporate governance practices and procedures in the IF Code with effect from 19 October 2012.

**Significant events during the financial year**

Significant events during the financial year are disclosed in note 18.

**Subsequent events**

Significant events since the financial year end are disclosed in note 19.

**Directors' Report (continued)**

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**Independent auditors**

The independent auditors, KPMG, have indicated their willingness to remain in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

On behalf of the Board

Director: Des Quigley

Director: Carl O'Sullivan

20 April 2016

## **Report of the Custodian to the Shareholders**

We have enquired into the conduct of Algebris UCITS Funds plc (“the Company”) for the period ended 31 December 2015, in our capacity as Custodian to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with the Central Bank (Supervision and Enforcement Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the “Central Bank UCITS Regulations”), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

### **Responsibilities of the Custodian**

Our duties and responsibilities are outlined in the Central Bank UCITS Regulations. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period, in accordance with the provisions of the Company’s Memorandum and Articles of Association and the Central Bank UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as Custodian must state why this is the case and outline the steps which we have taken to rectify the situation.

### **Basis of Custodian Opinion**

The Custodian conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Central Bank UCITS Regulations and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company’s constitutional documentation and the appropriate regulations.

### **Opinion**

In our opinion, the Company has been managed during the period, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association and by the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and the Central Bank UCITS Regulations; and

(ii) otherwise in accordance with the provisions of the Memorandum & Articles of Association and the Regulations.

#### **On behalf of**

HSBC Institutional Trust Services (Ireland) Limited  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

**Date: 20 April 2016**

#### **HSBC Institutional Trust Services (Ireland) Limited**

1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland  
Tel: 00353 1 635 6000 Fax: 00353 1 649 7542

*Directors: Ronnie Griffin, Ciara Houlihan, Mark Synnott  
Registered in Dublin, Ireland: Reg No. 181767 V.A.T. 6581767L  
HSBC Institutional Trust Services (Ireland) Limited is authorised by the Central Bank of Ireland under the Investment Intermediaries Act, 1995.*

## **Independent Auditor's Report to the members of Algebris UCITS Funds PLC**

We have audited the financial statements of Algebris UCITS Funds plc ("the Company") for the financial year ended 31 December 2015 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Net Assets attributable to holders of redeemable participating shares, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

### **Opinions and conclusions arising from our audit**

#### ***1. Our opinion on the financial statements is unmodified***

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2015 and of its changes in net assets attributable to holders of redeemable participating shares for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

#### ***2. Our conclusions on other matters on which we are required to report by the Companies Act 2014 are set out below***

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

#### ***3. We have nothing to report in respect of matters on which we are required to report by exception***

ISAs (UK & Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In addition, the Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

### **Basis of our report, responsibilities and restrictions on use**

As explained more fully in the Statement of Directors' Responsibilities set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors. In addition, we have agreed to audit and express an opinion on these financial statements in accordance with auditing standards generally accepted in the United States of America ("U.S GAAS").

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

## **Independent Auditor's Report to the members of Algebris UCITS Funds plc (continued)**

### **Basis of our report, responsibilities and restrictions on use (continued)**

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's 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 and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Supplementary report under generally accepted auditing standards in the United States of America ("US GAAS")**

In addition we have also performed an audit of the financial statements referred to above in accordance with U.S. GAAS and we hereby report in accordance with such standards.

The Company's management is responsible for the preparation and fair presentation of the financial statements, including the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Our responsibility is to express an opinion on these financial statements based on our audit. U.S. GAAS require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit performed in accordance with U.S. GAAS involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

**Independent Auditor's Report to the members of Algebris UCITS Funds plc (continued)**

**Supplementary report under generally accepted auditing standards in the United States of America ("US GAAS") (continued)**

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at year end date and prior year end date and the results of its operations and its cash flows for the year then ended in conformity with International Financial Reporting Standards (IFRSs) as adopted for use in the European Union.

Brian Clavin  
for and on behalf of  
KPMG  
Chartered Accountants, Statutory Audit Firm  
1 Harbourmaster Place  
IFSC, Dublin 1

20 April 2016

## ALGEBRIS UCITS FUNDS PLC

### Statement of Financial Position

as at 31 December 2015

	Notes	Total 2015 EUR	Total 2014 EUR	Algebris Financial Credit Fund 2015 EUR	Algebris Financial Credit Fund 2014 EUR	Algebris Financial Income Fund 2015 EUR	Algebris Financial Income Fund 2014 EUR	Algebris Asset Allocation Fund 2015 EUR	Algebris Financial Equity Fund 2015 EUR
<b>Assets</b>									
Cash and cash equivalents	2(c)	153,434,476	60,031,327	128,766,755	35,949,821	18,955,736	24,081,506	2,450,640	3,261,345
Financial assets at fair value through profit or loss	3,4								
- Transferable securities		883,979,006	516,292,783	637,857,956	354,080,528	222,625,959	162,212,255	11,087,723	12,407,368
- Financial derivative instruments		5,813,025	4,559,290	2,342,692	1,721,521	2,742,997	2,837,769	228,050	499,286
Due from broker		1,249,797	655,877	-	-	1,227,209	655,877	7,320	15,268
Due from members		7,019,851	3,244,142	5,962,844	2,702,241	624,620	541,901	332,634	99,753
Dividends receivable		233,233	227,942	14,924	13,397	212,500	214,545	232	5,577
Accrued income and other receivables	6	10,350,430	5,190,352	8,873,135	4,232,370	1,416,351	957,982	60,299	645
<b>Total assets</b>		<b>1,062,079,818</b>	<b>590,201,713</b>	<b>783,818,306</b>	<b>398,699,878</b>	<b>247,805,372</b>	<b>191,501,835</b>	<b>14,166,898</b>	<b>16,289,242</b>
<b>Liabilities</b>									
Financial liabilities at fair value through profit or loss	3,4								
- Financial derivative instruments		12,191,804	10,958,359	5,946,159	6,926,662	5,281,972	4,031,697	299,047	664,626
Due to broker		184,846	6,446	3,109	1,422	10,988	5,024	15,790	154,959
Due to members		566,273	599,490	378,269	474,421	175,907	125,069	12,097	-
Performance fees payable	5	630,953	927	630,953	927	-	-	-	-
Investment management fees payable	5	644,241	404,304	454,601	293,396	174,672	110,908	6,338	8,630
Audit fee payable	5	69,688	25,000	19,554	12,500	19,386	12,500	15,374	15,374
Administration fee payable	5	48,790	34,715	27,801	20,701	14,795	14,014	2,832	3,362
Custodian fee payable	5	34,865	21,651	22,798	14,056	9,519	7,595	1,274	1,274
Director's fee payable	5	9,152	10,393	3,699	355	3,699	10,038	877	877
Accrued expenses and other payables	7	261,634	68,265	61,458	27,088	65,120	41,177	68,505	66,551
<b>Liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>14,642,246</b>	<b>12,129,550</b>	<b>7,548,401</b>	<b>7,771,528</b>	<b>5,756,058</b>	<b>4,358,022</b>	<b>422,134</b>	<b>915,653</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>1,047,437,572</b>	<b>578,072,163</b>	<b>776,269,905</b>	<b>390,928,350</b>	<b>242,049,314</b>	<b>187,143,813</b>	<b>13,744,764</b>	<b>15,373,589</b>

Approved on behalf of the Board

Director: Des Quigley

Director: Carl O'Sullivan

20 April 2016

The accompanying notes form an integral part of these financial statements



**ALGEBRIS UCITS FUNDS PLC**

**Statement of Comprehensive Income**  
for the financial year ended 31 December 2015

	Notes	Total 2015 EUR	Total 2014 EUR	Algebris Financial Credit Fund 2015 EUR	Algebris Financial Credit Fund 2014 EUR	Algebris Financial Income Fund 2015 EUR	Algebris Financial Income Fund 2014 EUR	Algebris Asset Allocation Fund 2015* EUR	Algebris Financial Equity Fund 2015* EUR
<b>Investment income</b>									
Dividend income	2	7,844,501	5,011,598	2,343,459	1,398,348	5,322,914	3,613,250	50,003	128,125
Other income		1,664,683	911,917	1,139,681	737,721	524,880	174,196	103	19
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss		47,604,152	38,409,590	38,767,021	24,347,808	9,024,489	14,061,782	73,919	(261,277)
Net (loss)/gain on foreign exchange	2	(448,007)	(92,164)	(2,010)	38,436	(440,042)	(130,600)	(10,637)	4,682
<b>Total investment income/(loss)</b>		<b>56,665,329</b>	<b>44,240,941</b>	<b>42,248,151</b>	<b>26,522,313</b>	<b>14,432,241</b>	<b>17,718,628</b>	<b>113,388</b>	<b>(128,451)</b>
<b>Operating expenses</b>									
Performance fees	5	2,645,909	1,942,476	2,645,909	1,942,476	-	-	-	-
Preliminary expense		119,841	32,341	213	264	-	32,077	59,814	59,814
Investment management fees	5	6,140,806	3,625,023	4,299,434	2,615,247	1,772,243	1,009,776	27,876	41,253
Administration fees	5	749,085	445,429	463,345	272,204	228,474	173,225	27,957	29,309
Directors' fees	5	33,959	39,922	14,645	19,961	14,961	19,961	2,177	2,176
Dividend expense		-	18,775	-	-	-	18,775	-	-
Custodian fees	5	392,259	315,520	239,211	191,127	132,006	124,393	10,521	10,521
Audit fees	5	75,437	39,439	22,428	19,075	22,261	20,364	15,374	15,374
Other expenses	8	1,163,405	478,909	489,176	248,537	419,395	230,372	112,559	142,275
<b>Total operating expenses</b>		<b>11,320,701</b>	<b>6,937,834</b>	<b>8,174,361</b>	<b>5,308,891</b>	<b>2,589,340</b>	<b>1,628,943</b>	<b>256,278</b>	<b>300,722</b>
<b>Net investment income/(loss)</b>		<b>45,344,628</b>	<b>37,303,107</b>	<b>34,073,790</b>	<b>21,213,422</b>	<b>11,842,901</b>	<b>16,089,685</b>	<b>(142,890)</b>	<b>(429,173)</b>
<b>Finance costs</b>									
Distributions to holders of redeemable participating shares	10	17,884,148	8,475,962	14,355,776	6,425,342	3,528,372	2,050,620	-	-
Interest expense	2	421,981	23,230	177,124	3,697	180,579	19,533	20,912	43,366
<b>Total finance costs</b>		<b>18,306,129</b>	<b>8,499,192</b>	<b>14,532,900</b>	<b>6,429,039</b>	<b>3,708,951</b>	<b>2,070,153</b>	<b>20,912</b>	<b>43,366</b>

The accompanying notes form an integral part of these financial statements

ALTEGRIS UCITS FUNDS PLC

Statement of Comprehensive Income (continued)  
for the financial year ended 31 December 2015

		Total	Total	Algebris Financial Credit Fund	Algebris Financial Credit Fund	Algebris Financial Income Fund	Algebris Financial Income Fund	Algebris Asset Allocation Fund	Algebris Financial Equity Fund
	Notes	2015 EUR	2014 EUR	2015 EUR	2014 EUR	2015 EUR	2014 EUR	2015* EUR	2015* EUR
<b>Profit/(loss) before tax</b>		<b>27,038,499</b>	<b>28,803,915</b>	<b>19,540,890</b>	<b>14,784,383</b>	<b>8,133,950</b>	<b>14,019,532</b>	<b>(163,802)</b>	<b>(472,539)</b>
Withholding tax on dividends	2	1,470,949	1,044,670	281,593	271,907	1,166,940	772,763	5,318	17,098
Withholding tax on interest		827,200	424,173	810,657	386,511	16,543	37,662	-	-
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>		<b>24,740,350</b>	<b>27,335,072</b>	<b>18,448,640</b>	<b>14,125,965</b>	<b>6,950,467</b>	<b>13,209,107</b>	<b>(169,120)</b>	<b>(489,637)</b>

\*For the period from 20 April 2015 (date of launch) to 31 December 2015.

Approved on behalf of the Board

Director: Des Quigley

Director: Carl O'Sullivan

20 April 2016

The accompanying notes form an integral part of these financial statements

## ALTEGRIS UCITS FUNDS PLC

### Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for the financial year ended 31 December 2015

	<b>Total</b>		<b>Algebris Financial Credit Fund</b>		<b>Algebris Financial Credit Fund</b>		<b>Algebris Financial Income Fund</b>		<b>Algebris Financial Income Fund</b>		<b>Algebris Asset Allocation Fund</b>		<b>Algebris Financial Equity Fund</b>
	<b>2015</b>	<b>Total</b>	<b>2015</b>	<b>Total</b>	<b>2014</b>	<b>Total</b>	<b>2015</b>	<b>Total</b>	<b>2014</b>	<b>Total</b>	<b>2015*</b>	<b>Total</b>	<b>2015*</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
<b>Net assets attributable to holders of redeemable participating shares at beginning of financial year</b>	578,072,163	280,880,400	390,928,350	176,077,344	187,143,813	104,803,056	-	-					
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	24,740,350	27,335,072	18,448,640	14,125,965	6,950,467	13,209,107	(169,120)	(489,637)					
Proceeds from redeemable participating shares issued	745,605,644	356,996,166	532,427,649	257,826,040	182,671,164	99,170,126	14,336,574	16,170,257					
Payment on redemption of redeemable participating shares	(300,980,585)	(87,139,475)	(165,534,734)	(57,100,999)	(134,716,130)	(30,038,476)	(422,690)	(307,031)					
<b>Net assets attributable to holders of redeemable participating shares at end of financial year</b>	<b>1,047,437,572</b>	<b>578,072,163</b>	<b>776,269,905</b>	<b>390,928,350</b>	<b>242,049,314</b>	<b>187,143,813</b>	<b>13,744,764</b>	<b>15,373,589</b>					

\*For the period from 20 April 2015 (date of launch) to 31 December 2015.

The accompanying notes form an integral part of these financial statements

**ALGEBRIS UCITS FUNDS PLC**

**Statement of Cash Flows**

for the financial year ended 31 December 2015

	<b>Total 2015 EUR</b>	<b>Total 2014 EUR</b>	<b>Algebris Financial Credit Fund 2015 EUR</b>	<b>Algebris Financial Credit Fund 2014 EUR</b>	<b>Algebris Financial Income Fund 2015 EUR</b>	<b>Algebris Financial Income Fund 2014 EUR</b>	<b>Algebris Asset Allocation Fund 2015* EUR</b>	<b>Algebris Financial Equity Fund 2015* EUR</b>
<b>Cash flows from operating activities</b>								
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	42,624,498	35,811,034	32,804,416	20,551,307	10,478,839	15,259,727	(169,120)	(489,637)
Purchase of financial assets and settlement of financial liabilities	(873,119,253)	(527,334,907)	(451,400,663)	(315,135,854)	(360,496,552)	(212,199,053)	(23,577,519)	(37,644,519)
Proceeds from sale of financial assets and of financial liabilities	548,896,899	312,648,053	199,293,427	150,916,446	311,779,269	161,731,607	12,643,461	25,180,742
Realised and unrealised (loss)/gain	(44,078,079)	(38,222,893)	(33,271,866)	(25,737,391)	(10,922,706)	(12,485,502)	(89,988)	206,481
Increase in interest receivable	(5,156,710)	(1,963,064)	(4,639,726)	(1,763,669)	(457,330)	(199,395)	(59,654)	-
(Increase)/decrease in dividend receivable	(5,291)	(53,605)	(1,527)	37,853	2,045	(91,458)	(232)	(5,577)
Decrease in dividend payable	-	(60)	-	(60)	-	-	-	-
Increase in other receivables	(3,368)	-	(1,039)	-	(1,039)	-	(645)	(645)
(Increase)/decrease in other payables	1,312,468	(1,338,762)	853,528	(726,757)	96,923	(612,005)	110,990	251,027
<b>Net cash used in operating activities</b>	<b>(329,528,836)</b>	<b>(220,454,204)</b>	<b>(256,363,450)</b>	<b>(171,858,125)</b>	<b>(49,520,551)</b>	<b>(48,596,079)</b>	<b>(11,142,707)</b>	<b>(12,502,128)</b>
<b>Cash flows from financing activities</b>								
Proceeds from redeemable participating shares issued	741,829,935	354,682,818	529,167,046	255,937,148	182,588,445	98,745,670	14,003,940	16,070,504
Payment on redemption of redeemable participating shares	(301,013,802)	(86,635,945)	(165,630,886)	(56,639,165)	(134,665,292)	(29,996,780)	(410,593)	(307,031)
Distributions to holders of redeemable participating shares	(17,884,148)	(8,475,962)	(14,355,776)	(6,425,342)	(3,528,372)	(2,050,620)	-	-
<b>Net cash provided by financing activities</b>	<b>422,931,985</b>	<b>259,570,911</b>	<b>349,180,384</b>	<b>192,872,641</b>	<b>44,394,781</b>	<b>66,698,270</b>	<b>13,593,347</b>	<b>15,763,473</b>
Net increase/(decrease) in cash and cash equivalents	93,403,149	39,116,707	92,816,934	21,014,516	(5,125,770)	18,102,191	2,450,640	3,261,345
Cash and cash equivalents at beginning of the financial year/ period	60,031,327	20,914,620	35,949,821	14,935,305	24,081,506	5,979,315	-	-
<b>Cash and cash equivalents at end of the financial year/period</b>	<b>153,434,476</b>	<b>60,031,327</b>	<b>128,766,755</b>	<b>35,949,821</b>	<b>18,955,736</b>	<b>24,081,506</b>	<b>2,450,640</b>	<b>3,261,345</b>
<b>Supplemental disclosures of cash flow information</b>								
Interest received	-	1,963,064	-	1,763,669	-	199,395	-	-
Interest paid	(421,981)	(23,230)	(177,124)	(3,697)	(180,579)	(19,533)	(20,912)	(43,366)
Dividends received	7,839,210	4,957,993	2,341,932	1,436,201	5,324,959	3,521,792	49,771	122,548
Dividends paid	(17,884,148)	(8,476,022)	(14,355,776)	(6,425,402)	(3,528,372)	(2,050,620)	-	-

\*For the period from 20 April 2015 (date of launch) to 31 December 2015.

The accompanying notes form an integral part of these financial statements

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements

for the financial year ended 31 December 2015

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#### 1. General

The Company was incorporated on 17 February 2012 as a variable capital open-ended umbrella investment company with segregated liability between Sub-Funds under the Companies Act 2014 with registration number 509801 and was authorised by the Central Bank of Ireland on 9 August 2012. The Company was incorporated as an umbrella fund with segregated liability between Sub-Funds in accordance with Irish law and as such, the assets of each Sub-Fund will not be exposed to the liabilities of the Company's other Sub-Funds. Each Sub-Fund of the Company will be responsible for paying its fees and expenses regardless of the level of its profitability. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Sub-Funds would necessarily be upheld. The Company is authorised in Ireland as an Undertaking for Collective Investment in Transferable Securities ("UCITS") pursuant to the UCITS Regulations. Further Sub-Funds may be established with the prior approval of the Central Bank of Ireland ("Central Bank").

The Company has no employees.

At 31 December 2015 the Company consisted of the following Sub-Funds:

#### **Algebris Financial Credit Fund**

The Sub-Fund's objective is to provide a high level of income and generate modest capital appreciation. There is no guarantee that the Sub-Fund will achieve this objective.

The Sub-Fund intends to seek to achieve its investment objective by investing primarily in fixed and variable interest securities (e.g. corporate bonds, which may be investment grade or below investment grade as rated by Moody's, Standard & Poor's, Fitch or other rating agencies, or unrated), contingent convertible instruments ("CoCo-Bonds"), hybrid securities (including Tier 1, upper and lower Tier 2 securities, which are forms of bank capital, and trust preferred securities which are hybrid securities with both debt and equity characteristics), preference shares, convertible securities (e.g. convertible bonds or convertible preferred stock), other subordinated debt, as further described below, as well as exchange traded notes ("ETNs"), exchange traded funds ("ETFs"), which provide exposure to the particular asset classes in which the Investment Manager wishes to invest, and deposits. The Sub-Fund may invest substantially in deposits with credit institutions during periods of high market volatility.

The Sub-Fund may not purchase ordinary equity securities, however the Sub-Fund may acquire and hold ordinary equity securities in the event that such ordinary equity securities are acquired by way of conversion from another security held by the Sub-Fund (e.g. a CoCo-Bond automatically converts into equity securities of the issuer under certain circumstances, as further described below). For the avoidance of doubt, the Sub-Fund shall not be required to sell or otherwise dispose of any ordinary equity securities so acquired. This may result in ordinary equity securities being a significant portion of the Sub-Fund's portfolio of assets.

The Sub-Fund may, subject to the requirements laid down by the Central Bank, enter into financial derivative instruments ("FDIs") for investment, efficient portfolio management and hedging (e.g. currency risk management) purposes. The Sub-Fund may also invest in convertible securities, CoCo-Bonds and ETNs which have embedded leverage or embed a derivatives component. The Sub-Fund may only use the other FDIs mentioned herein for hedging purposes. The Sub-Fund will take both long and short positions synthetically through the use of FDIs. These may include swaps, put and call options, futures and forward contracts.

The Sub-Fund may invest in other UCITS (other than feeder UCITS) and eligible Non-UCITS to give the Sub-Fund exposure to the asset classes set out above. These investments, which include open-ended ETFs, may not exceed 10% of the total Net Asset Value of the Sub-Fund. The underlying collective investment schemes may be leveraged.

Please refer to the Supplement for Algebris Financial Credit Fund dated 9 July 2015 for the full details of the investment policy of the Sub-Fund.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**1. General (continued)**

**Algebris Financial Income Fund**

The Sub-Fund's objective is to maximise income and generate superior risk-adjusted returns over an investment cycle of approximately 3 to 5 years by investing in high dividend-yielding equity stocks and bonds. There is no guarantee that the Sub-Fund will achieve this objective.

The Sub-Fund intends to seek to achieve its investment objective by investing in the financial sector globally, in equity securities (e.g. ordinary shares or common stock American depository receipts, global depository receipts and preference shares), fixed and variable rate debt securities (e.g. corporate bonds, which may be investment grade or below investment grade as rated by Moody's, Standard & Poor's, Fitch or other rating agencies, or unrated), contingent convertible instruments ("CoCo-Bonds"), exchange traded notes ("ETNs"), exchange traded funds ("ETFs") (which provide exposure to the particular asset classes in which the Investment Manager wishes to invest), hybrid securities (including Tier 1, upper and lower Tier 2 securities, which are forms of bank capital, and trust preferred securities which are hybrid securities with both debt and equity characteristics), convertible securities (e.g. convertible bonds or convertible preferred stock) and other subordinated debt, as further described below, as well as deposits. The Sub-Fund may invest substantially in deposits with credit institutions during periods of high market volatility.

The Sub-Fund may, subject to the requirements laid down by the Central Bank, enter into financial derivative instruments ("FDIs") for investment, efficient portfolio management and hedging (e.g. currency risk management) purposes. The Sub-Fund may only use equity swaps, contracts for differences ("CFDs"), put and call equity options for hedging and/or investment purposes. The Sub-Fund may also invest in convertible securities, CoCo-Bonds and ETNs which have embedded leverage or embed a derivatives component. The Sub-Fund may only use the other FDIs mentioned herein for hedging purposes. Warrants and rights may be received passively (e.g. as a result of corporate actions) because of the Sub-Fund's existing holdings in equity or other securities issued by the rights and/or warrants issuer. The Sub-Fund will take both long and short positions synthetically through the use of FDIs. These may include swaps and CFDs put and call options, futures and forward contracts.

The Sub-Fund may invest in other UCITS (other than feeder UCITS) and eligible Non-UCITS to give the Sub-Fund exposure to the asset classes set out above. These investments, which include open-ended ETFs, may not exceed 10% of the total Net Asset Value of the Sub-Fund. The underlying collective investment schemes may be leveraged.

Please refer to the Supplement for Algebris Financial Income Fund dated 15 April 2015 for the full details of the investment policy of the Sub-Fund.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**1. General (continued)**

**Algebris Asset Allocation Fund**

The Sub-Fund's objective is to achieve positive absolute returns over an investment cycle of approximately 3 to 5 years by taking long and synthetic short positions primarily in transferable securities and financial derivative instruments ("FDIs"). There is no guarantee that the Sub-Fund will achieve this objective.

The Sub-Fund intends to seek to achieve its investment objective by investing primarily in transferable securities (e.g. equity, equity-related and debt securities) and FDIs globally. Debt securities may include private and public debt securities (e.g. corporate or government bonds which may be fixed or variable rate, investment grade or below investment grade as rated by Moody's, Standard & Poor's, Fitch or other rating agencies, or unrated) and commercial paper. The Sub-Fund may invest in a wide range of other transferable securities including, without limitation, ordinary shares, common stock, equity-related securities including preference shares, convertible securities (e.g. convertible bonds or convertible preferred stock) and contingent convertible instruments ("CoCo-Bonds"), exchange traded notes ("ETNs"), global depository receipts, American depository receipts, warrants and rights. The Sub-Fund may also invest in exchange traded funds ("ETFs"), which provide exposure to the particular asset classes in which the Investment Manager wishes to invest, and in ancillary liquid assets, which may include bank deposits, certificates of deposit, government securities (including fixed rate government bonds), floating rate notes, money market funds, and freely transferable promissory notes. The Sub-Fund may invest substantially all of its assets in deposits with credit institutions (or other ancillary liquid assets) during periods of high market volatility.

The Sub-Fund may, subject to the requirements laid down by the Central Bank, FDIs for investment, efficient portfolio management and hedging (e.g. currency risk management) purposes. The Sub-Fund may take both long and short positions synthetically through the use of FDIs. These may include: swaps, contracts for difference ("CFDs"), credit default swaps, put and call options and swaptions, futures, forward contracts, warrants and rights. In addition, convertible securities, CoCo-Bonds and ETNs may have embedded leverage or embed a derivatives component. The Sub-Fund may invest in closed-ended ETFs that are classified under the Regulations as transferable securities, some of which may hold derivatives such as futures, forwards, options, swaps or other instruments.

The Sub-Fund may invest in other UCITS (other than feeder UCITS) and eligible Non-UCITS to give the Sub-Fund exposure to the asset classes set out above. These investments, which include open-ended ETFs, may not exceed 10% of the total Net Asset Value of the Sub-Fund. The underlying collective investment schemes may be leveraged.

Please refer to the Supplement for Algebris Asset Allocation Fund dated 15 April 2015 for the full details of the investment policy of the Sub-Fund.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**1. General (continued)**

**Algebris Financial Equity Fund**

The Sub-Fund's objective is to achieve positive absolute returns, primarily by taking long and synthetic short positions primarily in transferable securities and financial derivative instruments ("FDIs") of companies in or related to the global financial services sector and to a lesser extent, the real estate sector. There is no guarantee that the Sub-Fund will achieve this objective.

The Sub-Fund intends to seek to achieve its investment objective by investing primarily in transferable securities (e.g. equity, equity-related and debt securities) and FDIs in the global financial services sector. Debt securities may include private and public debt securities (e.g. corporate or government bonds which may be fixed or variable rate, investment grade or below investment grade as rated by Moody's, Standard & Poor's, Fitch or other rating agencies, or unrated) and commercial paper. The Sub-Fund may invest in a wide range of other transferable securities, including, without limitation, ordinary shares, common stock, equity-related securities including preference shares, convertible securities (e.g. convertible bonds or convertible preferred stock) and contingent convertible instruments ("CoCo-Bonds"), exchange traded notes ("ETNs"), real estate investment trusts ("REITs"), global depository receipts, American depository receipts, warrants and rights. No more than 30% of the Net Asset Value of the Sub-Fund may be invested in below investment grade securities. The Sub-Fund may also invest in exchange traded funds ("ETFs"), which provide exposure to the particular asset classes in which the Investment Manager wishes to invest, and in ancillary liquid assets, which may include bank deposits, certificates of deposit, government securities (including fixed rate government bonds), floating rate notes, money market funds and freely transferable promissory notes. The Sub-Fund may invest substantially all of its assets in deposits with credit institutions (or other ancillary liquid assets) during periods of high market volatility.

The Sub-Fund may, subject to the requirements laid down by the Central Bank, enter into FDI transactions for investment, efficient portfolio management and hedging (e.g. currency risk management) purposes. The Sub-Fund may take both long and short positions synthetically through the use of FDIs. These may include: swaps, contracts for difference ("CFDs"), credit default swaps, put and call options and swaptions, futures, forward contracts, warrants and rights. In addition, convertible securities, CoCo-Bonds and ETNs may have embedded leverage or embed a derivatives component. The Sub-Fund may invest in closed-ended ETFs that are classified under the Regulations as transferable securities, some of which may hold derivatives such as futures, forwards, options, swaps or other instruments.

The Sub-Fund may invest in other UCITS (other than feeder UCITS) and eligible Non-UCITS to give the Sub-Fund exposure to the asset classes set out above. These investments, which include open-ended ETFs, may not exceed 10% of the total Net Asset Value of the Sub-Fund. The underlying collective investment schemes may be leveraged.

Please refer to the Supplement for Algebris Financial Equity Fund dated 1 December 2015 for the full details of the investment policy of the Sub-Fund.



**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**2. Principal accounting policies**

The principal accounting policies adopted by the Company in the preparation of these Financial Statements are set out below.

**(a) Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted for use in the European Union, Irish statute comprising the Companies Act 2014 and the UCITS Regulations.

**(b) Financial assets and liabilities at fair value through profit or loss**

*(i) Classification*

The Company has classified its investments into the financial assets and liabilities at fair value through profit or loss category in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

This category has two sub-categories: financial assets and liabilities held for trading, and those designated as at fair value through profit or loss upon initial recognition. Financial assets or liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing in the short term. All investments and derivative contracts have been categorised as held for trading.

*(ii) Recognition*

Financial assets and liabilities at fair value through profit and loss are recognised initially on the trade date at which the Company becomes a party to contracted provisions of the instruments. Other financial assets and liabilities are recognised on the date they are originated.

*(iii) Derecognition*

A financial asset is derecognised when the Company no longer has control over the contractual rights that comprise that asset. This occurs when the rights are realised, expire or are surrendered. A financial liability is derecognised when it is extinguished or when the obligation specified in the contract is discharged, cancelled or expired. Assets held for trading that are sold are derecognised and corresponding receivables from the buyer for the payment are recognised as of the date the Company commits to sell the assets.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Comprehensive Income.

*(iv) Initial measurement*

Financial instruments categorised at fair value through profit or loss are recognised initially at fair value, which is usually the purchase price, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income. Financial liabilities, other than those at fair value through the profit or loss, are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

*(v) Subsequent measurement*

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss, at their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair value is defined as the closing price, or latest available trading price.

If a quoted market price is not available on a recognised stock exchange or from a reputable broker/counterparty, the fair value of the financial instruments may be estimated by the Directors using valuation techniques, including the following: use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**2. Principal accounting policies (continued)**

**(b) Financial assets and liabilities at fair value through profit or loss (continued)**

Where discounted cash flow techniques are used, estimated future cash flows are based on the Directors' best estimates and the discount rate used is a market rate at the Statement of Financial Position date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data available at the Statement of Financial Position date. Fair values for unquoted equity investments are estimated, if possible, using price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

Gains and losses arising from changes in the fair value of financial assets and liabilities including financial derivative instruments at fair value through profit or loss are included in the Statement of Comprehensive Income in the financial year in which they arise.

*(vi) Use of estimates and judgements*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The key judgments and estimates relate to investments and further information on this is disclosed in Note 13.

*(vii) Derivative financial instruments*

*Forward foreign exchange contracts*

A forward foreign currency contract involves an obligation to purchase or sell a specific currency at a future date, at a price set at the time the contract is made. Forward foreign currency contracts are valued by reference to the forward price at which a new forward foreign currency contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward foreign currency contracts is calculated as the difference between the contract rate and the forward price and is recognised in the Statement of Financial Position and the Statement of Comprehensive Income. Realised and change in unrealised gains or losses on forward contracts are recognised in the Statement of Comprehensive Income. Where a forward foreign currency contract is purchased to hedge the currency risk of a specific class which is issued in a currency other than the measurement currency of the Company, all gains and losses on that forward foreign currency contract are allocated to that class.

*Contracts for difference*

Contracts for difference are agreements between the Company and third parties, which allow the Company to acquire an exposure to the price movement of specific securities without actually purchasing the securities. The changes in contract values are recorded as unrealised gains or losses and the Company recognises a realised gain or loss when the contract is closed. Realised and unrealised gains and losses on contracts for difference are recognised in the Statement of Comprehensive Income. At each valuation point the difference in price between the contract price of the contracts for difference and the market price of the underlying equity is recorded as the fair value (unrealised gain or loss) of the contracts for difference. When a contracts for difference is closed the difference between the contract price of the contracts for difference and the market price is recorded as a realised fair value gain or loss in the Statement of Comprehensive Income.

*Futures*

Futures are valued at fair value based on the settlement price on the relevant valuation date.

Futures are contracts for delayed delivery of commodities in which the seller agrees to make delivery at a specific future date of a specific commodity, at a specified price or yield. Gains and losses on futures are recorded by the Sub-Funds based on market fluctuations and are recorded as realised or unrealised gains/(losses) or other income dependent upon settlement terms of the contracts held

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**2. Principal accounting policies (continued)**

**(b) Financial assets and liabilities at fair value through profit or loss (continued)**

*Options*

Options are valued at fair value based on the closing price on the relevant valuation date provided by the relevant counterparty.

The premium on written call options exercised is added to the proceeds from the sale of the underlying security or foreign currency in determining the realised gain or loss. The premium on written put options exercised is subtracted from the cost of the securities or foreign currencies purchased. Premiums received from written options, which expire unexercised, are treated as realised gains. For unsettled positions, unrealised gains or losses are recognised in the Statement of Comprehensive Income.

Realised and unrealised gains and losses on all derivative contracts are recognised in the Statement of Comprehensive Income.

*(viii) Impairment of financial assets*

The Company assesses at each Statement of Financial Position date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial assets that can be reliably estimated.

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Fund would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrowers.

*(ix) Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount is reported in note 13 when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

The Company holds master netting or similar agreements with HSBC Bank plc. The Company considers that it has a current legally enforceable right to set off the recognised amounts as further described in note 13 to the financial statements, however is not expected to realise the relevant assets and settle the liabilities simultaneously and therefore has not offset the relevant financial assets and liabilities under such agreements.

*(x) Transaction costs*

Transaction costs are incremental costs, which are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value through profit or loss plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Transaction costs on the purchase of fixed income securities and forwards are included on the purchase and sale price of the investment. They cannot be practically or reliably gathered as they are embedded in the cost of the investment and cannot be separately verified or disclosed.

Transaction costs on purchases and sales of equities, options and contracts for difference are included in net gains/(losses) on financial assets and liabilities in the Statement of Comprehensive Income for each Sub-Fund. Custody transactions costs are included in Custodian fees in the Statement of Comprehensive Income (see Note 5).

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**2. Principal accounting policies (continued)**

**(c) Cash and cash equivalents**

Cash and cash equivalents comprise of cash held with HSBC Bank Plc. Cash is valued at its face value with interest accrued, where applicable, recorded as interest receivable.

**(d) Foreign currency translation**

*(i) Functional and presentation currency*

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which they operate (the "functional currency"). As the Company's redeemable non-participating shares are issued in Euro, the Directors have determined that the functional and presentational currency is Euro ("EUR").

Unrealised gains or losses on open forward foreign currency contracts are calculated as the difference between the contract date rate and the applicable forward rate at the reporting date as reported in published sources, applied to the face amount of the forward foreign currency. The unrealised gain or loss at the reporting date is included in the Statement of Financial Position and realised gain or loss is included in the Statement of Comprehensive Income.

*(ii) Foreign currency transactions*

Transactions in foreign currencies are translated into Euro at the exchange rate prevailing on the transaction date. All assets and liabilities denominated in foreign currencies at the reporting date are retranslated into Euro at the exchange rate at that date. The realised and unrealised gains/losses on foreign currency transactions are accounted for in the Statement of Comprehensive Income.

**(e) Interest income and interest expense**

Interest income and interest expense are recognised in the Statement of Comprehensive Income on an effective interest rate basis.

**(f) Expenses**

All expenses, including management fees and performance fees, are recognised in the Statement of Comprehensive Income on an accruals basis.

**(g) Dividend income**

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend". Income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

**(h) Redeemable participating shares**

Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities. The participating shares can be put back to the Sub-Funds on any dealing day for cash equal to a proportionate share of the relevant Sub-Fund's Net Asset Value.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**2. Principal accounting policies (continued)**

**Changes to the accounting policies**

**Amendment to IAS 24, 'Related Party Disclosures':** Amendment to IAS 24, issued in December 2013, extends the definition of a related party to include a management entity that provides key management personnel services to the reporting entity. The amendment specifies that if key management personnel services are provided by a management entity, then the reporting entity is required to separately disclose the amounts incurred for the provision of key management personnel services that are provided by that management entity. However, the reporting entity is not required to look through the management entity and disclose compensation paid by the management entity to its employees and directors.

Amendment to IAS 24 were effective for annual reporting periods beginning on or after 1 July 2014, with early adoption permitted. As the Company is already disclosing this information, the amendment does not have any impact on the Company.

**IFRS 13 Fair Value Measurement:** The IASB amended the paragraph 52 to clarify that the portfolio exception applies to all contracts within the scope of IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in IAS 32 Financial Instruments: Presentation.

The amendments were applicable for annual periods beginning on or after 1 July 2014. Earlier application is permitted. Adoption of this amendment does not have material impact on the Company financial statement.

**Accounting standards in issue but not yet effective and have not been early adopted**

In December 2014, the International Accounting Standards Board (the IASB or the Board) issued amendments to IAS 1 *Presentation of Financial Statements* and an exposure draft proposing amendments to IAS 7 *Statement of Cash Flows* as part of its Disclosure Initiative.

The following narrow-scope amendments have been made to IAS 1:

- **Materiality and aggregation:** clarifies that an entity should not obscure useful information by aggregating or disaggregating information; and that materiality considerations apply to the primary statements, notes and any specific disclosure requirements in IFRSs, i.e. disclosures specifically required by IFRSs need to be provided only if the information is material.
- **Statement of Financial Position and Statement of Comprehensive Income:** clarifies that the list of line items specified by IAS 1 for these statements can be disaggregated and aggregated as relevant. Additional guidance has been added on the presentation of subtotals in these statements.
- **Presentation of items of other comprehensive income ("OCI"):** clarifies that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss.
- **Notes:** clarifies that entities have flexibility when designing the structure of the notes and provides guidance on how to determine a systematic order of the notes. Also, unhelpful examples regarding the identification of significant accounting policy have been removed.

The amendments are applicable for annual periods beginning on or after 1 January 2016. Earlier application is permitted. Adoption of this amendment is not expected to have a material impact on the presentation of the Company's financial statements.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**2. Principal accounting policies (continued)**

**Accounting standards in issue but not yet effective and have not been early adopted (continued)**

**IFRS 9, 'Financial Instruments' (effective 1 January 2018):** IFRS 9, published in July 2014, will replace the existing guidance in IAS 39. It includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. Based on the initial assessment, this standard is not expected to have a material impact on the Company.

**Amendments to IFRS 10, IFRS 12 and IAS 28:** On 18 December 2014, the International Accounting Standards Board (IASB) issued Investment Entities: Applying the Consolidation Exception (amendments to IFRS 10, IFRS 12 and IAS 28). The amendments address the following issues that have arisen in applying the investment entities exception under IFRS 10 Consolidated Financial Statements:

-Exemption from preparing consolidated financial statements: the amendments clarify that the Exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

-Subsidiary that provides services that support the investment entity's investment activities: the amendments clarify that only a subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.

-Application of the equity method by a non-investment entity that has an interest in an associate or joint venture that is an investment entity: the amendments to IAS 28 Investments in Associates and Joint Ventures allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. Based on the initial assessment, this standard is not expected to have a material impact on the Company.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**3. Financial assets and liabilities at fair value through profit or loss**

	<b>Algebris Financial Total 2015 EUR</b>	<b>Algebris Financial Credit Fund 2015 EUR</b>	<b>Algebris Financial Income Fund 2015 EUR</b>	<b>Algebris Asset Allocation Fund 2015 EUR</b>	<b>Algebris Financial Equity Fund 2015 EUR</b>
<b>Financial assets at fair value through profit or loss</b>					
<i>Held for trading:</i>					
Transferable securities					
- Equity securities*	146,245,768	16,826,904	112,462,846	5,068,074	11,887,944
- Fixed income	737,733,238	621,031,052	110,163,113	6,019,649	519,424
Financial derivatives					
- Contracts for difference	455,994	-	196,647	118,254	141,093
- Forward foreign exchange contracts	3,599,336	2,342,692	1,152,591	41,125	62,928
- Futures	19,071	-	-	4,479	14,592
- Options	1,738,624	-	1,393,759	64,192	280,673
<b>Total financial assets at fair value through profit or loss</b>	<b>889,792,031</b>	<b>640,200,648</b>	<b>225,368,956</b>	<b>11,315,773</b>	<b>12,906,654</b>
<b>Financial liabilities at fair value through profit or loss</b>					
<i>Held for trading:</i>					
Financial derivatives					
- Contracts for difference	(3,365,021)	-	(2,754,377)	(182,974)	(427,670)
- Forward foreign exchange contracts	(8,727,425)	(5,946,159)	(2,483,124)	(92,137)	(206,005)
- Options	(99,358)	-	(44,471)	(23,936)	(30,951)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(12,191,804)</b>	<b>(5,946,159)</b>	<b>(5,281,972)</b>	<b>(299,047)</b>	<b>(664,626)</b>
<b>Net gain on financial assets and liabilities</b>	<b>47,604,152</b>	<b>38,767,021</b>	<b>9,024,489</b>	<b>73,919</b>	<b>(261,277)</b>

\*The equity securities per the above table relate to preferred stock on all securities held by the Algebris Financial Credit Fund, and certain securities held by the Algebris Financial Income Fund.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**3. Financial assets and liabilities at fair value through profit or loss (continued)**

	<b>Total 2014 EUR</b>	<b>Algebris Financial Credit Fund 2014 EUR</b>	<b>Algebris Financial Income Fund 2014 EUR</b>
<b>Financial assets at fair value through profit or loss</b>			
<i>Held for trading:</i>			
Transferable securities			
- Equity securities*	117,132,758	21,615,266	95,517,492
- Fixed income	399,160,025	332,465,262	66,694,763
Financial derivatives			
- Contracts for difference	875,909	-	875,909
- Forward foreign exchange contracts	3,118,990	1,721,521	1,397,469
- Options	564,391	-	564,391
<b>Total financial assets at fair value through profit or loss</b>	<b>520,852,073</b>	<b>355,802,049</b>	<b>165,050,024</b>
<b>Financial liabilities at fair value through profit or loss</b>			
<i>Held for trading:</i>			
Financial derivatives			
- Contracts for difference	(99,411)	-	(99,411)
- Forward foreign exchange contracts	(9,662,933)	(6,926,662)	(2,736,271)
- Options	(1,196,015)	-	(1,196,015)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(10,958,359)</b>	<b>(6,926,662)</b>	<b>(4,031,697)</b>
<b>Net gain on financial assets and liabilities at fair value through profit or loss</b>	<b>38,409,590</b>	<b>24,347,808</b>	<b>14,061,782</b>

\*The equity securities per the above table relate to preferred stock on all securities held by the Algebris Financial Credit Fund, and certain securities held by the Algebris Financial Income Fund.

**4. Fair value measurement**

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2015.

<b>Algebris Financial Credit Fund</b>	<b>Level 1 EUR</b>	<b>Level 2 EUR</b>	<b>Level 3 EUR</b>	<b>Total EUR</b>
<b>Financial assets at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Equity securities	16,826,904	-	-	16,826,904
- Fixed income	618,664,134	2,366,918	-	621,031,052
- Forward foreign exchange contracts	-	2,342,692	-	2,342,692
<b>Total financial assets at fair value through profit or loss</b>	<b>635,491,038</b>	<b>4,709,610</b>	<b>-</b>	<b>640,200,648</b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Forward foreign exchange contracts	-	(5,946,159)	-	(5,946,159)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>(5,946,159)</b>	<b>-</b>	<b>(5,946,159)</b>

There were transfers of EUR 305,667,122 between Level 1 and Level 2 during the financial year, following a detailed examination of the level of trading volume supporting market prices observed. There was no movement in or out of Level 3.



## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 4. Fair value measurement (continued)

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2015.

<b>Algebris Financial Income Fund</b>	<b>Level 1 EUR</b>	<b>Level 2 EUR</b>	<b>Level 3 EUR</b>	<b>Total EUR</b>
<b>Financial assets at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Equity securities	112,462,846	-	-	112,462,846
- Fixed income	110,163,113	-	-	110,163,113
- Contracts for difference	-	196,647	-	196,647
- Forward foreign exchange contracts	-	1,152,591	-	1,152,591
- Options	1,154,445	239,314	-	1,393,759
<b>Total financial assets at fair value through profit or loss</b>	<b>223,780,404</b>	<b>1,588,552</b>	<b>-</b>	<b>225,368,956</b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Contracts for difference	-	(2,754,377)	-	(2,754,377)
- Forward foreign exchange contracts	-	(2,483,124)	-	(2,483,124)
- Options	(44,471)	-	-	(44,471)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(44,471)</b>	<b>(5,237,501)</b>	<b>-</b>	<b>(5,281,972)</b>

There were transfers of EUR 35,088,888 between Level 1 and Level 2 during the financial year, following a detailed examination of the level of trading volume supporting market prices observed. There was no movement in or out of Level 3.

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2015.

<b>Algebris Asset Allocation Fund</b>	<b>Level 1 EUR</b>	<b>Level 2 EUR</b>	<b>Level 3 EUR</b>	<b>Total EUR</b>
<b>Financial assets at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Equity securities	5,068,074	-	-	5,068,074
- Fixed income	6,019,649	-	-	6,019,649
- Contracts for difference	-	118,254	-	118,254
- Futures	4,479	-	-	4,479
- Forward foreign exchange contracts	-	41,125	-	41,125
- Options	49,501	14,691	-	64,192
<b>Total financial assets at fair value through profit or loss</b>	<b>11,141,703</b>	<b>174,070</b>	<b>-</b>	<b>11,315,773</b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Contracts for difference	-	(182,974)	-	(182,974)
- Forward foreign exchange contracts	-	(92,137)	-	(92,137)
- Options	(11,077)	(12,859)	-	(23,936)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(11,077)</b>	<b>(287,970)</b>	<b>-</b>	<b>(299,047)</b>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 4. Fair value measurement (continued)

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2015.

<b>Algebris Financial Equity Fund</b>	<b>Level 1 EUR</b>	<b>Level 2 EUR</b>	<b>Level 3 EUR</b>	<b>Total EUR</b>
<b>Financial assets at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Equity securities	11,887,944	-	-	11,887,944
- Fixed income	519,424	-	-	519,424
- Contracts for difference	-	141,093	-	141,093
- Forward foreign exchange contracts	-	62,928	-	62,928
- Futures	14,592	-	-	14,592
- Options	213,747	66,926	-	280,673
<b>Total financial assets at fair value through profit or loss</b>	<b>12,635,707</b>	<b>270,947</b>	<b>-</b>	<b>12,906,654</b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Contracts for difference	-	(427,670)	-	(427,670)
- Forward foreign exchange contracts	-	(206,005)	-	(206,005)
- Options	(10,052)	(20,899)	-	(30,951)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(10,052)</b>	<b>(654,574)</b>	<b>-</b>	<b>(664,626)</b>

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2014.

<b>Algebris Financial Credit Fund</b>	<b>Level 1 EUR</b>	<b>Level 2 EUR</b>	<b>Level 3 EUR</b>	<b>Total EUR</b>
<b>Financial assets at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Equity securities	21,615,266	-	-	21,615,266
- Fixed income	-	332,465,262	-	332,465,262
- Forward foreign exchange contracts	-	1,721,521	-	1,721,521
<b>Total financial assets at fair value through profit or loss</b>	<b>21,615,266</b>	<b>334,186,783</b>	<b>-</b>	<b>355,802,049</b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Forward foreign exchange contracts	-	(6,926,662)	-	(6,926,662)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>(6,926,662)</b>	<b>-</b>	<b>(6,926,662)</b>

There were no transfers between Level 1 and Level 2 during the financial year.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2015

#### 4. Fair value measurement (continued)

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2014.

<b>Algebris Financial Income Fund</b>	<b>Level 1 EUR</b>	<b>Level 2 EUR</b>	<b>Level 3 EUR</b>	<b>Total EUR</b>
<b>Financial assets at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Equity securities	95,517,492	-	-	95,517,492
- Fixed income	-	66,694,763	-	66,694,763
- Contracts for difference	-	875,909	-	875,909
- Forward foreign exchange contracts	-	1,397,469	-	1,397,469
- Options	564,391	-	-	564,391
<b>Total financial assets at fair value through profit or loss</b>	<b>96,081,883</b>	<b>68,968,141</b>	<b>-</b>	<b>165,050,024</b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Contracts for difference	-	(99,411)	-	(99,411)
- Forward foreign exchange contracts	-	(2,736,271)	-	(2,736,271)
- Options	(1,196,015)	-	-	(1,196,015)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(1,196,015)</b>	<b>(2,835,682)</b>	<b>-</b>	<b>(4,031,697)</b>

There were no transfers between Level 1 and Level 2 during the financial year.

IFRS 13 establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows: In determining an instrument's placement within the hierarchy, the Directors separate the Company's investment portfolio into two categories: investments and derivative instruments.

Level 1	Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;
Level 3	Inputs that are unobservable.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Directors. The Directors consider observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Directors' perceived risk of that instrument.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**4. Fair value measurement (continued)**

*Investments*

Investments whose values are based on quoted market prices in active markets are classified within level 1. These include active listed equities and bonds with high values. The Directors do not adjust the quoted price for such instruments, even in situations where the Company holds a large position and a sale could reasonably impact the quoted price.

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or not at all. There are no level 3 investments held at financial year end.

*Derivative instruments*

Derivative instruments can be exchange-traded or privately negotiated over-the-counter ("OTC"). Exchange-traded derivatives, such as futures contracts and exchange traded option contracts, are typically classified within level 1 or level 2 of the fair value hierarchy depending on whether or not they are deemed to be actively traded. OTC derivatives, such as forward foreign exchange contracts and equity swaps have inputs which can generally be corroborated by market data and are therefore classified within level 2.

The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, due to/from broker, due to/from members and short-term receivables and payables because their carrying amounts are a reasonable approximations of fair values.

*Transaction costs*

For Algebris Financial Credit Fund, transaction costs on the purchase and sale of bonds and forwards are included in the purchase and sale price of the investment. Transaction costs on purchases and sales of equities are included in net gains/(losses) on financial assets and liabilities in the Statement of Comprehensive Income.

For Algebris Financial Income Fund, transaction costs on the purchase and sale of bonds and forwards are included in the purchase and sale price of the investment. Transaction costs on purchases and sales of equities, options and contracts for difference are included in net gains/(losses) on financial assets and liabilities in the Statement of Comprehensive Income.

For Algebris Asset Allocation Fund, transaction costs on the purchase and sale of bonds and forwards are included in the purchase and sale price of the investment. Transaction costs on purchases and sales of equities, options and contracts for difference are included in net gains/(losses) on financial assets and liabilities in the Statement of Comprehensive Income.

For Algebris Financial Equity Fund, transaction costs on the purchase and sale of bonds and forwards are included in the purchase and sale price of the investment. Transaction costs on purchases and sales of equities, options and contracts for difference are included in net gains/(losses) on financial assets and liabilities in the Statement of Comprehensive Income.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2015

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#### 5. Fees and expenses

##### Investment management fees

For Algebris Financial Credit Fund, the Investment Manager shall be entitled to receive an investment management fee (the "Management Fee") from the Company equal to 0.50% per annum of the Net Asset Value of the Class I Shares and Class XXL shares, 0.79% per annum of the Net Asset Value of the Class Z Shares, 1.20% per annum of the Net Asset Value of the Class R Shares and 1.50% per annum of the Net Asset Value of the Class W Shares.

For Algebris Financial Income Fund, the Investment Manager shall be entitled to receive the Management Fee from the Company equal to 0.90% per annum of the Net Asset Value of the Class I Shares, 1.80% per annum of the Net Asset Value of the Class R Shares and 0.50% per annum of the Net Asset Value of the Class B Shares and Class XXL shares.

For Algebris Asset Allocation Fund, the Investment Manager shall be entitled to receive the Management Fee from the Company equal to 1.00% per annum of the Net Asset Value of the Class I Shares, 2.00% per annum of the Net Asset Value of the Class R Shares and 0.70% per annum of the Net Asset Value of the Class B Shares.

For Algebris Financial Equity Fund, the Investment Manager shall be entitled to receive the Management Fee from the Company equal to 1.50% per annum of the Net Asset Value of the Class I Shares, 2.00% per annum of the Net Asset Value of the Class R Shares and 1.00% per annum of the Net Asset Value of the Class B Shares.

The Management Fee shall be (i) calculated and accrued daily; and (ii) is calculated by reference to the Net Asset Value of the relevant Shares before the deduction of that days' Management Fee and accrued Performance Fee. The Management Fee is normally payable in arrears within 14 days' of the end of the relevant month end.

No Management Fee shall be payable in respect of Class M or Class Mn Shares.

In addition, the Investment Manager shall be entitled to be reimbursed its reasonably vouched out-of-pocket expenses. Each Sub-Fund shall bear its pro-rata share of such out-of-pocket expenses. Investment management fees for the financial year ended 31 December 2015 for amounted to EUR 6,140,806 (31 December 2014: EUR 3,625,023) of which EUR 644,241 (31 December 2014: EUR 404,304) was payable at financial year end.

##### Performance fees

###### Algebris Financial Credit Fund

The Performance Fee in respect of the Class I and Class R Accumulating Classes is equal to 10% of the excess of the Net Asset Value per Share of the relevant Class I Shares and Class R Shares (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of a Performance Period over the High Water Mark.

The Performance Fee in respect of the Class I and Class R Distributing Classes is equal to 10% of the excess of the Adjusted NAV over the Adjusted High Water Mark.

"Adjusted NAV" means the Net Asset Value per Share of the Class I and Class R Distributing Class after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee at the end of a Performance Period adjusted by the aggregate amount of all distributions per Share declared in respect of the Distributing Class since the initial issue of Shares in the Class.

"High Water Mark" means the previous highest of (i) the highest Net Asset Value per Share of the Class I and Class R Accumulating Classes (before any accrual for the Performance Fee) at the end of any previous Performance Period (occurring on a quarter end) on which the Performance Fee was paid; and (ii) the Initial Offer Price of the relevant Class I and Class R Accumulating Shares.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2015

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#### 5. Fees and expenses (continued)

##### Performance fees (continued)

###### Algebris Financial Credit Fund (continued)

“Performance Period” means a calendar quarter ending on 31 March, 30 June, 30 September and 31 December (each quarter end) in each year, save that the first Performance Period will commence upon the initial issue of Shares and will end on the following quarter end.

“Adjusted High Water Mark” means the previous highest of (i) the highest Adjusted NAV (before any accrual for the Performance Fee) at the end of any previous Performance Period (occurring on a quarter end) on which the Performance Fee was paid; and (ii) the Initial Offer Price of the Class I Accumulating Shares and Class R Accumulating Shares, respectively.

The Performance Fee (if any) will accrue daily. The amount accrued on each day will be determined by calculating the Performance Fee that would be payable if that day was the last day of the current Performance Period. The Performance Fee will be payable by the relevant Sub-Fund to the Investment Manager quarterly in arrears normally within 14 calendar days of the end of each Performance Period.

The Performance Fee, if any, is calculated on Net Asset Value per Share (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of each Performance Period (with respect to the Class I and Class R Accumulating Share Classes) and the Adjusted NAV (with respect to the Class I and Class R Distributing Share Classes) including in each case, for the avoidance of doubt the net realised and unrealised gains and losses. As a result, a Performance Fee may be paid on unrealised gains which may subsequently never be realised. There is no repayment of any Performance Fee already paid if the Net Asset Value per Share subsequently falls back below the High Water Mark or Adjusted High Water Mark, as appropriate, even if an investor redeems its holding. Accrued Performance Fee will be crystallised upon any redemption.

The calculation of the performance fee shall be verified by the Custodian.

No performance fees shall be payable in respect of Class M, Class XXL, Class W and Class Z shares.

Performance fees for the financial year ended 31 December 2015 amounted to EUR 2,645,909 (31 December 2014: EUR 1,942,476) of which EUR 630,953 (31 December 2014: EUR 927) was payable at financial year end.

###### Algebris Financial Income Fund

There are no performance fees in respect of Algebris Financial Income Fund.

###### Algebris Asset Allocation Fund

The Performance Fee in respect of the Class B, Class I and Class R Shares is equal to 10% of the excess of the Net Asset Value per Share of the relevant Class B Shares, Class I Shares and Class R Shares (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of a Performance Period over the High Water Mark.

No performance fees shall be payable in respect of Class M shares.

No performance fee was incurred during the period ended 31 December 2015.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**5. Fees and expenses (continued)**

**Performance fees (continued)**

**Algebris Financial Equity Fund**

The Performance Fee in respect of the Class B, Class Bm, Class I, Class Im, Class R and Class Rm is equal to 10% of the excess of the Net Asset Value per Share and Class I, Class Im, Class R and Class Rm Shares is equal to 20% of the excess of the Net Asset Value per Share of the relevant Class B, Class Bm, Class I, Class Im, Class R and Class Rm Shares (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of a Performance Period over the High Water Mark.

No performance fees shall be payable in respect of Class M and Class Mn shares.

No performance fee was incurred during the financial period ended 31 December 2015.

The Performance Fee (if any) will accrue daily. The amount accrued on each day will be determined by calculating the Performance Fee that would be payable if that day was the last day of the current Performance Period. The Performance Fee will be payable by the relevant Sub-Fund to the Investment Manager quarterly in arrears normally within 14 calendar days of the end of each Performance Period.

The Performance Fee, if any, is calculated on Net Asset Value per Share (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of each Performance Period (with respect to the Class B, Class Bm, Class I, Class Im, Class R and Class Rm Shares) including in each case, for the avoidance of doubt the net realised and unrealised gains and losses. As a result, a Performance Fee may be paid on unrealised gains which may subsequently never be realised. There is no repayment of any Performance Fee already paid if the Net Asset Value per Share subsequently falls back below the High Water Mark or Adjusted High Water Mark, as appropriate, even if an investor redeems its holding. Accrued Performance Fee will be crystallised upon any redemption.

The calculation of the performance fee shall be verified by the Custodian.

**Administration fees**

The Administrator shall be entitled to receive out of the assets of each Sub-Fund a fee, accrued and calculated daily and payable monthly in arrears, at a rate of up to 0.08 % per annum of a Sub-Fund's Net Asset Value for the first EUR 100 million, 0.06% per annum of a Sub-Fund's Net Asset Value between EUR 100 million and EUR 250 million, 0.04% per annum of a Sub-Fund's Net Asset Value between EUR 250 million and EUR 500 million and 0.02% per annum of a Sub-Fund's Net Asset Value above EUR 500 million subject to a minimum monthly fee of up to EUR 3,000 per Sub-Fund and EUR 500 per Share Class (which shall be reduced by 50% for the first six months after the launch of a Sub-Fund). The Administrator shall receive an annual reporting fee of EUR 3,000 per Sub-Fund.

In addition, the Company shall pay out of the assets of each Sub-Fund its portion of the Administrator's financial statement production fee of EUR 5,000 (per set) for the preparation of audited and unaudited financial statements for the Company. In addition, the Administrator shall be entitled to be reimbursed its reasonable vouched out-of-pocket expenses, transaction and account fees. Administration fees for the financial year ended 31 December 2015 amounted to EUR 749,085 (31 December 2014: EUR 445,429) of which EUR 48,790 (31 December 2014: EUR 34,715) was payable at financial year end.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

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#### 5. Fees and expenses (continued)

##### Custodian fees

The Custodian shall be entitled to receive out of the assets of each Sub-Fund a fee, accrued and calculated daily and payable monthly in arrears, at a rate of 0.05% per annum of a Sub-Fund's Net Asset Value for the first EUR 100 million, 0.04% per annum of a Sub-Fund's Net Asset Value between EUR 100 million and EUR 300 million and 0.03% per annum of a Sub-Fund's Net Asset Value above EUR 300 million subject to a minimum monthly fee of EUR 1,250 per Sub-Fund (for the first six months after the launch of a Sub-Fund, EUR 2,500 per month thereafter).

The Custodian shall also be entitled to receive transaction charges and all sub- Custodian charges will be recovered by the Custodian from the Company as they are incurred by the relevant sub- Custodians. All such charges shall be charged at normal commercial rates. The Custodian is also entitled to reimbursement of its reasonable vouched out-of-pocket expenses. Custodian fees for the financial year ended 31 December 2015 amounted to EUR 392,259 (31 December 2014: EUR 315,520) of which EUR 34,865 (31 December 2014: EUR 21,651) was payable at financial year end.

##### Directors' fees and expenses

The Directors shall be entitled to be paid a fee from the assets of the Company by way of remuneration for their services at a rate to be determined from time to time by the Directors, provided that the aggregate amount of Directors' remuneration in any one financial year shall not exceed EUR 75,000 plus VAT or such other maximum amount as may be determined by the Directors, notified to Shareholders in advance, and disclosed in the Prospectus or the Company's annual report. Mr Lasagna shall not receive a Directors' fee. The Directors will be entitled to be reimbursed by the Company for all reasonable disbursements and out-of-pocket expenses incurred by them. The Directors' fees for the financial year ended 31 December 2015 amounted to EUR 33,959 (31 December 2014: EUR 39,922) of which EUR 9,152 (31 December 2014: EUR 10,393) was payable at financial year end.

##### Auditors' fees

Fees accrued for the statutory auditors, KPMG, in respect of the financial year ending 31 December 2015, relate entirely to the audit of the financial statements of the Company. There were no fees accrued in respect of other assurance, tax advisory or non-audit services provided by the auditors. Auditors' fees accrued for the financial year ended 31 December 2015 amounted to EUR 75,437 (31 December 2014: EUR 39,439) of which EUR 69,688 (31 December 2014: EUR 25,000) was payable at financial year end.

##### Company secretarial fees

The Company secretary was Bradwell Limited up until 8 July 2015. From 9 July 2015 the company has appointed Tudor Trust Limited as Company Secretary. Company secretarial fees for the financial year ended 31 December 2015 amounted to EUR 48,217 (31 December 2014: EUR 9,754) of which EUR 52,253 (31 December 2014: EUR 12,100) was payable at financial year end.

##### Transaction costs

The below table provides a breakdown of the total transaction costs for the financial year ended 31 December 2015 and 2014.

	2015	2014
Algebris Financial Credit Fund	EUR 949,206	-
Algebris Financial Income Fund	EUR 741,748	EUR 385,645
Algebris Asset Allocation Fund	EUR 67,945	-
Algebris Financial Equity Fund	EUR 127,989	-
<b>Total</b>	<b>EUR 1,886,888</b>	<b>EUR 385,645</b>



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**6. Other receivables**

	<b>Algebris Financial Total 2015 EUR</b>	<b>Algebris Financial Credit Fund 2015 EUR</b>	<b>Algebris Financial Income Fund 2015 EUR</b>	<b>Algebris Asset Allocation Fund 2015 EUR</b>	<b>Algebris Financial Equity Fund 2015 EUR</b>
Interest receivable	10,347,062	8,872,096	1,415,312	59,654	-
Prepaid facility fees	788	394	394	-	-
Prepaid listing fees	2,580	645	645	645	645
	<b>10,350,430</b>	<b>8,873,135</b>	<b>1,416,351</b>	<b>60,299</b>	<b>645</b>

	<b>Total 2014 EUR</b>	<b>Algebris Financial Credit Fund 2014 EUR</b>	<b>Algebris Financial Income Fund 2014 EUR</b>
Interest receivable	5,190,352	4,232,370	957,982
	<b>5,190,352</b>	<b>4,232,370</b>	<b>957,982</b>

**7. Other payables**

	<b>Algebris Financial Total 2015 EUR</b>	<b>Algebris Financial Credit Fund 2015 EUR</b>	<b>Algebris Financial Income Fund 2015 EUR</b>	<b>Algebris Asset Allocation Fund 2015 EUR</b>	<b>Algebris Financial Equity Fund 2015 EUR</b>
Professional fees payable	86,931	9,193	12,632	32,553	32,553
Legal fees payable	59,353	14,820	14,534	14,999	15,000
Tax and Administration fees payable	24,137	10,146	8,577	2,707	2,707
Corporate Secretarial fees payable	52,253	16,089	16,088	10,038	10,038
Dividends payable	2,487	-	-	2,211	276
Miscellaneous expenses payable	36,473	11,210	13,289	5,997	5,977
	<b>261,634</b>	<b>61,458</b>	<b>65,120</b>	<b>68,505</b>	<b>66,551</b>

	<b>Total 2014 EUR</b>	<b>Algebris Financial Credit Fund 2014 EUR</b>	<b>Algebris Financial Income Fund 2014 EUR</b>
Professional fees payable	12,837	2,902	9,935
Legal fees payable	14,340	5,641	8,699
Tax and Administration fees payable	12,449	6,312	6,137
Corporate Secretarial fees payable	12,100	6,050	6,050
Miscellaneous expenses payable	16,539	6,183	10,356
	<b>68,265</b>	<b>27,088</b>	<b>41,177</b>

## ALGEBRIS UCITS FUNDS PLC

Notes to the Financial Statements (continued)  
for the financial year ended 31 December 2015

### 8. Other expenses

	<b>Algebris Financial Total</b>	<b>Algebris Financial Income Fund</b>	<b>Algebris Asset Allocation Fund</b>	<b>Algebris Financial Equity Fund</b>
	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Professional fees	152,827	51,308	37,133	32,193
Brokerage fees	119,477	46,239	38,140	13,776
Legal fees	221,984	108,986	75,655	18,578
Tax and Administrative fees	77,338	38,428	33,361	2,793
Corporate Secretarial fees	48,217	12,002	12,000	12,215
Insurance fees expense	8,869	8,041	828	-
Agent fees	98,671	74,229	24,442	-
Advertising expense	96,897	46,195	42,140	4,281
Miscellaneous expenses	339,125	103,748	155,696	28,723
	<b>1,163,405</b>	<b>489,176</b>	<b>419,395</b>	<b>112,559</b>

	<b>Algebris Financial Total</b>	<b>Algebris Financial Credit Fund</b>	<b>Algebris Financial Income Fund</b>
	<b>2014</b>	<b>2014</b>	<b>2014</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Professional fees	76,238	37,959	38,279
Legal fees	161,658	110,419	51,239
Tax and Administrative fees	11,959	4,208	7,751
Corporate Secretarial fees	9,754	-	9,754
Insurance fees expense	16,978	6,060	10,918
Agent fees	46,007	36,599	9,408
Advertising expense	48,750	26,000	22,750
Miscellaneous expenses	107,565	27,292	80,273
	<b>478,909</b>	<b>248,537</b>	<b>230,372</b>

### 9. Share capital and redeemable participating shares

The Company has issued Subscriber Shares to the value of EUR 300,000. The Subscriber Shares do not participate in the assets of the Sub-Funds. The Company reserves the right to redeem some or all of the Subscriber Shares provided that the Company at all times has a minimum issued share capital to the value of EUR 300,000.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 9. Share capital and redeemable participating shares (continued)

The movement in the number of redeemable participating shares for the financial year ended 31 December 2015 is as follows:

##### Algebris Financial Credit Fund

	At the beginning of the financial year	Shares Issued	Shares Redeemed	At the end of the financial year
CHF Class I Shares	1,000	61,834	-	62,834
CHF Class M Shares	-	2,000	-	2,000
CHF Class Md Shares	22,849	-	(200)	22,649
CHF Class R Shares	-	5,789	-	5,789
EUR Class I Shares	576,256	1,756,765	(432,536)	1,900,485
EUR Class Id Shares	499,052	754,587	(55,105)	1,198,534
EUR Class M Shares	20,000	1,002	-	21,002
EUR Class R Shares	1,019,581	422,424	(340,178)	1,101,827
EUR Class Rd Shares	656,418	249,584	(174,305)	731,697
EUR Class W Shares	-	1,800	-	1,800
EUR Class XXLd Shares	-	209,207	-	209,207
GBP Class I Shares	3,300	-	-	3,300
GBP Class Id Shares	399,051	260,535	(116,402)	543,184
GBP Class M Shares	-	300	-	300
GBP Class Md Shares	1,420	4,324	(5,744)	-
GBP Class Rd Shares	-	1,000	-	1,000
USD Class I Shares	-	249,140	(28,025)	221,115
USD Class Id Shares	136,000	310,449	(136,140)	310,309
USD Class M Shares	6,500	1,697	-	8,197
USD Class Md Shares	-	10,654	(10,654)	-
USD Class R Shares	33,302	62,775	(33,434)	62,643
USD Class Rd Shares	30,272	148,993	(84,618)	94,647
USD Class W Shares	-	10,000	-	10,000
USD Class Wd Shares	-	3,000	-	3,000

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**

for the financial year ended 31 December 2015

**9. Share capital and redeemable participating shares (continued)**

The movement in the number of redeemable participating shares for the financial year ended 31 December 2015 is as follows:

**Algebris Financial Income fund**

	<b>At the beginning of the financial year</b>	<b>Shares Issued</b>	<b>Shares Redeemed</b>	<b>At the end of the financial year</b>
CHF Class B Shares	2,474	-	-	2,474
CHF Class R Shares	2,000	1,700	-	3,700
EUR Class B Shares	333,113	4,320	(90,935)	246,498
EUR Class Bd Shares	81,145	-	-	81,145
EUR Class I Shares	464,277	640,301	(216,843)	887,735
EUR Class Id Shares	51,000	81,180	(1,380)	130,800
EUR Class M Shares	15,109	3,172	(10,000)	8,281
EUR Class Md Shares	-	2,000	-	2,000
EUR Class R Shares	79,107	63,775	(38,087)	104,795
EUR Class Rd Shares	500	27,179	(2,079)	25,600
EUR Class XXLd Shares	183,849	441,225	(625,074)	-
GBP Class Bd Shares	500	-	-	500
GBP Class Id Shares	40,749	99,587	(9,767)	130,569
GBP Class M Shares	70	113	-	183
USD Class B Shares	148,441	-	(148,441)	-
USD Class Bd Shares	133,301	-	-	133,301
USD Class I Shares	2,405	540	(1,540)	1,405
USD Class Id Shares	6,723	206,212	(48,562)	164,373
USD Class M Shares	1,797	-	-	1,797
USD Class Md Shares	180,211	-	-	180,211
USD Class R Shares	15,627	14,876	-	30,503
USD Class Rd Shares	-	12,419	(2,475)	9,944

**Algebris Asset Allocation Fund**

	<b>At the beginning of the financial year</b>	<b>Shares Issued</b>	<b>Shares Redeemed</b>	<b>At the end of the financial year</b>
EUR Class B Shares	-	22,209	(2,235)	19,974
EUR Class I Shares	-	66,462	(506)	65,956
EUR Class M Shares	-	40,000	-	40,000
GBP Class B Shares	-	1,100	(700)	400
USD Class M Shares	-	14,975	(625)	14,350

**Algebris Financial Equity Fund**

	<b>At the beginning of the financial year</b>	<b>Shares Issued</b>	<b>Shares Redeemed</b>	<b>At the end of the financial year</b>
EUR Class B Shares	-	1,898	-	1,898
EUR Class I Shares	-	26,992	(392)	26,600
EUR Class M Shares	-	40,000	-	40,000
GBP Class B Shares	-	32,687	(2,008)	30,679
GBP Class M Shares	-	10,404	-	10,404
USD Class B Shares	-	25,095	-	25,095
USD Class M Shares	-	13,020	-	13,020

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**

for the financial year ended 31 December 2015

**9. Share capital and redeemable participating shares (continued)**

The movement in the number of redeemable participating shares for the financial year ended 31 December 2014 is as follows:

**Algebris Financial Credit Fund**

	<b>At the beginning of the financial year</b>	<b>Shares Issued</b>	<b>Shares Redeemed</b>	<b>At the end of the financial year</b>
CHF Class I Shares	2,646	-	(1,646)	1,000
CHF Class Md Shares	22,649	200	-	22,849
EUR Class I Shares	289,815	424,412	(137,971)	576,256
EUR Class Id Shares	330,239	169,379	(566)	499,052
EUR Class M Shares	20,000	-	-	20,000
EUR Class R Shares	359,404	908,738	(248,561)	1,019,581
EUR Class Rd Shares	315,741	416,961	(76,284)	656,418
GBP Class I Shares	-	3,300	-	3,300
GBP Class Id Shares	246,560	175,474	(22,983)	399,051
GBP Class Md Shares	1,000	420	-	1,420
USD Class Id Shares	-	136,000	-	136,000
USD Class M Shares	-	6,500	-	6,500
USD Class R Shares	-	33,302	-	33,302
USD Class Rd Shares	-	36,272	(6,000)	30,272

**Algebris Financial Income fund**

	<b>At the beginning of the financial year</b>	<b>Shares Issued</b>	<b>Shares Redeemed</b>	<b>At the end of the financial year</b>
CHF Class B Shares	3,474	-	(1,000)	2,474
CHF Class R Shares	2,000	-	-	2,000
EUR Class B Shares	388,505	6,089	(61,481)	333,113
EUR Class Bd Shares	81,145	-	-	81,145
EUR Class I Shares	58,964	419,402	(14,089)	464,277
EUR Class Id Shares	-	51,000	-	51,000
EUR Class M Shares	10,395	5,109	(395)	15,109
EUR Class R Shares	10,697	97,583	(29,173)	79,107
EUR Class Rd Shares	-	500	-	500
EUR Class XXLd Shares	-	202,388	(18,539)	183,849
GBP Class Bd Shares	500	-	-	500
GBP Class Id Shares	-	40,749	-	40,749
GBP Class M Shares	-	70	-	70
USD Class B Shares	151,941	-	(3,500)	148,441
USD Class Bd Shares	133,301	-	-	133,301
USD Class I Shares	-	2,405	-	2,405
USD Class Id Shares	100,000	96,117	(189,394)	6,723
USD Class M Shares	1,000	797	-	1,797
USD Class Md Shares	172,015	8,196	-	180,211
USD Class R Shares	7,000	8,627	-	15,627

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2015

#### 10. Distributions

The Directors are permitted to declare distributions in respect of any Class of Shares. Distributions may not be payable for all Classes of Shares. A distribution may include accrued revenue which may subsequently never be received. The amount of the net income to be distributed is determined at the discretion of the Directors in accordance with Articles and the Directors will also determine what proportion of a Sub-Fund's expenses may be charged against the income to arrive at the net income figure.

#### Algebris Financial Credit Fund

Share Class	2015 Ex-Date	Rate	2014 Ex-Date	Rate
CHF Class Md	9-Jan-2015	CHF 1.6526	8-Jan-2014	CHF 1.4242
EUR Class Id	9-Jan-2015	EUR 1.5854	8-Jan-2014	EUR 0.6719
EUR Class Rd	9-Jan-2015	EUR 1.5245	8-Jan-2014	EUR 0.3968
GBP Class Id	9-Jan-2015	GBP 1.4826	8-Jan-2014	GBP 0.3402
GBP Class Md	9-Jan-2015	GBP 1.5545	8-Jan-2014	GBP 1.4727
USD Class Id	9-Jan-2015	USD 1.3752	-	-
USD Class Rd	9-Jan-2015	USD 1.6410	-	-
CHF Class Md	8-Apr-2015	CHF 1.7294	10-Apr-2014	CHF 1.4930
EUR Class Id	8-Apr-2015	EUR 1.3561	10-Apr-2014	EUR 1.4933
EUR Class Rd	8-Apr-2015	EUR 1.5620	10-Apr-2014	EUR 1.0283
GBP Class Id	8-Apr-2015	GBP 1.7848	10-Apr-2014	GBP 1.3918
GBP Class Md	8-Apr-2015	GBP 1.5090	10-Apr-2014	GBP 1.5557
GBP Class Rd	8-Apr-2015	GBP 0.8894	-	-
USD Class Id	8-Apr-2015	USD 1.1005	-	-
USD Class Rd	8-Apr-2015	USD 1.1729	-	-
CHF Class Md	8-Jul-2015	CHF 1.5235	10-Jul-2014	CHF 1.6171
EUR Class Id	8-Jul-2015	EUR 1.4629	10-Jul-2014	EUR 1.3955
EUR Class Rd	8-Jul-2015	EUR 1.3915	10-Jul-2014	EUR 1.3618
GBP Class Id	8-Jul-2015	GBP 1.2416	10-Jul-2014	GBP 1.5388
GBP Class Md	8-Jul-2015	GBP 1.6004	10-Jul-2014	GBP 1.6770
GBP Class Rd	8-Jul-2015	GBP 1.3193	-	-
USD Class Id	8-Jul-2015	USD 1.2756	-	-
USD Class Rd	8-Jul-2015	USD 1.2299	10-Jul-2014	USD 0.0700
CHF Class Md	8-Oct-2015	CHF 1.5257	10-Oct-2014	CHF 1.7073
EUR Class Id	8-Oct-2015	EUR 1.5212	10-Oct-2014	EUR 1.6274
EUR Class Rd	8-Oct-2015	EUR 1.3935	10-Oct-2014	EUR 1.5374
GBP Class Id	8-Oct-2015	GBP 1.3636	10-Oct-2014	GBP 1.3008
GBP Class Md	8-Oct-2015	GBP 1.6088	10-Oct-2014	GBP 1.7731
GBP Class Rd	8-Oct-2015	GBP 1.3227	-	-
USD Class Rd	8-Oct-2015	USD 1.3048	10-Oct-2014	USD 0.9891
USD Class Id	8-Oct-2015	USD 1.2590	10-Oct-2014	USD 1.3290
USD Class Wd	8-Oct-2015	USD 1.0464	-	-

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**10. Distributions (continued)**

**Algebris Financial Income Fund**

<b>Share Class</b>	<b>2015 Ex-Date</b>	<b>Rate</b>	<b>2014 Ex-Date</b>	<b>Rate</b>
EUR Class Bd	9-Jan-2015	EUR 1.0998	8-Jan-2014	EUR 1.1573
EUR Class Id	9-Jan-2015	EUR 0.9915	-	-
EUR Class Rd	9-Jan-2015	EUR 0.9735	-	-
GBP Class Bd	9-Jan-2015	GBP 1.1006	8-Jan-2014	GBP 1.1830
GBP Class Id	9-Jan-2015	GBP 0.4565	-	-
USD Class Bd	9-Jan-2015	USD 1.1178	8-Jan-2014	USD 1.0515
USD Class Id	9-Jan-2015	USD 0.8535	8-Jan-2014	USD 0.3109
USD Class Md	9-Jan-2015	USD 1.1046	8-Jan-2014	USD 1.3853
EUR Class Bd	8-Apr-2015	EUR 1.3715	10-Apr-2014	EUR 1.1005
EUR Class Id	8-Apr-2015	EUR 1.2195	10-Apr-2014	EUR 0.7037
EUR Class Rd	8-Apr-2015	EUR 1.3884	-	-
GBP Class Bd	8-Apr-2015	GBP 1.3721	10-Apr-2014	GBP 1.0985
GBP Class Id	8-Apr-2015	GBP 1.2081	-	-
USD Class Bd	8-Apr-2015	USD 1.3926	10-Apr-2014	USD 1.1190
USD Class Id	8-Apr-2015	USD 1.3074	10-Apr-2014	USD 0.9738
USD Class Md	8-Apr-2015	USD 1.3781	10-Apr-2014	USD 1.1671
EUR Class Bd	8-Jul-2015	EUR 1.4579	10-Jul-2014	EUR 1.3502
EUR Class Id	8-Jul-2015	EUR 1.3336	10-Jul-2014	EUR 1.2389
EUR Class Md	8-Jul-2015	EUR 1.0373	-	-
EUR Class Rd	8-Jul-2015	EUR 1.2841	10-Jul-2014	EUR 1.1946
GBP Class Bd	8-Jul-2015	GBP 1.4608	10-Jul-2014	GBP 1.3482
GBP Class Id	8-Jul-2015	GBP 1.3330	-	-
USD Class Bd	8-Jul-2015	USD 1.4843	10-Jul-2014	USD 1.3738
USD Class Id	8-Jul-2015	USD 1.3875	10-Jul-2014	USD 1.2798
USD Class Md	8-Jul-2015	USD 1.4704	10-Jul-2014	USD 1.2803
USD Class Rd	8-Jul-2015	USD 0.8556	-	-
EUR Class Bd	8-Oct-2015	EUR 1.2495	10-Oct-2014	EUR 1.2218
EUR Class Id	8-Oct-2015	EUR 1.1423	10-Oct-2014	EUR 1.1204
EUR Class Md	8-Oct-2015	EUR 1.0612	-	-
EUR Class Rd	8-Oct-2015	EUR 1.0951	10-Oct-2014	EUR 1.0874
GBP Class Bd	8-Oct-2015	GBP 1.2549	10-Oct-2014	GBP 1.2211
GBP Class Id	8-Oct-2015	GBP 1.1428	-	-
USD Class Bd	8-Oct-2015	USD 1.2727	10-Oct-2014	USD 1.2408
USD Class Id	8-Oct-2015	USD 1.1851	10-Oct-2014	USD 1.1547
USD Class Md	8-Oct-2015	USD 1.2625	10-Oct-2014	USD 1.2243
USD Class Rd	8-Oct-2015	USD 1.0561	-	-

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**11. Taxation**

Under current law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. As such, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a “chargeable event”. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation or transfer of shares.

No Irish tax will arise on the Company regarding chargeable events in respect of:

(a) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company; and

(b) certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

**12. Soft commissions**

There were no soft commission arrangements affecting the Company during the financial year ended 31 December 2015 (2014: Nil).

**13. Risks associated with financial instruments**

The Company’s risks are those set out in the Prospectus and the relevant Supplements and any consideration of risk here should be viewed in the context of the Prospectus and the relevant Supplements which is the primary documentation governing the operation of the Company.

The Company’s activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. The Company’s overall risk management process focuses on the unpredictability of financial markets and seeks to mitigate potential adverse effects on the Company’s financial performance.

The Investment Manager seeks to mitigate the financial risk in the Company in its daily risk management process. From year to year, the Company’s exposure to risk will alter as market conditions change and as the components of the portfolio change and are adjusted through trading, subscriptions and redemptions. With regard to the objectives, policies and processes for managing the risk, whilst adapting to the current market conditions, the approach will remain consistent from year to year.

The Company uses the commitment approach to calculate the Financial Credit and Financial Income Sub-Fund’s global exposure. This approach converts the Company’s FDI positions into an equivalent position of the underlying asset based on the market value of the underlying asset.

The Company uses the Value-at-Risk (VaR) Approach to calculate Financial Equity Sub-Fund’s global exposure which ensures that the use of financial derivative instruments is within the limits specified by the Central Bank of Ireland. The calculation of VaR is on a relative basis and is monitored daily to ensure that it does not exceed twice that of the MSCI World Financials Index over a 20 day holding period. The basis of the VaR calculation is detailed in a Supplement to the Company’s Prospectus. The Company’s portfolio VaR is calculated daily by the Investment Manager at 99% confidence levels for a 20 day holding period, using the Monte Carlo approach. The lowest, highest and the average utilisation of the VaR limit at 99% confidence levels calculated during the year was 0%, 25.4% and 10.8% respectively. The VaR model is fed with daily data of the relevant market indices since inception. The median sum of derivative notional leverage employed during the year by the Company was 245.5%.



**Notes to the Financial Statements (continued)**

for the financial year ended 31 December 2015

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**13. Risks associated with financial instruments (continued)**

The Company uses the Value-at-Risk (VaR) Approach to calculate Asset Allocation Sub-Fund's global exposure which ensures that the use of financial derivative instruments is within the limits specified by the Central Bank of Ireland. The calculation of VaR is on an absolute basis and is monitored daily to ensure that it does not exceed 20% of NAV over a 20 day holding period. The basis of the VaR calculation is detailed in a Supplement to the Company's Prospectus. The Company's portfolio VaR is calculated daily by the Investment Manager at 99% confidence levels for a 20 day holding period, using the Monte Carlo approach. The lowest, highest and the average utilisation of the VaR limit at 99% confidence levels calculated during the year was 0%, 15.1% and 4.4% respectively. The VaR model is fed with daily data of the relevant market indices since inception. The median sum of derivative notional leverage employed during the year by the Company was 245.5%.

**(a) Market risk**

The potential for changes in the fair value or cash flows of the Sub-Funds' investment portfolios is referred to as Market Risk. Categories of Market Risk include price risk, currency risk and interest rate risk.

*(i) Price risk*

Price risk is the risk that the value of instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. The securities held by a Sub-Fund are held at fair value with fair value changes recognised in the Statement of Comprehensive Income. All changes in market conditions will therefore directly affect net investment income for the Sub-Fund. The Sub-Funds manage this exposure to individual price movements of underlying positions by only making investments which are in line with the investment restrictions. A 5% increase in equity prices as at 31 December 2015 would have increased the net assets attributable to holders of redeemable shares for Algebris Financial Credit Fund by EUR 841,345 (31 December 2014: EUR 1,080,763), Algebris Financial Income Fund by EUR 5,623,142 (31 December 2014: EUR 4,775,875), Algebris Asset Allocation Fund by EUR 253,404 and Algebris Financial Equity Fund by EUR 594,397. An equal change in the opposite direction would have decreased the net assets attributable to holders of redeemable participating shares by an equal but opposite amount.

*(ii) Currency risk*

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. A Sub-Fund may hold assets or liabilities denominated in currencies other than the functional currencies of the Sub-Fund. The Sub-Fund may, therefore, be exposed to currency risk as the value of the assets and liabilities denominated in other currencies other than the functional currency may fluctuate as a result of movements in the exchange rates.

The Sub-Funds may enter into forward foreign exchange contracts to hedge the currency exposures of securities denominated in a currency other than the functional currency of the relevant Sub-Fund and to hedge against other changes in currency rates which may have an impact on a Sub-Fund. Forward foreign exchange contracts may be also used by the Investment Manager to hedge the currency exposure on behalf of investors invested in foreign currency share classes offered by each Sub-Fund in relation to the functional currency of that Sub-Fund.

Any financial instruments used to implement such strategies with respect to one or more classes shall be assets/liabilities of a Sub-Fund as a whole but will be attributable to the relevant class and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant class.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**

for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(a) Market risk (continued)**

*(ii) Currency risk (continued)*

The table below outlines the Sub-Funds's net foreign currency risk exposure.

<b>Algebris Financial Credit Fund as at 31 December 2015</b>	<b>Monetary assets/(liabilities) EUR</b>	<b>Non-monetary liabilities EUR</b>	<b>Forward Contracts EUR</b>	<b>Total EUR</b>
Australian Dollar	365,402	-	(366,588)	(1,186)
Pound Sterling	106,938,061	(79,995,482)	(28,190,811)	(1,248,232)
Swiss Francs	(7,488)	(10,562,785)	10,580,477	10,204
United States Dollar	385,476,752	(48,184,918)	(335,602,406)	1,689,428
	<b>492,772,727</b>	<b>(138,743,185)</b>	<b>(353,579,328)</b>	<b>450,214</b>

<b>Algebris Financial Income Fund as at 31 December 2015</b>	<b>Monetary assets/(liabilities) EUR</b>	<b>Non-monetary assets/(liabilities) EUR</b>	<b>Forward Contracts EUR</b>	<b>Total EUR</b>
Australian Dollar	1	-	-	1
Canadian Dollar	50	-	-	50
Danish Krone	-	2,444,023	-	2,444,023
Hong Kong Dollar	12	-	-	12
Japanese Yen	23	19,571,207	(19,439,675)	131,555
Norwegian Krone	3	-	-	3
Polish Zloty	10	-	-	10
Pound Sterling	16,376,424	(16,686,894)	187,414	(123,056)
Swedish Kroner	-	11,292,668	(11,129,418)	163,250
Swiss Francs	(15)	(645,044)	649,582	4,523
Taiwan Dollar	-	-	(2,716,835)	(2,716,835)
United States Dollar	59,445,191	1,306,561	(63,281,745)	(2,529,993)
	<b>75,821,699</b>	<b>17,282,521</b>	<b>(95,730,677)</b>	<b>(2,626,457)</b>

<b>Algebris Asset Allocation Fund as at 31 December 2015</b>	<b>Monetary assets/(liabilities) EUR</b>	<b>Non-monetary assets/(liabilities) EUR</b>	<b>Forward Contracts EUR</b>	<b>Total EUR</b>
Australian Dollar	(29)	-	(14,630)	(14,659)
Canadian Dollar	-	-	18,936	18,936
Hong Kong Dollar	5,000	928,394	30,365	963,759
Japanese Yen	(292)	1,372,356	(1,364,680)	7,384
Malaysian Ringgit	16,191	-	4,479	20,670
Pound Sterling	552,606	(53,255)	(460,418)	38,819
Singapore Dollar	3,808	-	(612)	3,196
Swedish Kroner	(56)	205,587	(199,499)	6,032
Swiss Francs	(37)	-	-	(37)
Taiwan Dollar	-	-	(257,986)	(257,986)
United States Dollar	1,624,225	(103,019)	(1,467,740)	(53,465)
	<b>2,201,415</b>	<b>2,349,949</b>	<b>(3,711,785)</b>	<b>839,579</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(a) Market risk (continued)**

*(ii) Currency risk (continued)*

<b>Algebris Financial Equity Fund as at 31 December 2015</b>	<b>Monetary assets/(liabilities) EUR</b>	<b>Non-monetary assets/(liabilities) EUR</b>	<b>Forward Contracts EUR</b>	<b>Total EUR</b>
Australian Dollar	(23)	-	(19,940)	(19,963)
Canadian Dollar	19,062	-	(10,473)	8,589
Hong Kong Dollar	(17)	238,824	(9,176)	229,631
Japanese Yen	(51)	1,782,946	(1,771,368)	11,527
Malaysian Ringgit	22,299	-	4,703	27,002
Pound Sterling	(2,191)	(5,399,339)	5,465,097	63,567
Singapore Dollar	23,374	-	(166)	23,208
Swedish Kroner	-	1,563,323	(1,539,302)	24,021
Swiss Francs	(143)	-	-	(143)
Taiwan Dollar	-	-	(296,082)	(296,082)
United States Dollar	(209,029)	1,261,220	(956,448)	95,743
	<b>(146,719)</b>	<b>(553,026)</b>	<b>866,845</b>	<b>167,100</b>

<b>Algebris Financial Credit Fund as at 31 December 2014</b>	<b>Monetary assets/(liabilities) EUR</b>	<b>Non-monetary assets/(liabilities) EUR</b>	<b>Forward Contracts EUR</b>	<b>Total EUR</b>
Australian Dollar	413,550	-	(402,659)	10,891
Pound Sterling	41,935,275	(55,543,700)	14,711,253	1,102,828
Swiss Francs	83	(2,284,221)	2,278,083	(6,055)
United States Dollar	201,614,129	4,735,942	(203,591,063)	2,759,008
	<b>243,963,037</b>	<b>(53,091,979)</b>	<b>(187,004,386)</b>	<b>3,866,672</b>

<b>Algebris Financial Income Fund as at 31 December 2014</b>	<b>Monetary assets/(liabilities) EUR</b>	<b>Non-monetary assets/(liabilities) EUR</b>	<b>Forward Contracts EUR</b>	<b>Total EUR</b>
Australian Dollar	1	-	-	1
Canadian Dollar	1	728,863	(723,754)	5,110
Japanese Yen	-	6,928,350	(6,952,124)	(23,774)
Norwegian Krone	-	1,231,071	-	1,231,071
Polish Zloty	10	-	-	10
Pound Sterling	7,631,933	(4,048,291)	(3,618,335)	(34,693)
Swedish Kroner	-	3,647,648	(3,669,432)	(21,784)
Swiss Francs	(1,591)	2,807,114	(2,831,256)	(25,733)
United States Dollar	35,591,477	6,481,024	(40,786,600)	1,285,901
	<b>43,221,831</b>	<b>17,775,779</b>	<b>(58,581,501)</b>	<b>2,416,109</b>

At 31 December 2015 if any non-functional currencies had strengthened by 5% in relation to the respective functional currency of the Sub-Funds, with all other variables held constant, net assets attributable to holders of redeemable participating shares would have increased by the amounts shown below.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 13. Risks associated with financial instruments (continued)

##### (a) Market risk (continued)

##### (ii) Currency risk (continued)

#### Algebris Financial Credit Fund as at 31 December 2015

	EUR
Australian Dollar	(59)
Pound Sterling	(62,412)
Swiss Francs	510
United States Dollar	84,471
	<u>22,510</u>

#### Algebris Financial Credit Fund as at 31 December 2014

	EUR
Australian Dollar	21,085
Pound Sterling	(148,376)
Swiss Francs	(115,148)
United States Dollar	137,950
	<u>(104,489)</u>

#### Algebris Financial Income Fund as at 31 December 2015

	EUR
Canadian Dollar	3
Danish Krone	122,201
Hong Kong Dollar	1
Japanese Yen	6,578
Polish Zloty	1
Pound Sterling	(6,153)
Swedish Kroner	8,163
Swiss Francs	226
Taiwan Dollar	(135,842)
United States Dollar	(126,500)
	<u>(131,322)</u>

#### Algebris Financial Income Fund as at 31 December 2014

	EUR
Canadian Dollar	256
Japanese Yen	(1,189)
Norwegian Krone	61,554
Polish Zloty	1
Pound Sterling	(1,735)
Swedish Kroner	(1,089)
Swiss Francs	(1,287)
United States Dollar	64,295
	<u>120,806</u>

#### Algebris Asset Allocation Fund as at 31 December 2015

	EUR
Australian Dollar	(733)
Canadian Dollar	947
Hong Kong Dollar	48,188
Japanese Yen	369
Malaysian Ringgit	1,034
Pound Sterling	5,156
Singapore Dollar	160
Swedish Kroner	302
Swiss Francs	(433)
Taiwan Dollar	(12,899)
United States Dollar	(335)
	<u>41,756</u>

#### Algebris Financial Equity Fund as at 31 December 2015

	EUR
Australian Dollar	(998)
Canadian Dollar	429
Hong Kong Dollar	11,482
Japanese Yen	576
Malaysian Ringgit	1,350
Pound Sterling	3,187
Singapore Dollar	1,160
Swedish Kroner	1,201
Swiss Francs	(7)
Taiwan Dollar	(14,804)
United States Dollar	4,787
	<u>8,363</u>

A 5% decrease in non-functional currencies in relation to the respective functional currency with all other variables held constant, would lead to a corresponding decrease in the net assets attributable to holders of redeemable participating shares by the approximate amounts as shown in the above tables. The estimated movement is based on management's determination of a reasonably possible change in foreign exchange rates. In practice, the actual results may differ from the sensitivity analysis above and the difference could be material.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(a) Market risk (continued)**

*(iii) Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Sub-Funds will be exposed to interest rate risk in several dimensions. Many of the Sub-Funds' investments are subject to fluctuations in value if interest rates change. In the case of many credit instruments that may be acquired by the Sub-Funds, there is the further concern - as the issuers of such instruments are often in precarious financial condition - that the likelihood of default on the instruments increases as interest rates rise.

**Interest rate risk**

<b>Algebris Financial Credit Fund as at 31 December 2015</b>	<b>Less than 1 month EUR</b>	<b>2 Months -1 year EUR</b>	<b>1-5 years EUR</b>	<b>More than 5 years EUR</b>	<b>No Stated Maturity EUR</b>	<b>Non-interest bearing EUR</b>	<b>Total EUR</b>
<b>Assets</b>							
Financial assets at fair value through profit or loss	-	-	8,375,054	113,132,869	499,523,129	19,169,596	640,200,648
Cash and cash equivalents	128,766,755	-	-	-	-	-	128,766,755
Due from members	-	-	-	-	-	5,962,844	5,962,844
Accrued income and other receivables	-	-	-	-	-	8,888,059	8,888,059
<b>Total Financial Assets</b>	<b>128,766,755</b>	<b>-</b>	<b>8,375,054</b>	<b>113,132,869</b>	<b>499,523,129</b>	<b>34,020,499</b>	<b>783,818,306</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	-	-	-	-	-	5,946,159	5,946,159
Due to members	-	-	-	-	-	378,269	378,269
Due to broker	-	-	-	-	-	3,109	3,109
Performance fee payable	-	-	-	-	-	630,953	630,953
Directors' fee payable	-	-	-	-	-	3,699	3,699
Investment management fee payable	-	-	-	-	-	454,601	454,601
Administration fee payable	-	-	-	-	-	27,801	27,801
Audit fee payable	-	-	-	-	-	19,554	19,554
Custodian fee payable	-	-	-	-	-	22,798	22,798
Accrued expenses and other payables	-	-	-	-	-	61,458	61,458
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	776,269,905	776,269,905
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>783,818,306</b>	<b>783,818,306</b>
<b>Total interest sensitivity gap</b>	<b>128,766,755</b>	<b>-</b>	<b>8,375,054</b>	<b>113,132,869</b>	<b>499,523,129</b>		

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(a) Market risk (continued)**

*(iii) Interest rate risk (continued)*

**Interest rate risk**

<b>Algebris Financial Credit Fund as at 31 December 2014</b>	<b>Less than 1 month EUR</b>	<b>2 Months -1 year EUR</b>	<b>1-5 years EUR</b>	<b>More than 5 years EUR</b>	<b>No Stated Maturity EUR</b>	<b>Non-interest bearing EUR</b>	<b>Total EUR</b>
<b>Assets</b>							
Financial assets at fair value							
through profit or loss	-	-	17,138,501	78,987,349	236,339,412	23,336,787	355,802,049
Cash and cash equivalents	35,949,821	-	-	-	-	-	35,949,821
Due from members	-	-	-	-	-	2,702,241	2,702,241
Accrued income and other receivables	-	-	-	-	-	4,245,767	4,245,767
<b>Total Financial Assets</b>	<b>35,949,821</b>	<b>-</b>	<b>17,138,501</b>	<b>78,987,349</b>	<b>236,339,412</b>	<b>30,284,795</b>	<b>398,699,878</b>
	<b>Less than 1 month EUR</b>	<b>2 Months -1 year EUR</b>	<b>1-5 years EUR</b>	<b>More than 5 years EUR</b>	<b>No Stated Maturity EUR</b>	<b>Non-interest bearing EUR</b>	<b>Total EUR</b>
<b>Liabilities</b>							
Financial liabilities at fair value							
through profit or loss	-	-	-	-	-	6,926,662	6,926,662
Due to members	-	-	-	-	-	474,421	474,421
Performance fee payable	-	-	-	-	-	927	927
Directors' fee payable	-	-	-	-	-	355	355
Investment management fee payable	-	-	-	-	-	293,396	293,396
Administration fee payable	-	-	-	-	-	20,701	20,701
Audit fee payable	-	-	-	-	-	12,500	12,500
Custodian fee payable	-	-	-	-	-	14,056	14,056
Accrued expenses and other payables	-	-	-	-	-	28,510	28,510
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	390,928,350	390,928,350
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>398,699,878</b>	<b>398,699,878</b>
<b>Total interest sensitivity gap</b>	<b>35,949,821</b>	<b>-</b>	<b>17,138,501</b>	<b>78,987,349</b>	<b>236,339,412</b>		

At 31 December 2015 for Algebris Financial Credit Fund, if interest rates had been 50 basis points higher/lower with all other variables held constant, the increase in net assets attributable to holders of redeemable participating shares would have been EUR 3,105,155 (31 December 2014: EUR 1,662,326) higher/lower. This primarily arises from the increase/decrease in the fair value of fixed interest securities. Any cash and cash equivalents held by the Company are held at short term market rates and therefore are not exposed to significant amounts of interest rate risk.

**Interest rate risk**

<b>Algebris Financial Income Fund as at 31 December 2015</b>	<b>Less than 1 month EUR</b>	<b>2 Months -1 year EUR</b>	<b>1-5 years EUR</b>	<b>More than 5 years EUR</b>	<b>No Stated Maturity EUR</b>	<b>Non-interest bearing EUR</b>	<b>Total EUR</b>
<b>Assets</b>							
Financial assets at fair value							
through profit or loss	-	9,454,772	3,450,079	8,587,171	88,671,090	115,205,844	225,368,956
Cash and cash equivalents	18,955,736	-	-	-	-	-	18,955,736
Due from broker	-	-	-	-	-	1,227,209	1,227,209
Due from members	-	-	-	-	-	624,620	624,620
Accrued income and other receivables	-	-	-	-	-	1,628,851	1,628,851
<b>Total Financial Assets</b>	<b>18,955,736</b>	<b>9,454,772</b>	<b>3,450,079</b>	<b>8,587,171</b>	<b>88,671,090</b>	<b>118,686,524</b>	<b>247,805,372</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(a) Market risk (continued)**

*(iii) Interest rate risk (continued)*

	Less than 1 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No Stated Maturity EUR	Non-interest bearing EUR	Total EUR
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	-	-	-	-	-	5,281,972	5,281,972
Due to broker	-	-	-	-	-	10,988	10,988
Due to members	-	-	-	-	-	175,907	175,907
Investment management fee payable	-	-	-	-	-	174,672	174,672
Administration fee payable	-	-	-	-	-	14,795	14,795
Audit fee payable	-	-	-	-	-	19,386	19,386
Directors' fee payable	-	-	-	-	-	3,699	3,699
Custodian fee payable	-	-	-	-	-	9,519	9,519
Accrued expenses and other payables	-	-	-	-	-	65,120	65,120
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	242,049,314	242,049,314
<b>Total Financial Liabilities</b>	-	-	-	-	-	<b>247,805,372</b>	<b>247,805,372</b>
<b>Total interest sensitivity gap</b>	18,955,736	9,454,772	3,450,079	8,587,171	88,671,090		

**Interest rate risk**

**Algebris Financial Income Fund as at 31 December 2014**

	Less than 1 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No Stated Maturity EUR	Non-interest bearing EUR	Total EUR
<b>Assets</b>							
Financial assets at fair value through profit or loss	-	-	2,485,591	9,552,419	54,656,753	98,355,261	165,050,024
Cash and cash equivalents	24,081,506	-	-	-	-	-	24,081,506
Due from broker	-	-	-	-	-	655,877	655,877
Due from members	-	-	-	-	-	541,901	541,901
Accrued income and other receivables	-	-	-	-	-	1,172,527	1,172,527
<b>Total Financial Assets</b>	<b>24,081,506</b>	<b>-</b>	<b>2,485,591</b>	<b>9,552,419</b>	<b>54,656,753</b>	<b>100,725,566</b>	<b>191,501,835</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	-	-	-	-	-	4,031,697	4,031,697
Due to members	-	-	-	-	-	125,069	125,069
Investment management fee payable	-	-	-	-	-	110,908	110,908
Administration fee payable	-	-	-	-	-	14,014	14,014
Audit fee payable	-	-	-	-	-	12,500	12,500
Directors' fee payable	-	-	-	-	-	10,038	10,038
Custodian fee payable	-	-	-	-	-	7,595	7,595
Accrued expenses and other payables	-	-	-	-	-	46,201	46,201
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	187,143,813	187,143,813
<b>Total Financial Liabilities</b>	-	-	-	-	-	<b>191,501,835</b>	<b>191,501,835</b>
<b>Total interest sensitivity gap</b>	24,081,506	-	2,485,591	9,552,419	54,656,753		

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 13. Risks associated with financial instruments (continued)

##### (a) Market risk (continued)

##### (iii) Interest rate risk (continued)

At 31 December 2015 for Algebris Financial Income Fund, if interest rates had been 50 basis points higher/lower with all other variables held constant, the increase in net assets attributable to holders of redeemable participating shares would have been EUR 550,816 (31 December 2014: EUR 333,474) higher/lower. This primarily arises from the increase/decrease in the fair value of fixed interest securities. Any cash and cash equivalents held by the Company are held at short term market rates and therefore are not exposed to significant amounts of interest rate risk.

##### Interest rate risk

Algebris Asset Allocation Fund as at 31 December 2015	Less than 1 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No Stated Maturity EUR	Non-interest bearing EUR	Total EUR
<b>Assets</b>							
Financial assets at fair value							
through profit or loss	-	3,248,793	128,069	184,031	2,458,758	5,296,122	11,315,773
Cash and cash equivalents	2,450,640	-	-	-	-	-	2,450,640
Due from broker	-	-	-	-	-	7,320	7,320
Due from members	-	-	-	-	-	332,634	332,634
Accrued income and other receivables	-	-	-	-	-	60,531	60,531
<b>Total Financial Assets</b>	<b>2,450,640</b>	<b>3,248,793</b>	<b>128,069</b>	<b>184,031</b>	<b>2,458,758</b>	<b>5,696,607</b>	<b>14,166,898</b>
	Less than 1 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No Stated Maturity EUR	Non-interest bearing EUR	Total EUR
<b>Liabilities</b>							
Financial liabilities at fair							
value through profit or loss	-	-	-	-	-	299,047	299,047
Due from broker	-	-	-	-	-	15,790	15,790
Due to members	-	-	-	-	-	12,097	12,097
Investment management fee payable	-	-	-	-	-	6,338	6,338
Administration fee payable	-	-	-	-	-	2,832	2,832
Audit fee payable	-	-	-	-	-	15,374	15,374
Directors' fee payable	-	-	-	-	-	877	877
Custodian fee payable	-	-	-	-	-	1,274	1,274
Accrued expenses and other payables	-	-	-	-	-	68,505	68,505
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	13,744,764	13,744,764
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,166,898</b>	<b>14,166,898</b>
<b>Total interest sensitivity gap</b>	<b>2,450,640</b>	<b>3,248,793</b>	<b>128,069</b>	<b>184,031</b>	<b>2,458,758</b>		

At 31 December 2015 for Algebris Asset Allocation Fund, if interest rates had been 50 basis points higher/lower with all other variables held constant, the increase in net assets attributable to holders of redeemable participating shares would have been EUR 30,098 higher/lower. This primarily arises from the increase/decrease in the fair value of fixed interest securities. Any cash and cash equivalents held by the Company are held at short term market rates and therefore are not exposed to significant amounts of interest rate risk.



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(a) Market risk (continued)**

*(iii) Interest rate risk (continued)*

**Interest rate risk**

Algebris Financial Equity Fund as at 31 December 2015	Less than 1 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No Stated Maturity EUR	Non-interest bearing EUR	Total EUR
<b>Assets</b>							
Financial assets at fair value through profit or loss	-	519,424	-	-	-	12,387,230	12,906,654
Cash and cash equivalents	3,261,345	-	-	-	-	-	3,261,345
Due from broker	-	-	-	-	-	15,268	15,268
Due from members	-	-	-	-	-	99,753	99,753
Accrued income and other receivables	-	-	-	-	-	6,222	6,222
<b>Total Financial Assets</b>	<b>3,261,345</b>	<b>519,424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,508,473</b>	<b>16,289,242</b>
	Less than 1 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No Stated Maturity EUR	Non-interest bearing EUR	Total EUR
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	-	-	-	-	-	664,626	664,626
Due to broker	-	-	-	-	-	154,959	154,959
Due to members	-	-	-	-	-	-	-
Investment management fee payable	-	-	-	-	-	8,630	8,630
Administration fee payable	-	-	-	-	-	3,362	3,362
Audit fee payable	-	-	-	-	-	15,374	15,374
Directors' fee payable	-	-	-	-	-	877	877
Custodian fee payable	-	-	-	-	-	1,274	1,274
Accrued expenses and other payables	-	-	-	-	-	66,551	66,551
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	15,373,589	15,373,589
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,289,242</b>	<b>16,289,242</b>
<b>Total interest sensitivity gap</b>	<b>3,261,345</b>	<b>519,424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

At 31 December 2015 for Algebris Financial Equity Fund, if interest rates had been 50 basis points higher/lower with all other variables held constant, the increase in net assets attributable to holders of redeemable participating shares would have been EUR 2,597 higher/lower. This primarily arises from the increase/decrease in the fair value of fixed interest securities. Any cash and cash equivalents held by the Company are held at short term market rates and therefore are not exposed to significant amounts of interest rate risk.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**

for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(b) Credit risk**

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to discharge an obligation or commitment that it has entered into with the Company. Credit risk is generally higher when a non-exchange traded financial instrument is involved because the counterparty for non-exchange traded financial instruments is not backed by an exchange clearing house.

Higher yielding debt securities are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured on substantially all of the issuer's assets. The lower rating of debt obligations in the higher-yielding sector reflects a greater probability that adverse changes in the financial condition of the issuer or in general economic conditions or both may impair the ability of the issuer to make payments of principal and interest. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness.

The analysis below summarises the credit quality of the Sub-Funds's debt portfolio as at 31 December as rated by Standard & Poor's.

Debt securities by rating category	Algebris Financial Credit Fund		Algebris Financial Income Fund	
	2015	2014	2015	2014
A+	4.13%	5.99%	4.30%	7.13%
A	14.78%	19.66%	11.88%	19.16%
A-	12.73%	21.42%	11.99%	27.66%
BBB+	33.24%	9.74%	30.33%	10.78%
BBB	8.32%	5.42%	12.48%	7.59%
BBB-	8.60%	6.93%	16.52%	8.04%
BB+	1.28%	1.95%	-	1.62%
BB-	-	0.39%	-	-
B+	1.80%	1.34%	4.88%	3.43%
A2 (Moody's)	0.11%	0.95%	-	-
A3 (Moody's)	-	1.54%	-	-
Aa3 (Moody's)	0.54%	-	-	-
B1 (Moody's)	-	2.81%	-	2.10%
Ba1 (Moody's)	2.07%	-	-	-
Baa1 (Moody's)	0.50%	-	-	1.74%
Ba2 (Moody's)	-	1.94%	-	-
Baa2 (Moody's)	1.34%	0.34%	0.98%	-
Ba3 (Moody's)	0.48%	2.03%	-	-
Baa3 (Moody's)	0.38%	0.69%	-	-
BBB- (Fitch)	2.50%	-	-	-
BB- (Fitch)	1.04%	-	2.37%	-
NR	6.16%	16.86%	4.27%	10.75%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 13. Risks associated with financial instruments (continued)

##### (b) Credit risk (continued)

The analysis below summarises the credit quality of the Sub-Funds's debt portfolio as at 31 December as rated by Standard & Poor's.

Debt securities by rating category	Algebris Asset Allocation Fund 2015	Algebris Financial Equity Fund 2015
AA	26.47%	24.69%
A+	3.16%	-
A	6.47%	-
BBB+	6.11%	-
BBB	8.94%	-
BBB-	37.02%	75.31%
NR	11.83%	-
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Credit risk associated with investing activities is managed by the Investment Manager as part of the overall investment process. To reduce the Company's counterparty credit exposures, securities trading is primarily conducted on authorised exchanges and on a delivery-versus-payment basis.

Substantially all the cash and investments held by the Company is held with HSBC Bank Plc an affiliate of the Custodian, HSBC Institutional Trust Services (Ireland) Limited and Morgan Stanley. Bankruptcy or insolvency by HSBC Bank Plc, HSBC Institutional Trust Services (Ireland) Limited or Morgan Stanley may cause the Company's rights with respect to the cash and investments held to be delayed or limited. All transactions in listed securities are settled/paid for upon delivery using approved Custodian ( and brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the Custodian or broker has received payment. Payment is made on a purchase once the securities have been received by the Custodian or broker. The trade will fail if either party fails to meet its obligation. The Investment Manager monitors the credit rating of HSBC Bank Plc on a monthly basis, as reported by Standard and Poor's, Moody's and Fitch. In addition, the Investment Manager monitors the financial position of HSBC Bank Plc on a quarterly basis by reviewing earnings releases. If the credit quality or the financial position of these banks deteriorates significantly the Investment Manager will recommend to the Board of Directors that the cash and investment holdings be moved to another bank.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 13. Risks associated with financial instruments (continued)

##### (b) Credit risk (continued)

The below table provides an analysis of the Company's main financial assets as at the Statement of Financial Position date, that are exposed to credit risk, together with the relevant counterparty's credit rating as reported by Standard and Poor's.

##### Algebris Financial Credit Fund as at 31 December 2015

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	128,766,755
Fixed Income Securities	HSBC Bank Plc	AA-	621,031,052
Forward foreign exchange contracts	HSBC Bank Plc	AA-	2,342,692
			<b>752,140,499</b>

##### Algebris Financial Income Fund as at 31 December 2015

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	18,955,736
Fixed Income Securities	HSBC Bank Plc	AA-	110,163,113
Forward foreign exchange contracts	HSBC Bank Plc	AA-	1,152,591
			<b>130,271,440</b>

##### Algebris Asset Allocation Fund as at 31 December 2015

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	2,050,641
Cash and cash equivalents	Morgan Stanley	A	399,999
Fixed Income Securities	HSBC Bank Plc	AA-	6,019,650
Forward foreign exchange contracts	HSBC Bank Plc	AA-	41,125
			<b>8,511,415</b>

##### Algebris Financial Equity Fund as at 31 December 2015

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	2,701,631
Cash and cash equivalents	Morgan Stanley	A	559,714
Fixed Income Securities	HSBC Bank Plc	AA-	519,425
Forward foreign exchange contracts	HSBC Bank Plc	AA-	62,926
			<b>3,843,696</b>

##### Algebris Financial Credit Fund as at 31 December 2014

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	35,949,821
Fixed Income Securities	HSBC Bank Plc	AA-	332,465,262
Forward foreign exchange contracts	HSBC Bank Plc	AA-	1,721,521
			<b>370,136,604</b>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 13. Risks associated with financial instruments (continued)

##### (b) Credit risk (continued)

##### Algebris Financial Income Fund as at 31 December 2014

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	24,081,506
Fixed Income Securities	HSBC Bank Plc	AA-	66,694,763
Forward foreign exchange contracts	HSBC Bank Plc	AA-	1,397,469
			<b>92,173,738</b>

The Company will also be exposed to a credit risk in relation to the counterparties with whom it transacts or places margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default.

##### (c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to daily cash redemptions of redeemable participating shares and monitors this activity to ensure that funds are available to meet the redemption requirements.

The Company's actively traded securities are considered to be readily realisable as they are actively traded on recognised stock exchanges.

The Company's financial instruments also comprise investments in derivative contracts traded over-the-counter, which are not traded in an organised public market and which generally may be illiquid. As a result, the Company may not be able to liquidate quickly some of its investments in these instruments at an amount close to its fair value in order to meet its liquidity requirements, or to respond to specific events such as a deterioration in the credit worthiness of any particular issuer.

At 31 December 2015 substantially all of the Company's liabilities, including net assets attributable to redeemable participating shareholders, are payable within one month.

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Algebris Financial Credit Fund as at 31 December 2015	Less than		2 Months		More than	No stated	Total
	1 month EUR	1-2 month EUR	-1 year EUR	1-5 years EUR	5 years EUR	maturity EUR	
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	-	-	5,946,159	-	-	-	5,946,159
Due to broker	3,109	-	-	-	-	-	3,109
Due to members	378,269	-	-	-	-	-	378,269
Performance fee payable	630,953	-	-	-	-	-	630,953
Investment management fee payable	454,601	-	-	-	-	-	454,601
Accrued expenses and other payables	61,458	-	-	-	-	-	61,458
Directors' fee payable	3,699	-	-	-	-	-	3,699
Administration fee payable	27,801	-	-	-	-	-	27,801
Audit fee payable	19,554	-	-	-	-	-	19,554
Custodian fee payable	22,798	-	-	-	-	-	22,798
Net assets attributable to holders of redeemable participating shares	776,269,905	-	-	-	-	-	776,269,905
	<b>777,872,147</b>	-	<b>5,946,159</b>	-	-	-	<b>783,818,306</b>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 13. Risks associated with financial instruments (continued)

##### (c) Liquidity risk (continued)

Algebris Financial Income Fund as at 31 December 2015	Less than 1 month EUR	1-2 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No stated maturity EUR	Total EUR
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	2,798,848	-	2,483,124	-	-	-	5,281,972
Due to broker	10,988	-	-	-	-	-	10,988
Due to members	175,907	-	-	-	-	-	175,907
Investment management fee payable	174,672	-	-	-	-	-	174,672
Accrued expenses and other payables	65,120	-	-	-	-	-	65,120
Administration fee payable	14,795	-	-	-	-	-	14,795
Audit fee payable	19,386	-	-	-	-	-	19,386
Directors' fee payable	3,699	-	-	-	-	-	3,699
Custodian fee payable	9,519	-	-	-	-	-	9,519
Net assets attributable to holders of redeemable participating shares	242,049,314	-	-	-	-	-	242,049,314
	<b>245,322,248</b>	<b>-</b>	<b>2,483,124</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>247,805,372</b>

Algebris Asset Allocation Fund as at 31 December 2015	Less than 1 month EUR	1-2 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No stated maturity EUR	Total EUR
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	183,151	11,077	104,819	-	-	-	299,047
Due to broker	15,790	-	-	-	-	-	15,790
Due to members	12,097	-	-	-	-	-	12,097
Investment management fee payable	6,338	-	-	-	-	-	6,338
Accrued expenses and other payables	68,505	-	-	-	-	-	68,505
Administration fee payable	2,832	-	-	-	-	-	2,832
Audit fee payable	15,374	-	-	-	-	-	15,374
Directors' fee payable	877	-	-	-	-	-	877
Custodian fee payable	1,274	-	-	-	-	-	1,274
Net assets attributable to holders of redeemable participating shares	13,744,764	-	-	-	-	-	13,744,764
	<b>14,051,002</b>	<b>11,077</b>	<b>104,819</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,166,898</b>

Algebris Financial Equity Fund as at 31 December 2015	Less than 1 month EUR	1-2 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No stated maturity EUR	Total EUR
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	432,295	11,127	221,204	-	-	-	664,626
Due to broker	154,959	-	-	-	-	-	154,959
Investment management fee payable	8,630	-	-	-	-	-	8,630
Accrued expenses and other payables	66,551	-	-	-	-	-	66,551
Administration fee payable	3,362	-	-	-	-	-	3,362
Audit fee payable	15,374	-	-	-	-	-	15,374
Directors' fee payable	877	-	-	-	-	-	877
Custodian fee payable	1,274	-	-	-	-	-	1,274
Net assets attributable to holders of redeemable participating shares	15,373,589	-	-	-	-	-	15,373,589
	<b>16,056,911</b>	<b>11,127</b>	<b>221,204</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,289,242</b>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 13. Risks associated with financial instruments (continued)

##### (c) Liquidity risk (continued)

Algebris Financial Credit Fund as at 31 December 2014	Less than 1 month EUR	1-2 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No stated maturity EUR	Total EUR
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	-	-	6,926,662	-	-	-	6,926,662
Due to members	474,421	-	-	-	-	-	474,421
Performance fee payable	927	-	-	-	-	-	927
Investment management fee payable	293,396	-	-	-	-	-	293,396
Accrued expenses and other payables	28,510	-	-	-	-	-	28,510
Directors' fee payable	355	-	-	-	-	-	355
Administration fee payable	20,701	-	-	-	-	-	20,701
Audit fee payable	12,500	-	-	-	-	-	12,500
Custodian fee payable	14,056	-	-	-	-	-	14,056
Net assets attributable to holders of redeemable participating shares	390,928,350	-	-	-	-	-	390,928,350
	<b>391,773,216</b>	-	<b>6,926,662</b>	-	-	-	<b>398,699,878</b>

Algebris Financial Income Fund as at 31 December 2014	Less than 1 month EUR	1-2 month EUR	2 Months -1 year EUR	1-5 years EUR	More than 5 years EUR	No stated maturity EUR	Total EUR
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	1,055,687	239,738	2,736,272	-	-	-	4,031,697
Due to members	125,069	-	-	-	-	-	125,069
Investment management fee payable	110,908	-	-	-	-	-	110,908
Accrued expenses and other payables	46,201	-	-	-	-	-	46,201
Administration fees payable	14,014	-	-	-	-	-	14,014
Audit fee payable	12,500	-	-	-	-	-	12,500
Directors' fee payable	10,038	-	-	-	-	-	10,038
Custodian fee payable	7,595	-	-	-	-	-	7,595
Net assets attributable to holders of redeemable participating shares	187,143,813	-	-	-	-	-	187,143,813
	<b>188,525,825</b>	<b>239,738</b>	<b>2,736,272</b>	-	-	-	<b>191,501,835</b>

##### (d) Offsetting Financial Instruments

None of the financial assets or financial liabilities are offset in the Statement of Financial Position. The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments.

The similar agreements include derivative clearing agreements, global master repurchase agreements and global master securities lending agreements. Similar financial instruments include derivatives, sale and repurchase agreements and securities borrowing agreements.

The ISDA and similar master netting arrangements do not meet the criteria for offsetting in the Statement of Financial Position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Fund or the counterparties. In addition, the Fund and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(d) Offsetting Financial Instruments (continued)**

**Algebris Financial Credit Fund**

**31 December 2015**

Financial assets which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Assets	Gross amount of recognised Financial Asset EUR	Gross amount of Financial Liabilities offset in the Statement of Financial Position EUR	Net amount of Financial Asset presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral received EUR	
Derivatives	2,342,692	-	2,342,692	(2,342,692)	-	-
	<b>2,342,692</b>	<b>-</b>	<b>2,342,692</b>	<b>(2,342,692)</b>	<b>-</b>	<b>-</b>

Financial liabilities which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Liabilities	Gross amount of recognised Financial Liabilities EUR	Gross amounts of Financial Assets offset in the Statement of Financial Position EUR	Net amount of Financial Liabilities presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral pledged EUR	
Derivatives	(5,946,159)	-	(5,946,159)	2,342,692	-	(3,603,467)
	<b>(5,946,159)</b>	<b>-</b>	<b>(5,946,159)</b>	<b>2,342,692</b>	<b>-</b>	<b>(3,603,467)</b>



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(d) Offsetting Financial Instruments (continued)**

**Algebris Financial Income Fund**

**31 December 2015**

Financial assets which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Assets	Gross amount of recognised Financial Asset EUR	Gross amount of Financial Liabilities offset in the Statement of Financial Position EUR	Net amount of Financial Asset presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral received EUR	
Derivatives	2,742,997	-	2,742,997	(2,742,997)	-	-
	<b>2,742,997</b>	<b>-</b>	<b>2,742,997</b>	<b>(2,742,997)</b>	<b>-</b>	<b>-</b>

Financial liabilities which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Liabilities	Gross amount of recognised Financial Liabilities EUR	Gross amounts of Financial Assets offset in the Statement of Financial Position EUR	Net amount of Financial Liabilities presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral pledged EUR	
Derivatives	(5,281,972)	-	(5,281,972)	2,742,997	-	(2,538,975)
	<b>(5,281,972)</b>	<b>-</b>	<b>(5,281,972)</b>	<b>2,742,997</b>	<b>-</b>	<b>(2,538,975)</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(d) Offsetting Financial Instruments (continued)**

**Algebris Asset Allocation Fund**

**31 December 2015**

Financial assets which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Assets	Gross amount of recognised Financial Asset EUR	Gross amount of Financial Liabilities offset in the Statement of Financial Position EUR	Net amount of Financial Asset presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral received EUR	
Derivatives	228,050	-	228,050	(228,050)	-	-
	<b>228,050</b>	<b>-</b>	<b>228,050</b>	<b>(228,050)</b>	<b>-</b>	<b>-</b>

Financial liabilities which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Liabilities	Gross amount of recognised Financial Liabilities EUR	Gross amounts of Financial Assets offset in the Statement of Financial Position EUR	Net amount of Financial Liabilities presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral pledged EUR	
Derivatives	(299,047)	-	(299,047)	228,050	-	(70,997)
	<b>(299,047)</b>	<b>-</b>	<b>(299,047)</b>	<b>228,050</b>	<b>-</b>	<b>(70,997)</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(d) Offsetting Financial Instruments (continued)**

**Algebris Financial Equity Fund**

**31 December 2015**

Financial assets which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Assets	Gross amount of recognised Financial Asset EUR	Gross amount of Financial Liabilities offset in the Statement of Financial Position EUR	Net amount of Financial Asset presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral received EUR	
Derivatives	499,286	-	499,286	(499,286)	-	-
	<b>499,286</b>	<b>-</b>	<b>499,286</b>	<b>(499,286)</b>	<b>-</b>	<b>-</b>

Financial liabilities which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Liabilities	Gross amount of recognised Financial Liabilities EUR	Gross amounts of Financial Assets offset in the Statement of Financial Position EUR	Net amount of Financial Liabilities presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral pledged EUR	
Derivatives	(664,626)	-	(664,626)	499,286	-	(165,340)
	<b>(664,626)</b>	<b>-</b>	<b>(664,626)</b>	<b>499,286</b>	<b>-</b>	<b>(165,340)</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(d) Offsetting Financial Instruments (continued)**

**Algebris Financial Credit Fund**

**31 December 2014**

Financial assets which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Assets	Gross amount of recognised Financial Asset EUR	Gross amount of Financial Liabilities offset in the Statement of Financial Position EUR	Net amount of Financial Asset presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position			Net amount EUR
				Financial Instrument EUR	Cash Collateral received EUR		
Derivatives	1,721,521	-	1,721,521	(1,721,521)	-	-	-
	<b>1,721,521</b>	<b>-</b>	<b>1,721,521</b>	<b>(1,721,521)</b>	<b>-</b>	<b>-</b>	<b>-</b>

Financial liabilities which are subject to enforceable master netting arrangements or similar agreements, are detailed in the following table.

Description of type of Financial Liabilities	Gross amount of recognised Financial Liabilities EUR	Gross amounts of Financial Assets offset in the Statement of Financial Position EUR	Net amount of Financial Liabilities presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position			Net amount EUR
				Financial Instrument EUR	Cash Collateral pledged EUR		
Derivatives	(6,926,662)	-	(6,926,662)	1,721,521	-	(5,205,141)	
	<b>(6,926,662)</b>	<b>-</b>	<b>(6,926,662)</b>	<b>1,721,521</b>	<b>-</b>	<b>(5,205,141)</b>	

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**13. Risks associated with financial instruments (continued)**

**(d) Offsetting Financial Instruments (continued)**

**Algebris Financial Income Fund**

**31 December 2014**

Financial assets which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Assets	Gross amount of recognised Financial Asset EUR	Gross amount of Financial Liabilities offset in the Statement of Financial Position EUR	Net amount of Financial Asset presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral received EUR	
Derivatives	2,837,769	-	2,837,769	(2,837,769)	-	-
	<b>2,837,769</b>	<b>-</b>	<b>2,837,769</b>	<b>(2,837,769)</b>	<b>-</b>	<b>-</b>

Financial liabilities which are subject to enforceable master netting arrangements or similar agreements, are detailed in the following table.

Description of type of Financial Liabilities	Gross amount of recognised Financial Liabilities EUR	Gross amounts of Financial Assets offset in the Statement of Financial Position EUR	Net amount of Financial Liabilities presented in the Statement of Financial Position EUR	Gross amounts not offset in the Statement of Financial Position		Net amount EUR
				Financial Instrument EUR	Cash Collateral pledged EUR	
Derivatives	(4,031,697)	-	(4,031,697)	2,837,769	-	(1,193,928)
	<b>(4,031,697)</b>	<b>-</b>	<b>(4,031,697)</b>	<b>2,837,769</b>	<b>-</b>	<b>(1,193,928)</b>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 14. Net asset value table

The following table discloses the dealing Net Asset Value, the shares in issue and Net Asset Value per Share for each Share Class as at 31 December 2015, 31 December 2014 and 31 December 2013.

#### Algebris Financial Credit Fund

	Net Asset Value 2015	Shares in Issue	Net Asset Value per Share 2015
CHF Class I Shares	CHF 8,096,383	62,834	CHF 128.85
CHF Class M Shares	CHF 211,424	2,000	CHF 105.71
CHF Class Md Shares	CHF 2,599,493	22,649	CHF 114.77
CHF Class R Shares	CHF 581,481	5,789	CHF 100.45
EUR Class I Shares	EUR 250,126,903	1,887,739	EUR 132.50
EUR Class Id Shares	EUR 136,626,005	1,199,114	EUR 113.94
EUR Class M Shares	EUR 2,804,315	21,002	EUR 133.53
EUR Class R Shares	EUR 130,888,389	1,101,730	EUR 118.80
EUR Class Rd Shares	EUR 76,771,923	730,274	EUR 105.13
EUR Class W Shares	EUR 180,985	1,800	EUR 100.55
EUR Class XXLd Shares	EUR 20,853,318	209,207	EUR 99.68
GBP Class I Shares	GBP 349,814	3,300	GBP 106.00
GBP Class Id Shares	GBP 58,466,393	543,116	GBP 107.65
GBP Class M Shares	GBP 29,869	300	GBP 99.56
GBP Class Rd Shares	GBP 99,825	1,000	GBP 99.82
USD Class I Shares	USD 21,738,756	213,746	USD 101.70
USD Class Id Shares	USD 30,732,186	310,309	USD 99.04
USD Class M Shares	USD 874,055	8,197	USD 106.63
USD Class R Shares	USD 6,720,339	62,643	USD 107.28
USD Class Rd Shares	USD 9,239,237	94,647	USD 97.62
USD Class W Shares	USD 1,007,166	10,000	USD 100.72
USD Class Wd Shares	USD 299,559	3,000	USD 99.85

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**14. Net asset value table (continued)**

**Algebris Financial Income fund**

	<b>Net Asset Value 2015</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2015</b>
CHF Class B Shares	CHF 297,570	2,474	CHF 120.27
CHF Class R Shares	CHF 404,022	3,700	CHF 109.20
EUR Class B Shares	EUR 29,413,862	246,498	EUR 119.33
EUR Class Bd Shares	EUR 8,856,651	81,145	EUR 109.15
EUR Class I Shares	EUR 104,556,476	885,626	EUR 118.06
EUR Class Id Shares	EUR 13,025,130	130,800	EUR 99.58
EUR Class M Shares	EUR 1,004,626	8,281	EUR 121.32
EUR Class Md Shares	EUR 185,755	2,000	EUR 92.88
EUR Class R Shares	EUR 11,858,157	103,706	EUR 114.34
EUR Class Rd Shares	EUR 2,432,522	25,600	EUR 95.02
GBP Class Bd Shares	GBP 54,883	500	GBP 109.77
GBP Class Id Shares	GBP 13,062,886	130,790	GBP 99.88
GBP Class M Shares	GBP 19,325	183	GBP 105.60
USD Class Bd Shares	USD 14,834,878	133,301	USD 111.29
USD Class I Shares	USD 147,319	1,405	USD 104.85
USD Class Id Shares	USD 17,000,212	164,373	USD 103.42
USD Class M Shares	USD 205,143	1,797	USD 114.16
USD Class Md Shares	USD 19,931,241	180,211	USD 110.60
USD Class R Shares	USD 3,248,183	29,603	USD 109.72
USD Class Rd Shares	USD 916,915	9,944	USD 92.21

**Algebris Asset Allocation Fund**

	<b>Net Asset Value 2015</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2015</b>
EUR Class B Shares	EUR 1,863,175	18,797	EUR 99.12
EUR Class I Shares	EUR 6,446,615	65,133	EUR 98.98
EUR Class M Shares	EUR 3,939,374	40,000	EUR 98.48
GBP Class B Shares	GBP 39,242	400	GBP 98.11
USD Class M Shares	USD 1,409,097	14,350	USD 98.19

**Algebris Financial Equity Fund**

	<b>Net Asset Value 2015</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2015</b>
EUR Class B Shares	EUR 184,104	1,898	EUR 97.00
EUR Class I Shares	EUR 2,461,939	25,598	EUR 96.18
EUR Class M Shares	EUR 3,887,356	40,000	EUR 97.18
GBP Class B Shares	GBP 2,960,695	30,679	GBP 96.51
GBP Class M Shares	GBP 1,017,891	10,404	GBP 97.84
USD Class B Shares	USD 2,431,890	25,095	USD 96.91
USD Class M Shares	USD 1,258,855	13,020	USD 96.69

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**14. Net asset value table (continued)**

**Algebris Financial Credit Fund**

	<b>Net Asset Value 2014</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2014</b>
CHF Class I Shares	CHF 123,229	1,000	CHF 123.23
CHF Class Md Shares	CHF 2,624,697	22,849	CHF 114.87
EUR Class I Shares	EUR 72,378,145	576,289	EUR 125.59
EUR Class Id Shares	EUR 54,974,145	484,283	EUR 113.52
EUR Class M Shares	EUR 2,500,963	20,000	EUR 125.05
EUR Class R Shares	EUR 115,419,677	1,020,203	EUR 113.13
EUR Class Rd Shares	EUR 69,233,830	654,833	EUR 105.73
GBP Class I Shares	GBP 329,055	3,300	GBP 99.71
GBP Class Id Shares	GBP 42,648,978	399,051	GBP 106.88
GBP Class Md Shares	GBP 169,526	1,420	GBP 119.42
USD Class R Shares	USD 3,405,892	33,302	USD 102.27
USD Class Rd Shares	USD 2,969,931	30,272	USD 98.11
USD Class Id Shares	USD 13,397,995	136,000	USD 98.51
USD Class M Shares	USD 648,476	6,500	USD 99.77

**Algebris Financial Income Fund**

	<b>Net Asset Value 2014</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2014</b>
CHF Class R Shares	CHF 215,835	2,000	CHF 107.92
CHF Class B Shares	CHF 290,979	2,474	CHF 117.60
EUR Class B Shares	EUR 38,727,572	334,016	EUR 115.95
EUR Class Bd Shares	EUR 9,005,767	81,145	EUR 110.98
EUR Class I Shares	EUR 53,425,122	463,868	EUR 115.17
EUR Class Id Shares	EUR 5,182,349	51,000	EUR 101.61
EUR Class M Shares	EUR 1,772,133	15,109	EUR 117.29
EUR Class R Shares	EUR 8,914,442	79,199	EUR 112.56
EUR Class Rd Shares	EUR 49,038	500	EUR 98.08
EUR Class XXLd Shares	EUR 18,570,757	183,849	EUR 101.01
GBP Class Bd Shares	GBP 55,553	500	GBP 111.11
GBP Class Id Shares	GBP 4,079,642	40,371	GBP 101.05
GBP Class M Shares	GBP 7,136	70	GBP 101.95
USD Class B Shares	USD 17,365,318	148,441	USD 116.98
USD Class Bd Shares	USD 15,056,905	133,301	USD 112.95
USD Class I Shares	USD 245,526	2,405	USD 102.09
USD Class Id Shares	USD 711,312	6,723	USD 105.80
USD Class M Shares	USD 197,909	1,797	USD 110.10
USD Class Md Shares	USD 20,126,588	180,211	USD 111.68
USD Class R Shares	USD 1,685,525	15,627	USD 107.86



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**14. Net asset value table (continued)**

**Algebris Financial Credit Fund**

	<b>Net Asset Value 2013</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2013</b>
CHF Class I Shares	CHF 303,011	2,646	CHF 114.51
CHF Class Md Shares	CHF 2,522,318	22,649	CHF 111.36
EUR Class I Shares	EUR 33,705,686	289,032	EUR 116.62
EUR Class Id Shares	EUR 36,413,157	330,239	EUR 110.26
EUR Class M Shares	EUR 2,292,056	20,000	EUR 114.60
EUR Class R Shares	EUR 38,039,686	359,404	EUR 105.84
EUR Class Rd Shares	EUR 32,510,220	315,741	EUR 102.96
GBP Class Id Shares	GBP 25,413,480	246,185	GBP 103.23
GBP Class Md Shares	GBP 115,370	1,000	GBP 115.37

**Algebris Financial Income Fund**

	<b>Net Asset Value 2013</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2013</b>
CHF Class B Shares	CHF 383,712	3,474	CHF 110.44
CHF Class R Shares	CHF 205,374	2,000	CHF 102.69
EUR Class B Shares	EUR 42,286,163	388,891	EUR 108.74
EUR Class Bd Shares	EUR 8,823,995	81,145	EUR 108.74
EUR Class I Shares	EUR 6,416,532	59,168	EUR 108.45
EUR Class M Shares	EUR 1,137,943	10,395	EUR 109.47
EUR Class R Shares	EUR 1,123,861	10,509	EUR 106.94
GBP Class Bd Shares	GBP 54,306	500	GBP 108.61
USD Class B Shares	USD 16,668,946	151,941	USD 109.71
USD Class Bd Shares	USD 14,733,703	133,301	USD 110.53
USD Class Id Shares	USD 10,232,723	100,000	USD 102.33
USD Class M Shares	USD 102,800	1,000	USD 102.80
USD Class Md Shares	USD 18,763,754	172,015	USD 109.08
USD Class R Shares	USD 717,764	7,000	USD 102.54

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

#### 15. Exchange rates

The following exchange rates were used to translate assets and liabilities into the functional currency Euro for the Sub-Funds:

	2015	2014
Swiss francs	0.9194	0.8313
Euro	1.0000	1.0000
Pound Sterling	1.3571	1.2873
United States Dollar	0.9207	0.8265

#### 16. Supplemental information

The Investment Manager is subject to the Securities and Exchange Commission's amended Rule 206(4)-2 under the Investment Advisers Act of 1940. The Investment Manager has decided to provide the following information to all investors in order for the financial statements to comply with the requirements that allow the Investment Manager to claim the Audit Exemption available to it under the SEC Custody Rule. The additional information required is to provide reconciliation between the financial statements and the accounting standards generally accepted in the United States of America. The Investment Manager has requested that the Board include this information in the Board's financial statements.

#### Financial Highlights\*

##### Algebris Financial Credit Fund

	2015 CHF Class I	2015 CHF Class M	2015 CHF Class Md	2015 CHF Class R	2015 EUR Class I
Net asset value, beginning of financial year	123.23	100.00	114.87	100.00	125.59
Income/(loss) from investment operations:					
Net investment income/(loss)	(1.55)	0.13	0.18	(0.95)	(1.37)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	7.17	5.58	6.15	1.40	8.28
Distributions to holders of redeemable participating shares	-	-	(6.43)	-	-
Net increase/(decrease) in nets assets from operations	5.62	5.71	(0.10)	0.45	6.91
Net asset value, end of financial year	128.85	105.71	114.77	100.45	132.50
Total return before Incentive Allocation and Distribution	5.49%	5.71%	5.35%	0.58%	6.25%
Incentive Allocation	(0.92)%	0.00%	0.00%	(0.12)%	(0.75)%
Distribution	0.00%	0.00%	(5.44)%	0.00%	0.00%
Total return after Incentive Allocation and Distribution	4.57%	5.71%	(0.09)%	0.46%	5.50%
Ratios to average net assets:					
Expenses	0.94%	0.43%	0.43%	1.63%	0.93%
Incentive Allocation	0.41%	0.00%	0.00%	0.16%	0.58%
Total expenses and Incentive Allocation	1.35%	0.43%	0.43%	1.79%	1.51%
Net investment income/(expense) after Incentive Allocation	(0.61)%	0.14%	0.16%	(1.04)%	(0.91)%

\*The total returns detailed above exclude dividends received by shareholders.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2015 EUR Class Id</b>	<b>2015 EUR Class M</b>	<b>2015 EUR Class R</b>	<b>2015 EUR Class Rd</b>	<b>2015 EUR Class W</b>
Net asset value, beginning of financial year	113.52	125.05	113.13	105.73	100.00
Income/(loss) from investment operations:					
Net investment income/(loss)	(0.95)	0.21	(1.78)	(1.49)	(0.59)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	7.29	8.27	7.45	6.77	1.14
Distributions to holders of redeemable participating shares	(5.92)	-	-	(5.88)	-
Net increase/(decrease) in nets assets from operations	0.42	8.48	5.67	(0.60)	0.55
Net asset value, end of financial year	113.94	133.53	118.80	105.13	100.55
Total return before Incentive Allocation and Distribution	5.93%	6.78%	5.51%	5.21%	0.55%
Incentive Allocation	(0.49)%	0.00%	(0.50)%	(0.36)%	0.00%
Distribution	(5.07)%	0.00%	0.00%	(5.42)%	0.00%
Total return after Incentive Allocation and Distribution	0.37%	6.78%	5.01%	(0.57)%	0.55%
Ratios to average net assets:					
Expenses	0.93%	0.43%	1.63%	1.63%	1.99%
Incentive Allocation	0.40%	0.00%	0.47%	0.36%	0.00%
Total expenses and Incentive Allocation	1.33%	0.43%	2.10%	1.99%	1.99%
Net investment income/(expense) after Incentive Allocation	(0.74)%	0.16%	(1.50)%	(1.40)%	(1.31)%

\*The total returns detailed above exclude dividends received by shareholders.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2015 EUR Class XXLD</b>	<b>2015 GBP Class I</b>	<b>2015 GBP Class Id</b>	<b>2015 GBP Class Rd</b>	<b>2015 GBP Class M</b>
Net asset value, beginning of financial year	100.00	99.71	106.88	100.00	100.00
Income/(loss) from investment operations:					
Net investment income/(loss)	(0.05)	(0.97)	(0.92)	(1.20)	(0.01)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	(0.27)	7.26	7.56	4.55	(0.43)
Distributions to holders of redeemable participating shares	-	-	(5.87)	(3.53)	-
Net (decrease)/increase in nets assets from operations	(0.32)	6.29	0.77	(0.18)	(0.44)
Net asset value, end of financial year	99.68	106.00	107.65	99.82	99.56
Total return before Incentive Allocation and Distribution	(0.32)%	6.94%	6.56%	3.51%	(0.44)%
Incentive Allocation	0.00%	(0.63)%	(0.51)%	(0.20)%	0.00%
Distribution	0.00%	0.00%	(5.33)%	(3.48)%	0.00%
Total return after Incentive Allocation and Distribution	(0.32)%	6.31%	0.72%	(0.17)%	(0.44)%
Ratios to average net assets:					
Expenses	0.72%	0.93%	0.94%	1.64%	0.29%
Incentive Allocation	0.00%	(0.60)%	0.46%	(0.23)%	0.00%
Total expenses and Incentive Allocation	0.72%	0.33%	1.40%	1.41%	0.29%
Net investment income/(expense) after Incentive	(0.56)%	(0.94)%	(0.80)%	(1.32)%	(0.08)%

\*The total returns detailed above exclude dividends received by shareholders.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2015 USD Class I</b>	<b>2015 USD Class Id</b>	<b>2015 USD Class M</b>	<b>2015 USD Class R</b>	<b>2015 USD Class Rd</b>
Net asset value, beginning of financial year	100.00	98.51	99.77	102.27	98.11
Income/(loss) from investment operations:					
Net investment income/(loss)	(0.66)	(0.89)	0.17	(1.68)	(1.47)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	2.36	6.58	6.69	6.69	6.33
Distributions to holders of redeemable participating shares	-	(5.16)	-	-	(5.35)
Net increase/(decrease) in nets assets from operations	1.70	0.53	6.86	5.01	(0.49)
Net asset value, end of financial year	101.70	99.04	106.63	107.28	97.62
Total return before Incentive Allocation and Distribution	2.04%	6.18%	6.89%	5.47%	5.27%
Incentive Allocation	(0.34)%	(0.55)%	0.00%	(0.58)%	(0.45)%
Distribution	0.00%	(5.10)%	0.00%	0.00%	(5.33)%
Total return after Incentive Allocation and Distribution	1.70%	0.53%	6.89%	4.89%	(0.51)%
Ratios to average net assets:					
Expenses	0.95%	0.93%	0.43%	1.63%	1.64%
Incentive Allocation	0.36%	(0.40)%	0.00%	0.47%	0.31%
Total expenses and Incentive Allocation	1.31%	0.53%	0.43%	2.10%	1.95%
Net investment income/(expense) after Incentive Allocation	0.67%	(0.74)%	0.16%	(1.51)%	(1.38)%

\*The total returns detailed above exclude dividends received by shareholders.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2015</b>	<b>2015</b>
	<b>USD</b>	<b>USD</b>
	<b>Class W</b>	<b>Class Wd</b>
Net asset value, beginning of financial year	100.00	100.00
Income/(loss) from investment operations:		
Net investment income/(loss)	(0.51)	(0.59)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	1.23	1.49
Distributions to holders of redeemable participating shares	-	(1.05)
Net increase/(decrease) in nets assets from operations	<u>0.72</u>	<u>(0.15)</u>
Net asset value, end of financial year	<u>100.72</u>	<u>99.85</u>
Total return before Incentive Allocation and Distribution	0.72%	0.91%
Incentive Allocation	0.00%	0.00%
Distribution	0.00%	(1.05)%
Total return after Incentive Allocation and Distribution	<u>0.72%</u>	<u>(0.14)%</u>
Ratios to average net assets:		
Expenses	1.95%	1.99%
Incentive Allocation	0.00%	0.00%
Total expenses and Incentive Allocation	<u>1.95%</u>	<u>1.99%</u>
Net investment income/(expense) after Incentive Allocation	(1.28)%	(1.30)%

\*The total returns detailed above exclude dividends received by shareholders.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Income Fund**

	<b>2015 CHF Class B</b>	<b>2015 CHF Class R</b>	<b>2015 EUR Class B</b>	<b>2015 EUR Class Bd</b>	<b>2015 EUR Class I</b>
Net asset value, beginning of financial year	117.60	107.92	115.95	110.98	115.17
Income/(loss) from investment operations:					
Net investment income/(loss)	1.29	(0.26)	1.15	1.17	0.84
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	1.38	1.54	2.23	2.18	2.05
Distributions to holders of redeemable participating shares	-	-	-	(5.18)	-
Net increase/(decrease) in nets assets from operations	2.67	1.28	3.38	(1.83)	2.89
Net asset value, end of financial year	120.27	109.20	119.33	109.15	118.06
Total return before Incentive Allocation and Distribution	2.27%	1.18%	2.92%	2.79%	2.51%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	0.00%	0.00%	0.00%	(4.44)%	0.00%
Total return after Incentive Allocation and Distribution	2.27%	1.18%	2.92%	(1.65)%	2.51%
Ratios to average net assets:					
Expenses	1.38%	2.73%	1.38%	1.39%	1.80%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	1.38%	2.73%	1.38%	1.39%	1.80%
Net investment income/(expense) after Incentive Allocation	1.04%	(0.40)%	1.02%	1.03%	0.57%

\*The total returns detailed above exclude dividends received by shareholders.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Income Fund (continued)**

	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
	<b>Class Id</b>	<b>Class M</b>	<b>Class Md</b>	<b>Class R</b>	<b>Class Rd</b>
Net asset value, beginning of financial year	101.61	117.29	100.00	112.56	98.08
Income/(loss) from investment operations:					
Net investment income/(loss)	0.72	1.70	1.00	(0.28)	(0.22)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	1.94	2.33	(6.02)	2.06	1.90
Distributions to holders of redeemable participating shares	(4.69)	-	(2.10)	-	(4.74)
Net (decrease)/increase in nets assets from operations	(2.03)	4.03	(7.12)	1.78	(3.06)
Net asset value, end of financial year	99.58	121.32	92.88	114.34	95.02
Total return before Incentive Allocation and Distribution	2.40%	3.43%	(4.96)%	1.59%	1.51%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	(4.40)%	0.00%	(2.16)%	0.00%	(4.62)%
Total return after Incentive Allocation and Distribution	(2.00)%	3.43%	(7.12)%	1.59%	(3.11)%
Ratios to average net assets:					
Expenses	1.81%	0.89%	0.91%	2.73%	2.80%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	1.81%	0.89%	0.91%	2.73%	2.80%
Net investment income/(expense) after Incentive Allocation	0.51%	1.60%	1.50%	(0.40)%	(0.37)%

\*The total returns detailed above exclude dividends received by shareholders.



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Income Fund (continued)**

	<b>2015 GBP Class Bd</b>	<b>2015 GBP Class Id</b>	<b>2015 GBP Class M</b>	<b>2015 USD Class Bd</b>	<b>2015 USD Class I</b>
Net asset value, beginning of financial year	111.11	101.05	101.95	112.95	102.09
Income/(loss) from investment operations:					
Net investment income/(loss)	1.05	0.64	1.66	1.23	0.49
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	2.80	2.32	1.98	2.38	2.27
Distributions to holders of redeemable participating shares	(5.19)	(4.13)	-	(5.27)	-
Net (decrease)/increase in nets assets from operations	(1.34)	(1.17)	3.64	(1.66)	2.76
Net asset value, end of financial year	109.77	99.88	105.59	111.29	104.85
Total return before Incentive Allocation and Distribution	3.23%	2.70%	3.57%	2.96%	2.70%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	(4.44)%	(3.87)%	0.00%	(4.44)%	0.00%
Total return after Incentive Allocation and Distribution	(1.21)%	(1.17)%	3.57%	(1.48)%	2.70%
Ratios to average net assets:					
Expenses	1.42%	1.81%	0.82%	1.38%	1.83%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	1.42%	1.81%	0.82%	1.38%	1.83%
Net investment income/(expense) after Incentive Allocation	0.92%	0.39%	1.64%	1.06%	0.66%

\*The total returns detailed above exclude dividends received by shareholders.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Income Fund (continued)**

	<b>2015 USD Class Id</b>	<b>2015 USD Class M</b>	<b>2015 USD Class Md</b>	<b>2015 USD Class R</b>	<b>2015 USD Class Rd</b>
Net asset value, beginning of financial year	105.80	110.10	111.68	107.86	100.00
Income/(loss) from investment operations:					
Net investment income/(loss)	0.72	1.83	1.82	(0.28)	0.03
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	1.63	2.20	2.32	2.14	(5.92)
Distributions to holders of redeemable participating shares	(4.73)	-	(5.22)	-	(1.91)
Net (decrease)/increase in nets assets from operations	(2.38)	4.03	(1.08)	1.86	(7.80)
Net asset value, end of financial year	103.42	114.13	110.60	109.72	92.20
Total return before Incentive Allocation and Distribution	2.02%	3.66%	3.46%	1.73%	(5.82)%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	(4.27)%	0.00%	(4.43)%	0.00%	(1.98)%
Total return after Incentive Allocation and Distribution	(2.25)%	3.66%	(0.97)%	1.73%	(7.80)%
Ratios to average net assets:					
Expenses	1.83%	0.86%	0.86%	2.73%	2.66%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	1.83%	0.86%	0.86%	2.73%	2.66%
Net investment income/(expense) after Incentive Allocation	0.63%	1.57%	1.58%	(0.34)%	(0.22)%

\*The total returns detailed above exclude dividends received by shareholders.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Asset Allocation Fund\*\***

	<b>2015 EUR Class B</b>	<b>2015 EUR Class I</b>	<b>2015 EUR Class M</b>	<b>2015 GBP Class B</b>	<b>2015 USD Class M</b>
Net asset value, beginning of period	100.00	100.00	100.00	100.00	100.00
Income/(loss) from investment operations:					
Net investment income/(loss)	(1.53)	(1.64)	(1.89)	(2.59)	(1.85)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	0.65	0.62	0.37	0.69	0.04
Distributions to holders of redeemable participating shares	-	-	-	-	-
Net decrease in nets assets from operations	(0.88)	(1.02)	(1.52)	(1.90)	(1.81)
Net asset value, end of period	99.12	98.98	98.48	98.10	98.19
Total return before Incentive Allocation	(0.87)%	(0.99)%	(1.52)%	(1.89)%	(1.81)%
Incentive Allocation	(0.01)%	(0.04)%	0.00%	0.00%	0.00%
Total return after Incentive Allocation	(0.88)%	(1.03)%	(1.52)%	(1.89)%	(1.81)%
Ratios to average net assets:					
Expenses	3.62%	3.67%	3.41%	4.33%	3.19%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	3.62%	3.67%	3.41%	4.33%	3.19%
Net investment income/(expense) after Incentive Allocation	(2.83)%	(2.79)%	(2.72)%	(3.75)%	(2.44)%

\*The total returns detailed above exclude dividends received by shareholders.

\*\*For the period from 20 April 2015 to 31 December 2015.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Equity Fund\*\***

	<b>2015 EUR Class B</b>	<b>2015 EUR Class I</b>	<b>2015 EUR Class M</b>	<b>2015 GBP Class B</b>	<b>2015 GBP Class M</b>
Net asset value, beginning of period	100.00	100.00	100.00	100.00	100.00
Income/(loss) from investment operations:					
Net investment income/(loss)	(1.78)	(1.61)	(1.57)	(1.48)	(0.72)
Net realised and unrealised gain/(loss) from securities transactions and depreciation on deferred incentive fee	(1.22)	(2.21)	(1.25)	(2.02)	(1.45)
Distributions to holders of redeemable participating shares	-	-	-	-	-
Net decrease in nets assets from operations	(3.00)	(3.82)	(2.82)	(3.50)	(2.17)
Net asset value, end of period	97.00	96.18	97.18	96.50	97.83
Total return before Incentive Allocation	(3.00)%	(3.66)%	(2.82)%	(3.49)%	(2.17)%
Incentive Allocation	0.00%	(0.16)%	0.00%	0.00%	0.00%
Total return after Incentive Allocation	(3.00)%	(3.82)%	(2.82)%	(3.49)%	(2.17)%
Ratios to average net assets:					
Expenses	4.53%	4.50%	3.82%	4.07%	3.14%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	4.53%	4.50%	3.82%	4.07%	3.14%
Net investment income/(expense) after Incentive Allocation	(2.77)%	(2.77)%	(2.26)%	(2.64)%	(1.72)%

\*The total returns detailed above exclude dividends received by shareholders.

\*\*For the period from 20 April 2015 to 31 December 2015.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Equity Fund (continued)\*\***

	<b>2015</b>	<b>2015</b>
	<b>USD</b>	<b>USD</b>
	<b>Class B</b>	<b>Class M</b>
Net asset value, beginning of period	100.00	100.00
Income/(loss) from investment operations:		
Net investment income/(loss)	(1.25)	(1.52)
Net realised and unrealised gain/(loss) from securities transactions and depreciation on deferred incentive fee	(1.84)	(1.79)
Distributions to holders of redeemable participating shares	-	-
Net decrease in nets assets from operations	(3.09)	(3.31)
Net asset value, end of period	96.91	96.69
Total return before Incentive Allocation	(3.09)%	(3.31)%
Incentive Allocation	0.00%	0.00%
Total return after Incentive Allocation	(3.09)%	(3.31)%
Ratios to average net assets:		
Expenses	3.74%	3.81%
Incentive Allocation	0.00%	0.00%
Total expenses and Incentive Allocation	3.74%	3.81%
Net investment income/(expense) after Incentive Allocation	(1.93)%	(2.20)%

\*The total returns detailed above exclude dividends received by shareholders.

\*\*For the period from 20 April 2015 to 31 December 2015.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

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**16. Supplemental information (continued)**

**Share Capital**

For Algebris Financial Credit Fund, the Company paid 31 December 2015 redemptions of EUR 260,380 that were effective 1 January 2016, which would result in a 0.034% net decrease in the 31 December 2015 Net Assets, had they been treated as payable as at 31 December 2015, as would be required under accounting standards generally accepted in the United States of America.

For Algebris Financial Income Fund, the Company paid 31 December 2015 redemptions of EUR 88,755 that were effective 1 January 2016, which would result in a 0.04% net decrease in the 31 December 2015 Net Assets, had they been treated as payable as at 31 December 2015, as would be required under accounting standards generally accepted in the United States of America.

For Algebris Asset Allocation Fund, the Company paid 31 December 2015 redemptions of EUR 9,831 that were effective 1 January 2016, which would result in a 0.07% net decrease in the 31 December 2015 Net Assets, had they been treated as payable as at 31 December 2015, as would be required under accounting standards generally accepted in the United States of America.

For Algebris Financial Equity Fund, the Company paid 31 December 2015 redemptions of EUR Nil that were effective 1 January 2016, which would result in a Nil% net decrease in the 31 December 2015 Net Assets, had they been treated as payable as at 31 December 2015, as would be required under accounting standards generally accepted in the United States of America.

**Accounting for Uncertainty in Income Taxes**

“Accounting for Uncertainty in Income Taxes- an interpretation of ASC 740” effective January 1, 2009, clarifies the accounting for uncertainty in income taxes recognised in Company’s financial statements in accordance with ASC 740; Accounting for Income Taxes. ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740 requires that the enterprise determines whether it is more likely than not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. In evaluating whether a tax position has met the more-likely-than-not recognition threshold, the enterprise should presume that the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information. A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognise in the financial statements. The tax position is measured at the largest amount of benefit that is greater than 50 percent likely of being realised upon settlement.

Compliance with accounting standards generally accepted in the United States of America would have required the Company to adopt ASU 2009-06, Implementation Guidance on Accounting for Uncertainty in Income Taxes and Disclosure Amendments for non-public Entities (ASU 2009-06). ASU 2009-06 provides additional guidance on the accounting for uncertainty in income taxes and eliminates certain disclosure requirements for non-public entities. ASU 2009-06 amends the disclosure requirements for unrecognised tax benefits to eliminate certain disclosures for non-public entities. Under the amended disclosure requirements non-public entities are not required to disclose a tabular reconciliation of the total amounts of unrecognised tax benefits at the beginning and end of the financial year nor the total amount of unrecognised tax benefits that, if recognised, would affect the effective tax rate. Remaining disclosures required by ASC 740 are still applicable to non-public entities.

The Investment manager has analysed the Company’s tax positions for all open tax years (tax year ended 31 December 2015) and the positions to be taken for tax year ended 31 December 2015 and have concluded that no provision for income tax is required in the Company’s financial statements. The Company recognises interest and penalties, if any, related to unrecognised tax benefits as income tax expense in the Statement of Operations. During the financial year ended 31 December 2015, the Company did not incur any interest or penalties.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Derivative Financial Instruments**

The Company engages in transactions in financial derivative instruments for the purpose of efficient portfolio management. Efficient portfolio management techniques include contracts for difference, futures contracts, forward foreign exchange contracts and option contracts.

The Company has not designated any of the following derivative instruments as hedging instruments under ASC 815 “Accounting for Derivative Instruments and Hedging Activities”.

**Algebris Financial Credit Fund**

Derivatives type	Asset derivatives		Liability derivatives	
	Location in Statement of Financial Position	Fair value 2015 EUR	Location in Statement of Financial Position	Fair value 2015 EUR
Forward foreign exchange contracts	Financial assets at fair value through profit or loss - Financial derivative instruments	2,342,692	Financial liabilities at fair value through profit or loss – Financial derivative instruments	5,946,159
<b>Total</b>		<b><u>2,342,692</u></b>		<b><u>5,946,159</u></b>

**Algebris Financial Income Fund**

Derivatives type	Asset derivatives		Liability derivatives	
	Location in Statement of Financial Position	Fair value 2015 EUR	Location in Statement of Financial Position	Fair value 2015 EUR
Contracts for difference	Financial assets at fair value through profit or loss - Financial derivative instruments	196,647	Financial liabilities at fair value through profit or loss - Financial derivative instruments	2,754,377
Forward foreign exchange contracts	Financial assets at fair value through profit or loss - Financial derivative instruments	1,152,591	Financial liabilities at fair value through profit or loss - Financial derivative instruments	2,483,124
Options	Financial assets at fair value through profit or loss - Financial derivative instruments	1,393,759	Financial liabilities at fair value through profit or loss - Financial derivative instruments	44,471
<b>Total</b>		<b><u>2,742,997</u></b>		<b><u>5,281,972</u></b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Derivative Financial Instruments (continued)**

**Algebris Asset Allocation Fund**

Derivatives type	Asset derivatives	Liability derivatives		
	Location in Statement of Financial Position	Fair value 2015 EUR	Location in Statement of Financial Position	Fair value 2015 EUR
Contracts for difference	Financial assets at fair value through profit or loss - Financial derivative instruments	118,254	Financial liabilities at fair value through profit or loss - Financial derivative instruments	182,974
Forward foreign exchange contracts	Financial assets at fair value through profit or loss - Financial derivative instruments	41,125	Financial liabilities at fair value through profit or loss - Financial derivative instruments	92,137
Futures	Financial assets at fair value through profit or loss - Financial derivative instruments	4,479	Financial liabilities at fair value through profit or loss - Financial derivative instruments	-
Options	Financial assets at fair value through profit or loss - Financial derivative instruments	64,192	Financial liabilities at fair value through profit or loss - Financial derivative instruments	23,936
<b>Total</b>		<b><u>228,050</u></b>		<b><u>299,047</u></b>

**Algebris Financial Equity Fund**

Derivatives type	Asset derivatives	Liability derivatives		
	Location in Statement of Financial Position	Fair value 2015 EUR	Location in Statement of Financial Position	Fair value 2015 EUR
Contracts for difference	Financial assets at fair value through profit or loss - Financial derivative instruments	141,093	Financial liabilities at fair value through profit or loss - Financial derivative instruments	427,670
Forward foreign exchange contracts	Financial assets at fair value through profit or loss - Financial derivative instruments	62,928	Financial liabilities at fair value through profit or loss - Financial derivative instruments	206,005
Futures	Financial assets at fair value through profit or loss - Financial derivative instruments	14,592	Financial liabilities at fair value through profit or loss - Financial derivative instruments	-
Options	Financial assets at fair value through profit or loss - Financial derivative instruments	280,673	Financial liabilities at fair value through profit or loss - Financial derivative instruments	30,951
<b>Total</b>		<b><u>499,286</u></b>		<b><u>664,626</u></b>



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Derivative Financial Instruments (continued)**

The effect of transactions in derivative instruments to the Statement of Comprehensive Income during the financial year to 31 December 2015 was as follows:

**Algebris Financial Credit Fund**

<b>Derivative type</b>	<b>Location of gain/(loss) on derivatives recognised in Statement of Comprehensive income</b>	<b>Net realised loss on derivatives EUR</b>	<b>Net change in unrealised appreciation on derivatives EUR</b>
Forward foreign exchange contracts	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(25,594,749)	1,601,674
<b>Total</b>		<b>(25,594,749)</b>	<b>1,601,674</b>

**Algebris Financial Income Fund**

<b>Derivative type</b>	<b>Location of gain/(loss) on derivatives recognised in Statement of Comprehensive income</b>	<b>Net realised gain/(loss) on derivatives EUR</b>	<b>Net change in unrealised (depreciation)/ appreciation on derivatives EUR</b>
Contracts for difference	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	787,671	(3,334,227)
Forward foreign exchange contracts	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(8,725,546)	8,271
Futures	Net gain on financial assets and liabilities at fair value through profit or loss	265,591	-
Options	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(2,873,361)	626,295
<b>Total</b>		<b>(10,545,645)</b>	<b>(2,699,661)</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2015

**16. Supplemental information (continued)**

**Derivative Financial Instruments (continued)**

**Algebris Asset Allocation Fund**

<b>Derivative type</b>	<b>Location of gain/(loss) on derivatives recognised in Statement of Comprehensive income</b>	<b>Net realised gain/(loss) on derivatives EUR</b>	<b>Net change in unrealised (depreciation)/ appreciation on derivatives EUR</b>
Contracts for difference	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	202,822	(64,721)
Forward foreign exchange contracts	Net loss on financial assets and liabilities at fair value through profit or loss	(77,047)	(51,012)
Futures	Net gain on financial assets and liabilities at fair value through profit or loss	23,943	4,479
Options	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	33,539	(48,274)
<b>Total</b>		<b>183,257</b>	<b>(159,528)</b>

**Algebris Financial Equity Fund**

<b>Derivative type</b>	<b>Location of gain/(loss) on derivatives recognised in Statement of Comprehensive income</b>	<b>Net realised gain/(loss) on derivatives EUR</b>	<b>Net change in unrealised (depreciation)/ appreciation on derivatives EUR</b>
Contracts for difference	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	639,788	(286,576)
Forward foreign exchange contracts	Net loss on financial assets and liabilities at fair value through profit or loss	(61,204)	(143,080)
Futures	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(10,140)	14,592
Options	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	166,003	(57,101)
<b>Total</b>		<b>734,447</b>	<b>(472,165)</b>

**17. Related parties**

The below table provides an analysis of related party transactions for the financial year ended 31 December 2015.

	<b>Relationship</b>	<b>Transaction type</b>	<b>Fees paid</b>
Algebris Investments (UK) LLP	Investment Manager, Promoter	Investment management services	See note 5

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2015

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#### 17. Related parties (continued)

The Investment Manager is a subsidiary of Algebris Investments Limited which, in turn, is a wholly owned subsidiary of Algebris Investments (Luxembourg) S.a.r.l. Alexander Lasagna, Director of the Company, is also a Director of Algebris Investments (Luxembourg) S.a.r.l.

Fees paid to the Directors and the Company Secretary for the financial year ended 31 December 2015 are included in note 5 of these financial statements.

Algebris Investments LLP hold 2,494 shares in Algebris Financial Credit Fund and Algebris Financial Income Fund.

#### 18. Significant events during the financial year

An updated prospectus was issued by Algebris UCITS Funds plc together with updated supplements for each of Algebris Financial Credit Fund, Algebris Financial Income Fund, Algebris Asset Allocation Fund and Algebris Financial Equity Fund on 15 April 2015.

Algebris Asset Allocation Fund and Algebris Financial Equity Fund were each established as sub-funds of Algebris UCITS Funds plc and approved by the Central Bank of Ireland on 15 April 2015 and launched on 20 April 2015.

The Algebris Financial Credit Fund launched GBP Rd Share Class, CHF R Acc Share Class, CHF M Share Class, USD I Share Class, EUR W Share Class, USD Wd Share Class and USD W Share Class on 4 February 2015, 19 March 2015, 29 January 2015, 10 February 2015, 20 July 2015, 20 July 2015 and 7 August 2015 respectively.

The Algebris Financial Income Fund launched EUR Md Share Class and USD Rd Share Class on 23 April 2015 and 30 April 2015 respectively.

The Algebris Asset Allocation Fund launched EUR M Share Class, USD M Share Class, GBP B Share Class, EUR B Share Class and EUR I Share Class on 20 April 2015, 20 April 2015, 20 April 2015, 19 June 2015 and 24 June 2015 respectively.

The Algebris Financial Equity Fund launched EUR M Share Class, USD M Share Class, EUR B Share Class, GBP B Share Class, USD B Share Class, EUR I Share Class, GBP M Share Class on 20 April 2015, 20 April 2015, 18 May 2015, 10 June 2015, 10 June 2015, 25 June 2015 and 3 July 2015 respectively.

An updated supplement for Algebris Financial Credit Fund was issued on 9 July 2015 and Algebris Financial Equity Fund was issued on 1 December 2015.

An updated supplement for the Fund was issued on 20 August 2015.

#### 19. Significant events subsequent to the financial year end

Algebris Global Financials Fund (Northern Trust) and Algebris Financial Equity Fund have been merged with effect from 5 February 2016.

The date for implementing [UCITS V Directive] is 18 March 2016, from this date the Custodian will be known as the Depository going forward.

With effect from 18 March 2016, the Depository is charging a fee, in addition to these fees described in Note 5, for performing certain depository services as required under the [UCITS V Directive] of US\$7,000 per annum, per sub fund. For a period of 12 months commencing on 18 March 2016, Algebris Asset Allocation & Algebris Financial Equity Fund will receive a 50% discount.

## ALTEGRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2015

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#### **19. Significant events subsequent to the financial year end (continued)**

Algebris Financial Credit Fund received significant subscriptions during the months of January, February and March 2016 of €29,441,845, €170,991,963 and €737,673,558 respectively.

#### **20. Approval of financial statements**

The financial statements were approved and authorised for issue by the Board of Directors on 20 April 2016 .

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
	<b>Equity Securities</b>		
	<b>United Kingdom</b>	<b>491,115</b>	<b>0.06</b>
21,000	Royal Bank of Scotland (Series S) 6.6% (Preferred) Perpetual	491,115	0.06
	<b>United States</b>	<b>16,335,789</b>	<b>2.11</b>
320,000	Countrywide Capital 7% (Preferred)	7,551,423	0.98
190,000	Goldman Sachs Group (Series J)	4,529,141	0.58
52,000	Morgan Stanley (Series C) (Preferred)	1,369,303	0.18
120,000	Wells Fargo & Co Var (Preferred) Perpetual	2,885,922	0.37
	<b>Total Equity Securities</b>	<b>16,826,904</b>	<b>2.17</b>
	<b>Fixed Income Securities</b>		
	<b>Belgium</b>	<b>13,550,625</b>	<b>1.75</b>
13,500,000	KBC Group Perpetual	13,550,625	1.75
	<b>France</b>	<b>55,013,386</b>	<b>7.09</b>
21,900,000	BNP Paribas Perpetual	22,113,881	2.85
3,600,000	Credit Agricole 7.875% Perpetual	3,394,163	0.44
6,800,000	Credit Agricole Perpetual	6,167,020	0.79
2,400,000	Societe Generale 6.75% Perpetual	2,466,000	0.32
3,600,000	Societe Generale 7.875% Perpetual	3,327,042	0.43
18,600,000	Societe Generale Perpetual	17,545,280	2.26
	<b>Germany</b>	<b>7,812,171</b>	<b>1.00</b>
6,400,000	Aareal Bank 7.625% Perpetual	6,432,000	0.83
1,300,000	Commerzbank 8.125% 19/09/2023	1,380,171	0.17
	<b>Ireland</b>	<b>19,369,106</b>	<b>2.49</b>
16,850,000	Baggot Securities Ltd 10.24% Perpetual	16,852,106	2.17
2,400,000	Bank of Ireland Perpetual	2,517,000	0.32
	<b>Italy</b>	<b>29,630,291</b>	<b>3.82</b>
27,900,000	Intesa Sanpaolo (144A) Perpetual	26,334,082	3.39
1,075,000	Unicredit 6.95% 31/10/2022	1,258,239	0.16
2,101,000	Unipolsai Perpetual	2,037,970	0.27

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Fixed Income Securities (continued)</b>			
<b>Netherlands</b>		<b>21,810,992</b>	<b>2.81</b>
2,400,000	ABN Amro Bank VAR Perpetual	2,401,248	0.31
9,700,000	Demeter (Swiss Reinsurance) 15/08/2050	8,925,500	1.15
4,150,000	ING Group 6% Perpetual	3,835,340	0.49
7,350,000	ING Group 6.5% Perpetual	6,648,904	0.86
<b>Spain</b>		<b>77,120,457</b>	<b>9.93</b>
17,800,000	Banco Bilbao Vizcaya ARG 7% Perpetual	17,577,500	2.26
13,200,000	Banco Bilbao Vizcaya ARG Perpetual	12,952,500	1.67
11,300,000	Banco Popular Espanol Perpetual	11,213,013	1.44
9,400,000	Banco Santander (Series) Perpetual	8,918,250	1.15
11,300,000	Banco Santander 11/09/2049	10,603,129	1.37
8,600,000	Banco Santander Perpetual	7,561,919	0.97
9,200,000	Santander Issuances 5.179% 19/11/2025	8,294,146	1.07
<b>Switzerland</b>		<b>107,098,996</b>	<b>13.80</b>
6,000,000	Credit Suisse 6.5% 08/08/2023	5,936,111	0.77
2,100,000	Credit Suisse Group 6.25% Perpetual	1,919,022	0.25
25,650,000	Credit Suisse Group 7.5% Perpetual	24,856,482	3.20
16,360,000	CSG Guernsey I Ltd 24/02/2041	15,530,929	2.00
4,750,000	Swiss Reinsurance Perpetual	4,767,056	0.61
7,250,000	UBS 22/05/2023	6,780,729	0.87
15,000,000	UBS 5.125% 15/05/2024	13,974,887	1.80
22,100,000	UBS Group Perpetual	20,856,837	2.69
9,500,000	UBS Group Perpetual (EK7554505)	9,125,502	1.18
3,250,000	UBS Stamford 7.625% 17/08/2022	3,351,441	0.43
<b>United Kingdom</b>		<b>165,412,718</b>	<b>21.31</b>
2,975,000	Bank of Scotland (Series B) Perpetual	4,786,155	0.62
3,331,000	Barclays Bank 7.625% 21/11/2022	3,497,886	0.45
7,000,000	Barclays Bank 8.25% Perpetual	6,896,234	0.89
2,500,000	Barclays Perpetual	2,284,550	0.29
5,800,000	Barclays Perpetual (UV4299359)	7,861,960	1.01
9,145,000	Barclays VAR 7% Perpetual	12,224,135	1.58
1,850,000	Direct Line Insurance 27/04/2042	3,090,218	0.40
2,887,000	HBOS Sterling Finance Jersey Perpetual	5,084,474	0.65
19,325,000	HSBC Holdings Perpetual	18,577,561	2.39

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Fixed Income Securities (continued)</b>			
<b>United Kingdom (continued)</b>			
1,004,000	LBG Capital No 2 (Series 23) 15% 22/01/2029	2,363,913	0.30
3,300,000	Legal & General Group 27/10/2045	4,506,055	0.58
33,140,000	Lloyds Banking Group Perpetual	46,257,443	5.96
50,000	Lloyds TSB Bank 13% Perpetual	74,875	0.01
500,000	Lloyds TSB Bank 19/12/2021	363,854	0.05
2,800,000	Prudential 20/07/2055	3,545,253	0.46
1,300,000	Royal Bank of Scotland 6.125% 15/12/2022	1,304,407	0.17
19,800,000	Royal Bank of Scotland Group Perpetual	19,060,376	2.46
11,400,000	Santander UK Group Perpetual	15,770,271	2.03
500,000	Scottish Widows 5.5% 16/06/2023	708,123	0.09
8,100,000	Standard Chartered Perpetual	7,154,975	0.92
	<b>United States</b>	<b>124,212,310</b>	<b>16.00</b>
16,700,000	Bank of America (Series AA) Perpetual	15,529,878	2.00
7,200,000	Capital One Financial (Series E) Perpetual	6,612,651	0.85
10,000,000	Citigroup (Series O) Perpetual	9,149,710	1.18
16,250,000	Citigroup (Series P) Perpetual	14,475,532	1.86
2,500,000	Citigroup (Series Q) Perpetual	2,307,568	0.30
4,100,000	Citigroup (Series R) Perpetual	3,859,912	0.50
7,800,000	Citigroup Perpetual	7,109,843	0.92
3,800,000	Citizens Financial Group Perpetual	3,428,782	0.44
864,000	Deutsche Capital Trust IV (Series) Perpetual	795,507	0.10
2,600,000	Dresdner Funding Trust I 8.151% 30/06/2031	2,956,450	0.38
1,000,000	Goldman Sachs Group (Series L) Perpetual	916,122	0.12
7,100,000	Goldman Sachs Group (Series M) Perpetual	6,504,466	0.84
325,000	HVB Funding Trust I 8.741% 30/06/2031	377,600	0.05
1,630,000	HVB Funding Trust III 9% 22/10/2031	1,914,443	0.25
5,920,000	ING Capital Funding Trust III (Series 9) Perpetual	5,437,068	0.70
5,000,000	JPMorgan Chase & Co (Series R) Perpetual	4,620,891	0.60
1,500,000	JPMorgan Chase & Co (Series U) Perpetual	1,393,173	0.18
7,300,000	JPMorgan Chase & Co (Series Z) Perpetual	6,729,698	0.87
4,600,000	JPMorgan Chase & Co 29/08/2049	4,600,635	0.59
3,000,000	Morgan Stanley Perpetual	2,755,271	0.35
8,100,000	Pennymac (144A) Conv 5.375% 01/05/2020	6,915,704	0.89
1,500,000	Prudential Financial 15/03/2044	1,343,108	0.17
6,000,000	Suntrust Banks Perpetual	5,551,975	0.71

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Credit Fund

Schedule of Investments (continued)

as at 31 December 2015

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Fixed Income Securities (continued)</b>			
<b>United States (continued)</b>			
1,000,000	Synovus Financial 5.125% 15/06/2017	948,347	0.12
500,000	Synovus Financial 7.875% 15/02/2019	511,003	0.07
7,000,000	Synovus Financial VAR 12/15/2025	6,525,642	0.84
1,054,000	Zions Perpetual	941,331	0.12
<b>Total Fixed Income Securities</b>		<b>621,031,052</b>	<b>80.00</b>
<b>Forward Contracts*</b>			
	Buy EUR 108,848,136 Sell GBP 79,220,000 16/03/2016	1,534,849	0.20
	Buy USD 31,071,860 Sell EUR 28,218,173 16/03/2016	335,683	0.04
	Buy USD 21,656,600 Sell EUR 19,667,625 16/03/2016	233,966	0.03
	Buy USD 10,045,000 Sell EUR 9,122,452 16/03/2016	108,521	0.02
	Buy USD 7,225,500 Sell EUR 6,561,899 16/03/2016	78,060	0.01
	Buy EUR 1,360,258 Sell GBP 990,000 16/03/2016	19,181	-
	Buy USD 1,004,600 Sell EUR 912,336 16/03/2016	10,853	-
	Buy USD 869,200 Sell EUR 789,371 16/03/2016	9,390	-
	Buy USD 298,800 Sell EUR 271,358 16/03/2016	3,228	-
	Buy USD 460,000 Sell EUR 419,848 16/03/2016	2,874	-
	Buy GBP 690,000 Sell EUR 932,941 16/03/2016	1,749	-
	Buy USD 360,000 Sell EUR 329,770 16/03/2016	1,056	-
	Buy USD 72,900 Sell EUR 66,535 16/03/2016	457	-
	Buy EUR 457,447 Sell USD 497,300 16/03/2016	447	-
	Buy EUR 21,697 Sell GBP 15,700 16/03/2016	430	-
	Buy EUR 448,773 Sell USD 487,900 16/03/2016	411	-
	Buy USD 50,300 Sell EUR 45,942 16/03/2016	282	-
	Buy EUR 20,029 Sell GBP 14,600 16/03/2016	251	-
	Buy GBP 150,000 Sell EUR 202,999 16/03/2016	195	-
	Buy EUR 178,453 Sell USD 194,000 16/03/2016	174	-
	Buy GBP 76,500 Sell EUR 103,504 16/03/2016	125	-
	Buy EUR 7,271 Sell GBP 5,300 16/03/2016	91	-
	Buy EUR 8,740 Sell GBP 6,400 16/03/2016	70	-
	Buy EUR 17,948 Sell GBP 13,200 16/03/2016	67	-
	Buy EUR 73,584 Sell USD 80,000 16/03/2016	67	-



**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Forward Contracts (continued)</b>			
	Buy EUR 4,122 Sell GBP 3,000 16/03/2016	58	-
	Buy EUR 14,821 Sell GBP 10,900 16/03/2016	55	-
	Buy GBP 33,400 Sell EUR 45,190 16/03/2016	55	-
	Buy GBP 10,500 Sell EUR 14,206 16/03/2016	17	-
	Buy EUR 1,234 Sell GBP 900 16/03/2016	15	-
	Buy EUR 822 Sell GBP 600 16/03/2016	10	-
	Buy EUR 1,224 Sell GBP 900 16/03/2016	5	-
	<b>Total Forward Contracts</b>	<b>2,342,692</b>	<b>0.30</b>
	<b>Total Financial Assets at Fair Value Through Profit or Loss</b>	<b>640,200,648</b>	<b>82.47</b>
<b>Financial Liabilities at Fair Value Through Profit or Loss</b>			
<b>Forward Contracts*</b>			
	Buy EUR 388,035,230 Sell USD 427,277,000 16/03/2016	(4,616,061)	(0.60)
	Buy GBP 57,458,040 Sell EUR 78,947,243 16/03/2016	(1,113,219)	(0.14)
	Buy EUR 6,883,841 Sell USD 7,580,000 16/03/2016	(81,890)	(0.01)
	Buy CHF 8,103,800 Sell EUR 7,529,746 16/03/2016	(68,789)	(0.01)
	Buy CHF 2,593,000 Sell EUR 2,409,318 16/03/2016	(22,011)	-
	Buy GBP 348,300 Sell EUR 478,564 16/03/2016	(6,748)	-
	Buy EUR 360,449 Sell AUD 550,000 16/03/2016	(6,140)	-
	Buy CHF 584,400 Sell EUR 543,003 16/03/2016	(4,961)	-
	Buy GBP 162,200 Sell EUR 223,983 16/03/2016	(4,263)	-
	Buy EUR 373,068 Sell USD 410,000 16/03/2016	(3,707)	-
	Buy EUR 296,514 Sell USD 326,500 16/03/2016	(3,527)	-
	Buy GBP 134,400 Sell EUR 184,563 16/03/2016	(2,502)	-
	Buy GBP 99,500 Sell EUR 136,713 16/03/2016	(1,928)	-
	Buy EUR 157,293 Sell USD 173,200 16/03/2016	(1,871)	-
	Buy CHF 210,900 Sell EUR 195,960 16/03/2016	(1,790)	-
	Buy GBP 97,100 Sell EUR 133,011 16/03/2016	(1,478)	-
	Buy GBP 86,900 Sell EUR 119,039 16/03/2016	(1,322)	-

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Forward Contracts* (continued)</b>			
Buy EUR 142,657 Sell USD 156,300 16/03/2016		(977)	-
Buy GBP 45,000 Sell EUR 61,878 16/03/2016		(920)	-
Buy GBP 30,000 Sell EUR 41,220 16/03/2016		(581)	-
Buy GBP 22,500 Sell EUR 30,821 16/03/2016		(342)	-
Buy GBP 58,800 Sell EUR 79,978 16/03/2016		(326)	-
Buy EUR 44,814 Sell USD 49,100 16/03/2016		(307)	-
Buy GBP 40,100 Sell EUR 54,543 16/03/2016		(222)	-
Buy EUR 15,390 Sell USD 16,900 16/03/2016		(141)	-
Buy GBP 24,000 Sell EUR 32,644 16/03/2016		(133)	-
Buy EUR 1,352 Sell GBP 1,000 16/03/2016		(3)	-
<b>Total Forward Contracts</b>		<b>(5,946,159)</b>	<b>(0.76)</b>
<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>		<b>(5,946,159)</b>	<b>(0.76)</b>
<b>Net Financial Assets and Liabilities at Fair Value Through Profit or Loss</b>		<b>634,254,489</b>	<b>81.71</b>
<b>Other Net Assets</b>		<b>142,015,416</b>	<b>18.29</b>
<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares</b>		<b>776,269,905</b>	<b>100.00</b>
			<b>% of total assets</b>
Transferable securities admitted to an official stock exchange listing or traded in a regulated market		637,857,956	81.38
Over the counter financial derivatives		2,342,692	0.30
Cash and other current assets		143,617,658	18.32
<b>Total</b>		<b>783,818,306</b>	<b>100.00</b>

\*The counterparty for all the forward contracts is HSBC Bank plc.

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
	<b>Equity Securities</b>		
	<b>Bermuda</b>	<b>1,624,524</b>	<b>0.67</b>
52,700	Invesco	1,624,524	0.67
	<b>Denmark</b>	<b>2,444,023</b>	<b>1.01</b>
98,500	Danske Bank	2,444,023	1.01
	<b>France</b>	<b>14,237,012</b>	<b>5.88</b>
95,370	BNP Paribas	4,981,175	2.06
857,000	Natixis	4,470,969	1.85
112,400	Societe Generale	4,784,868	1.97
	<b>Ireland</b>	<b>1,402,700</b>	<b>0.58</b>
4,150,000	Bank of Ireland	1,402,700	0.58
	<b>Japan</b>	<b>19,571,209</b>	<b>8.08</b>
350,328	Dai-Ichi Life Insurance	5,455,464	2.25
895,200	Mitsubishi UFJ Financial Group	5,186,396	2.14
92,400	Sumitomo Mitsui Financial Group	3,256,779	1.35
460,714	T&D Holdings	5,672,570	2.34
	<b>Netherlands</b>	<b>9,246,641</b>	<b>3.82</b>
861,300	Aegon	4,504,599	1.86
375,905	ING Group	4,742,042	1.96
	<b>Sweden</b>	<b>11,292,668</b>	<b>4.67</b>
342,600	Nordea Bank	3,483,736	1.44
377,150	Skandinaviska Enskilda Banken	3,674,751	1.52
202,740	Swedbank	4,134,181	1.71
	<b>United Kingdom</b>	<b>1,141,456</b>	<b>0.47</b>
6,500	Nationwide Building Society (Preferred)	1,141,456	0.47
	<b>United States</b>	<b>51,502,613</b>	<b>21.28</b>
124,100	American Capital Agency	1,981,304	0.82
57,500	American Capital Mortgage Investment	739,066	0.31
159,250	Apollo Global Management LLC	2,225,776	0.92

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Equity Securities (continued)</b>			
<b>United States (continued)</b>			
109,075	Blackstone Mortgage Trust	2,687,457	1.11
365,850	Carlyle Group LP	5,261,557	2.17
37,357	Countrywide Capital 7% (Preferred)	881,558	0.37
62,700	Discover Financial Services	3,095,455	1.28
48,000	Federated Investors	1,266,182	0.52
72,418	Fifth Third Bancorp	1,340,210	0.55
472,535	Fortress Investment Group LLC	2,214,532	0.92
112,190	Hercules Technology Growth Capital	1,259,181	0.52
18,545	HSBC USA (Series G) (Preferred)	409,797	0.17
358,150	KKR & Co LP	5,140,925	2.12
96,000	Lexington Corporate Properties Trust	707,117	0.29
77,625	MetLife	3,445,632	1.42
64,500	Morgan Stanley (Series C) (Preferred)	1,698,462	0.70
120,500	Och-Ziff Capital Management Group	691,202	0.29
52,325	Prudential Financial	3,922,087	1.62
61,045	RLJ Lodging Trust REIT	1,215,729	0.50
175,975	Starwood Property Trust	3,331,227	1.38
77,350	Starwood Waypoint Residential Trust REIT	1,612,378	0.67
92,600	US Bancorp	3,638,009	1.50
54,700	Wells Fargo & Co	2,737,770	1.13
<b>Total Equity Securities</b>		<b>112,462,846</b>	<b>46.46</b>
<b>Fixed Income Securities</b>			
<b>France</b>		<b>9,799,605</b>	<b>4.05</b>
4,700,000	BNP Paribas Perpetual	4,741,780	1.96
1,000,000	Credit Agricole 7.875% Perpetual	942,823	0.39
2,000,000	Credit Agricole Perpetual	1,813,829	0.75
2,400,000	Societe Generale Perpetual	2,301,173	0.95
<b>Germany</b>		<b>3,674,670</b>	<b>1.52</b>
2,600,000	Aareal Bank 7.625% Perpetual	2,613,000	1.08
1,000,000	Commerzbank 8.125% 19/09/2023	1,061,670	0.44

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Fixed Income Securities (continued)</b>			
	<b>Ireland</b>	<b>3,439,325</b>	<b>1.42</b>
2,600,000	Baggot Securities Ltd 10.24% Perpetual	2,600,325	1.07
800,000	Bank of Ireland Perpetual	839,000	0.35
	<b>Italy</b>	<b>13,419,044</b>	<b>5.54</b>
9,450,000	Bouni Ordinari Del Tes 0% 14/03/2016	9,454,773	3.90
4,200,000	Intesa Sanpaolo (144A) Perpetual	3,964,271	1.64
	<b>Netherlands</b>	<b>2,592,134</b>	<b>1.07</b>
900,000	Demeter (Swiss Reinsurance) 15/08/2050	828,139	0.34
1,950,000	ING Group 6.5% Perpetual	1,763,995	0.73
	<b>Puerto Rico</b>	<b>2,169,393</b>	<b>0.90</b>
2,500,000	Popular 7% 01/07/2019	2,169,393	0.90
	<b>Spain</b>	<b>17,701,347</b>	<b>7.31</b>
4,000,000	Banco Bilbao Vizcaya ARG 7% Perpetual	3,950,000	1.63
3,200,000	Banco Bilbao Vizcaya ARG Perpetual	3,140,000	1.30
3,400,000	Banco Popular Espanol Perpetual	3,200,250	1.32
3,000,000	Banco Santander (Series) Perpetual	2,846,250	1.17
2,400,000	Banco Santander 11/09/2049	2,251,992	0.93
1,400,000	Banco Santander Perpetual	1,231,010	0.51
1,200,000	Santander Issuances 5.179% 19/11/2025	1,081,845	0.45
	<b>Switzerland</b>	<b>11,918,470</b>	<b>4.92</b>
4,100,000	Credit Suisse Group 7.5% Perpetual	3,973,161	1.64
2,000,000	UBS 5.125% 15/05/2024	1,863,318	0.77
5,000,000	UBS Group Perpetual	4,641,122	1.92
1,500,000	UBS Group Perpetual (EK7554505)	1,440,869	0.59
	<b>United Kingdom</b>	<b>32,129,723</b>	<b>13.28</b>
1,000,000	Bank of Scotland (Series B) Perpetual	1,608,792	0.67
1,800,000	Barclays Bank 8.25% Perpetual	1,773,317	0.73
2,200,000	Barclays Perpetual	2,010,404	0.83
1,800,000	Barclays Bank Perpetual (UV4299359)	2,439,919	1.01
2,700,000	Barclays VAR Perpetual	3,609,094	1.49

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Fixed Income Securities (continued)</b>			
<b>United Kingdom (continued)</b>			
4,675,000	HSBC Holdings Perpetual	4,542,840	1.88
4,500,000	Lloyds Banking Group Perpetual	6,226,329	2.57
4,100,000	Royal Bank of Scotland Group Perpetual	3,945,667	1.63
1,700,000	Santander UK Group Perpetual	2,351,707	0.97
4,100,000	Standard Chartered Perpetual	3,621,654	1.50
<b>United States</b>		<b>13,319,402</b>	<b>5.50</b>
1,000,000	Bank of America (Series AA) Perpetual	929,933	0.38
1,700,000	Capital One Financial (Series E) Perpetual	1,561,320	0.64
4,150,000	Citigroup (Series P) Perpetual	3,696,828	1.53
600,000	Citigroup (Series Q) Perpetual	553,816	0.23
1,600,000	Citigroup (Series R) Perpetual	1,506,307	0.62
2,500,000	Goldman Sachs Group (Series M) Perpetual	2,290,305	0.95
1,500,000	JPMorgan Chase & Co 29/08/2049	1,500,207	0.62
1,500,000	Pennymac (144A) Convertible 5.375% 01/05/2020	1,280,686	0.53
<b>Total Fixed Income Securities</b>		<b>110,163,113</b>	<b>45.51</b>
<b>Contracts For Difference*</b>			
533,650	Aviva	6,247	-
544,000	Poste Italiane	190,400	0.08
<b>Total Contracts For Difference</b>		<b>196,647</b>	<b>0.08</b>
<b>Covered Option Contracts</b>			
575	CBOE SPX Volatility Index 21 Call 20/01/2016	64,059	0.03
517	Dow Jones EURO STOXX 50 (Price) Index 3000 Put 18/03/2016	238,854	0.10
286	Dow Jones EURO STOXX 50 (Price) Index 3000 Put 17/06/2016	324,324	0.13
1,100	iShares Barclays 20+ YR Treasury Bond Fund 124 Call 15/01/2016	21,269	0.01
500	Market Vectors Gold Miners ETF 34 Call 15/01/2016	460	-
161	S&P 500 Index 2000 Put 15/01/2016	192,708	0.08

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Covered Option Contracts (continued)</b>			
58	S&P 500 Index 2000 Put 18/03/2016	261,670	0.11
34	S&P 500 Index 2000 Put 17/06/2016	257,637	0.11
16	S&P 500 Index 2040 Put 15/01/2016	32,778	0.01
<b>Total Covered Option Contracts</b>		<b>1,393,759</b>	<b>0.58</b>
<b>Forward Contracts*</b>			
			-
	Buy USD 22,223,500 Sell EUR 20,182,460 16/03/2016	240,090	0.10
	Buy USD 20,110,500 Sell EUR 18,263,521 16/03/2016	217,262	0.09
	Buy EUR 15,306,340 Sell GBP 11,140,000 16/03/2016	215,831	0.10
	Buy USD 14,973,200 Sell EUR 13,598,039 16/03/2016	161,761	0.07
	Buy JPY 1,082,050,000 Sell EUR 8,142,700 16/03/2016	136,820	0.06
	Buy USD 4,620,000 Sell EUR 4,203,836 16/03/2016	41,768	0.02
	Buy USD 3,281,300 Sell EUR 2,979,940 16/03/2016	35,449	0.02
	Buy JPY 215,580,000 Sell EUR 1,634,590 16/03/2016	14,963	0.01
	Buy USD 4,390,000 Sell EUR 4,021,583 16/03/2016	12,660	0.01
	Buy JPY 100,200,000 Sell EUR 754,756 16/03/2016	11,944	-
	Buy USD 926,300 Sell EUR 841,227 16/03/2016	10,007	-
	Buy EUR 617,318 Sell GBP 450,000 16/03/2016	7,738	-
	Buy JPY 96,770,000 Sell EUR 732,943 16/03/2016	7,512	-
	Buy JPY 62,560,000 Sell EUR 473,274 16/03/2016	5,416	-
	Buy EUR 357,514 Sell GBP 260,200 16/03/2016	5,041	-
	Buy EUR 4,599,026 Sell USD 5,000,000 16/03/2016	4,217	-
	Buy SEK 3,240,000 Sell EUR 349,278 16/03/2016	3,933	-
	Buy EUR 219,840 Sell GBP 160,000 16/03/2016	3,100	-
	Buy EUR 119,682 Sell GBP 86,600 16/03/2016	2,371	-
	Buy SEK 3,190,000 Sell EUR 345,469 16/03/2016	2,291	-
	Buy USD 207,000 Sell EUR 187,989 16/03/2016	2,236	-
	Buy KRW 1,505,110,000 Sell EUR 1,171,830 16/03/2016	1,990	-
	Buy USD 148,700 Sell EUR 135,043 16/03/2016	1,606	-
	Buy USD 164,100 Sell EUR 149,341 16/03/2016	1,461	-
	Buy TWD 3,200,000 Sell EUR 88,373 16/03/2016	1,263	-
	Buy USD 141,500 Sell EUR 128,774 16/03/2016	1,259	-
	Buy USD 120,800 Sell EUR 109,935 16/03/2016	1,075	-
	Buy TWD 5,070,000 Sell EUR 141,186 16/03/2016	832	-
	Buy USD 25,600 Sell EUR 23,298 16/03/2016	228	-

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Forward Contracts* (continued)</b>			
	Buy GBP 50,000 Sell EUR 67,666 16/03/2016	65	-
	Buy USD 7,200 Sell EUR 6,552 16/03/2016	64	-
	Buy EUR 16,045 Sell GBP 11,800 16/03/2016	60	-
	Buy EUR 5,761 Sell CHF 6,200 16/03/2016	53	-
	Buy EUR 13,597 Sell GBP 10,000 16/03/2016	51	-
	Buy EUR 3,023 Sell GBP 2,200 16/03/2016	43	-
	Buy EUR 4,181 Sell CHF 4,500 16/03/2016	38	-
	Buy EUR 2,548 Sell CHF 2,750 16/03/2016	16	-
	Buy EUR 1,099 Sell GBP 800 16/03/2016	16	-
	Buy USD 1,700 Sell EUR 1,547 16/03/2016	15	-
	Buy EUR 1,853 Sell CHF 2,000 16/03/2016	11	-
	Buy EUR 553 Sell GBP 400 16/03/2016	11	-
	Buy USD 1,200 Sell EUR 1,092 16/03/2016	11	-
	Buy EUR 412 Sell GBP 300 16/03/2016	6	-
	Buy EUR 138 Sell GBP 100 16/03/2016	3	-
	Buy EUR 408 Sell GBP 300 16/03/2016	2	-
	Buy EUR 137 Sell GBP 100 16/03/2016	2	-
	Buy GBP 100 Sell EUR 136 16/03/2016	-	-
	<b>Total Forward Contracts</b>	<b>1,152,591</b>	<b>0.48</b>
	<b>Total Financial Assets at Fair Value Through Profit or Loss</b>	<b>225,368,956</b>	<b>93.11</b>
	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>		
	<b>Contracts For Difference*</b>		
12,400	American Capital Agency	(37,324)	(0.02)
40,500	American Capital Mortgage Investment	(102,935)	(0.04)
64,439	Amundi	(117,279)	(0.05)
819,100	Barclays	(560,807)	(0.23)
2,068,000	Fubon Financial Holding	(627,850)	(0.26)



ALGEBRIS UCITS FUNDS PLC

Algebris Financial Income Fund

Schedule of Investments (continued)

as at 31 December 2015

Holdings	Financial Liabilities at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Contracts For Difference (continued)</b>			
607,825	HSBC Holdings	(475,930)	(0.20)
5,226,200	Lloyds Banking Group	(832,252)	(0.34)
<b>Total Contracts For Difference</b>		<b>(2,754,377)</b>	<b>(1.14)</b>
<b>Covered Option Contracts</b>			
(161)	S&P 500 Index 1905 Put 15/01/2016	(44,471)	(0.02)
<b>Total Covered Option Contracts</b>		<b>(44,471)</b>	<b>(0.02)</b>
<b>Forward Contracts*</b>			
	Buy EUR 115,931,879 Sell USD 127,656,000 16/03/2016	(1,379,124)	(0.57)
	Buy EUR 19,106,896 Sell JPY 2,556,560,000 16/03/2016	(455,129)	(0.19)
	Buy GBP 13,254,050 Sell EUR 18,211,041 16/03/2016	(256,791)	(0.11)
	Buy EUR 8,721,067 Sell JPY 1,161,120,000 16/03/2016	(163,473)	(0.07)
	Buy EUR 8,097,411 Sell SEK 74,770,000 16/03/2016	(53,696)	(0.02)
	Buy EUR 3,158,887 Sell SEK 29,360,000 16/03/2016	(41,815)	(0.02)
	Buy EUR 2,921,860 Sell TWD 105,260,000 16/03/2016	(26,630)	(0.01)
	Buy EUR 2,884,512 Sell JPY 380,050,000 16/03/2016	(23,516)	(0.01)
	Buy EUR 1,996,332 Sell KRW 2,580,060,000 16/03/2016	(15,829)	(0.01)
	Buy EUR 1,107,953 Sell USD 1,220,000 16/03/2016	(13,180)	(0.01)
	Buy EUR 3,865,636 Sell USD 4,220,000 16/03/2016	(12,384)	-
	Buy GBP 410,000 Sell EUR 563,339 16/03/2016	(7,944)	-
	Buy EUR 471,811 Sell SEK 4,390,000 16/03/2016	(6,769)	-
	Buy EUR 298,693 Sell USD 328,900 16/03/2016	(3,553)	-
	Buy CHF 408,800 Sell EUR 379,842 16/03/2016	(3,470)	-
	Buy EUR 268,997 Sell USD 296,200 16/03/2016	(3,200)	-
	Buy CHF 300,800 Sell EUR 279,492 16/03/2016	(2,553)	-
	Buy EUR 200,794 Sell USD 221,100 16/03/2016	(2,389)	-
	Buy GBP 114,500 Sell EUR 157,155 16/03/2016	(2,051)	-
	Buy KRW 1,161,200,000 Sell EUR 907,129 16/03/2016	(1,522)	-
	Buy EUR 135,076 Sell USD 148,300 16/03/2016	(1,206)	-
	Buy EUR 122,097 Sell USD 134,050 16/03/2016	(1,090)	-
	Buy GBP 55,400 Sell EUR 76,120 16/03/2016	(1,073)	-
	Buy EUR 540,835 Sell GBP 400,000 16/03/2016	(1,014)	-

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Forward Contracts* (continued)</b>			
Buy EUR 90,946 Sell USD 99,850 16/03/2016		(812)	-
Buy EUR 66,577 Sell KRW 86,250,000 16/03/2016		(689)	-
Buy EUR 44,318 Sell USD 48,800 16/03/2016		(527)	-
Buy GBP 19,500 Sell EUR 26,793 16/03/2016		(378)	-
Buy GBP 109,000 Sell EUR 147,920 16/03/2016		(266)	-
Buy EUR 19,993 Sell USD 21,950 16/03/2016		(179)	-
Buy USD 193,800 Sell EUR 178,269 16/03/2016		(174)	-
Buy USD 177,700 Sell EUR 163,459 16/03/2016		(160)	-
Buy EUR 12,533 Sell USD 13,800 16/03/2016		(149)	-
Buy USD 131,300 Sell EUR 120,778 16/03/2016		(118)	-
Buy EUR 5,647 Sell USD 6,200 16/03/2016		(50)	-
Buy EUR 2,815 Sell USD 3,100 16/03/2016		(33)	-
Buy CHF 3,400 Sell EUR 3,157 16/03/2016		(27)	-
Buy USD 28,300 Sell EUR 26,032 16/03/2016		(25)	-
Buy EUR 1,998 Sell USD 2,200 16/03/2016		(24)	-
Buy CHF 3,100 Sell EUR 2,875 16/03/2016		(21)	-
Buy CHF 2,500 Sell EUR 2,322 16/03/2016		(20)	-
Buy CHF 2,400 Sell EUR 2,226 16/03/2016		(16)	-
Buy GBP 600 Sell EUR 823 16/03/2016		(11)	-
Buy EUR 1,230 Sell USD 1,350 16/03/2016		(11)	-
Buy GBP 500 Sell EUR 686 16/03/2016		(9)	-
Buy EUR 911 Sell USD 1,000 16/03/2016		(8)	-
Buy USD 8,000 Sell EUR 7,359 16/03/2016		(7)	-
Buy GBP 200 Sell EUR 275 16/03/2016		(4)	-
Buy USD 1,800 Sell EUR 1,656 16/03/2016		(2)	-
Buy GBP 500 Sell EUR 679 16/03/2016		(1)	-
Buy EUR 406 Sell GBP 300 16/03/2016		(1)	-
Buy USD 1,300 Sell EUR 1,196 16/03/2016		(1)	-
<b>Total Forward Contracts</b>		<b>(2,483,124)</b>	<b>(1.02)</b>
<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>		<b>(5,281,972)</b>	<b>(2.18)</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Net Financial Assets and Liabilities at Fair Value Through Profit or Loss</b>		<b>220,086,984</b>	<b>90.93</b>
<b>Other Net Assets</b>		<b>21,962,330</b>	<b>9.07</b>
<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares</b>		<b>242,049,314</b>	<b>100.00</b>
			<b>% of total assets</b>
Transferable securities admitted to an official stock exchange listing or traded in a regulated market		222,625,959	89.84
Over the counter financial derivatives		2,742,997	1.11
Cash and other current assets		22,436,416	9.05
<b>Total</b>		<b>247,805,372</b>	<b>100.00</b>

\*The counterparty for all the contracts for differences and forward contracts is HSBC Bank plc.

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments**  
as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
	<b>Equity Securities</b>		
	<b>Cayman Islands</b>	<b>116,090</b>	<b>0.84</b>
70,000	Boer Power Holdings	116,090	0.84
	<b>China</b>	<b>329,715</b>	<b>2.40</b>
36,900	China Vanke	100,386	0.73
380,000	PetroChina	229,329	1.67
	<b>France</b>	<b>535,308</b>	<b>3.89</b>
78,300	Natixis	408,491	2.97
5,800	Veolia Environnement	126,817	0.92
	<b>Hong Kong</b>	<b>482,589</b>	<b>3.51</b>
40,000	China Merchants Holdings International	117,135	0.85
30,976	China Overseas Land & Investment	100,094	0.73
370,000	Citic Telecom International Holdings	130,108	0.95
115,000	HKT Trust	135,252	0.98
	<b>Japan</b>	<b>1,372,356</b>	<b>9.98</b>
28,891	Dai-ichi Life Insurance	449,903	3.27
77,289	Mitsubishi UFJ Financial Group	447,779	3.26
38,552	T&D Holdings	474,674	3.45
	<b>Netherlands</b>	<b>833,079</b>	<b>6.06</b>
81,500	Aegon	426,245	3.10
32,250	ING Group	406,834	2.96
	<b>Sweden</b>	<b>205,587</b>	<b>1.50</b>
21,100	Skandinaviska Enskilda Banken	205,587	1.50

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Equity Securities (continued)</b>			
	<b>United States</b>	<b>1,193,350</b>	<b>8.69</b>
25,140	Carlyle Group LP	361,557	2.63
2,000	Discover Financial Services	98,739	0.72
22,240	Fortress Investment Group LLC	104,228	0.76
25,150	KKR & Co LP	361,006	2.63
7,675	Market Vectors Vietnam ETF	104,515	0.76
19,363	Nuveen Preferred and Convertible Income Fund	163,305	1.19
	<b>Total Equity Securities</b>	<b>5,068,074</b>	<b>36.87</b>
<b>Fixed Income Securities</b>			
	<b>France</b>	<b>1,970,754</b>	<b>14.34</b>
200,000	BNP Paribas Perpetual	190,130	1.38
1,460,000	French Discount T-Bill 0% 17/02/2016	1,460,722	10.63
132,000	French Discount T-Bill 0% 22/06/2016	132,234	0.96
200,000	Societe Generale Perpetual	187,668	1.37
	<b>Ireland</b>	<b>400,050</b>	<b>2.91</b>
400,000	Baggot Securities Ltd 10.24% Perpetual	400,050	2.91
	<b>Italy</b>	<b>1,844,610</b>	<b>13.42</b>
1,655,000	Bouni Ordinari Del Tes 0% 14/03/2016	1,655,835	12.05
200,000	Intesa Sanpaolo (144A) Perpetual	188,775	1.37
	<b>Netherlands</b>	<b>184,031</b>	<b>1.34</b>
200,000	Demeter (Swiss Reinsurance) 15/08/2050	184,031	1.34
	<b>Switzerland</b>	<b>181,673</b>	<b>1.32</b>
200,000	UBS Group Perpetual	181,673	1.32
	<b>United Kingdom</b>	<b>1,124,015</b>	<b>8.18</b>
200,000	Barclays Plc Perpetual	271,102	1.97
200,000	Barclays VAR 7% Perpetual	267,340	1.95
200,000	HSBC Holdings Perpetual	201,950	1.47
400,000	Royal Bank of Scotland Group Perpetual	383,623	2.79

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Fixed Income Securities (continued)</b>			
	<b>United States</b>	<b>314,516</b>	<b>2.29</b>
100,000	Citigroup (Series Q) Perpetual	92,303	0.67
100,000	Citigroup (Series R) Perpetual	94,144	0.69
150,000	Pennymac (144A) Conv 5.375% 01/05/2020	128,069	0.93
	<b>Total Fixed Income Securities</b>	<b>6,019,649</b>	<b>43.80</b>
<b>Contracts For Difference*</b>			
(178,000)	Bankia	7,974	0.06
(360,000)	China Petroleum & Chemical	35,509	0.25
(121,000)	CIMB Group Holdings	1,308	0.01
(66,000)	CITIC	2,547	0.02
(5,400)	DBS Group Holdings	2,234	0.02
(5,100)	Home Capital Group	18,936	0.14
37,000	HSBC Holdings	7,486	0.05
70,700	ITV	6,792	0.05
(543,000)	Krung Thai Bank	10,720	0.08
(1,050)	Mastercard	2,126	0.02
56,400	Poste Italiane	19,740	0.14
(50,000)	Singapore Telecommunications	2,882	0.02
	<b>Total Contracts For Difference</b>	<b>118,254</b>	<b>0.86</b>
<b>Futures contract</b>			
(20)	FTSE KLCI Future Jan 16 29/01/2016	4,479	0.03
	<b>Total Futures contract</b>	<b>4,479</b>	<b>0.03</b>
<b>Covered Option Contracts</b>			
85	Dow Jones EURO STOXX 50 (Price) Index 3500 Call 19/02/2016	18,445	0.13
83	General Electric Co 30 Put 15/01/2016	917	0.01
534	HSCEI Hang Seng China Enterprise Index 10700 Call 30/03/2016	7,599	0.06

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Covered Option Contracts (continued)</b>			
125	KKR & Co LP 18 Call 18/03/2016	1,726	0.01
17	Moody's 95 Put 15/01/2016	626	-
100	PowerShares QQQ ETF 110 Put 19/02/2016	21,361	0.16
6	S&P 500 Index 1980 Put 15/01/2016	5,082	0.04
198	S&P/ASX 200 Index (Australia) 5006.70359 Put 18/02/2016	5,366	0.04
17	SPDR S&P 500 ETF Trust 202 Put 15/01/2016	3,052	0.02
20	SPDR S&P 500 ETF Trust 225 Call 15/01/2016	18	-
<b>Total Covered Option Contracts</b>		<b>64,192</b>	<b>0.47</b>
<b>Forward Contracts**</b>			
	Buy USD 1,423,400 Sell EUR 1,292,673 16/03/2016	15,378	0.11
	Buy EUR 508,379 Sell GBP 370,000 16/03/2016	7,169	0.05
	Buy JPY 50,770,000 Sell EUR 382,983 16/03/2016	5,494	0.04
	Buy JPY 41,780,000 Sell EUR 314,405 16/03/2016	5,283	0.04
	Buy JPY 16,000,000 Sell EUR 120,086 16/03/2016	2,341	0.02
	Buy JPY 30,810,000 Sell EUR 233,610 16/03/2016	2,138	0.02
	Buy JPY 16,520,000 Sell EUR 124,976 16/03/2016	1,430	0.01
	Buy TWD 4,860,000 Sell EUR 135,338 16/03/2016	798	0.01
	Buy EUR 68,090 Sell GBP 50,000 16/03/2016	359	-
	Buy SEK 110,000 Sell EUR 11,766 16/03/2016	226	-
	Buy KRW 154,400,000 Sell EUR 120,211 16/03/2016	204	-
	Buy TWD 460,000 Sell EUR 12,718 16/03/2016	168	-
	Buy TWD 290,000 Sell EUR 8,033 16/03/2016	90	-
	Buy TWD 200,000 Sell EUR 5,571 16/03/2016	31	-
	Buy EUR 829 Sell GBP 600 16/03/2016	16	-
<b>Total Forward Contracts</b>		<b>41,125</b>	<b>0.30</b>
<b>Total Financial Assets at Fair Value Through Profit or Loss</b>		<b>11,315,773</b>	<b>82.33</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Contracts For Difference*</b>			
4,600	Amundi	(8,372)	(0.06)
(2,160)	Consumer Discretionary Select Sector SPDR Fund	(1,160)	(0.01)
(248,000)	E.Sun Financial Holding	(3,245)	(0.02)
(1,800)	Facebook	(1,021)	(0.01)
301,100	Fubon Financial Holding	(57,484)	(0.42)
(1,165)	Hannover Rueck	(18,496)	(0.13)
(1,515)	Ishares Russell 1000 Growth Index Fund	(6,386)	(0.05)
(3,150)	j2 Global	(25,383)	(0.18)
(19,100)	Link REIT	(2,607)	(0.02)
529,500	Lloyds Banking Group	(26,857)	(0.20)
(10,263)	Oversea-Chinese Banking	(188)	-
(31,500)	Powszechna Kasa Oszczednosci Bank Polski	(14,144)	(0.10)
(3,400)	Scor Se	(12,091)	(0.09)
(50,300)	Singapore Exchange	(5,540)	(0.04)
<b>Total Contracts For Difference</b>		<b>(182,974)</b>	<b>(1.33)</b>
<b>Covered Option Contracts</b>			
(85)	Dow Jones EURO STOXX 50 (Price) Index 3850 Call 19/02/2016	(765)	(0.01)
(534)	HSCEI Hang Seng China Enterprise Index 9000 Put 30/03/2016	(12,682)	(0.09)
(6)	Moody's 90 Put 15/01/2016	(177)	-
(100)	PowerShares QQQ ETF 105 Put 19/02/2016	(10,312)	(0.08)
<b>Total Covered Option Contracts</b>		<b>(23,936)</b>	<b>(0.18)</b>
<b>Forward Contracts**</b>			
	Buy EUR 1,558,485 Sell JPY 208,530,000 16/03/2016	(37,124)	(0.27)
	Buy EUR 2,561,007 Sell USD 2,820,000 16/03/2016	(30,466)	(0.22)
	Buy EUR 425,193 Sell JPY 56,610,000 16/03/2016	(7,970)	(0.06)
	Buy EUR 400,667 Sell JPY 52,790,000 16/03/2016	(3,266)	(0.02)
	Buy EUR 51,309 Sell TWD 1,940,000 16/03/2016	(3,033)	(0.02)
	Buy EUR 223,178 Sell TWD 8,040,000 16/03/2016	(2,034)	(0.02)
	Buy EUR 196,851 Sell KRW 254,410,000 16/03/2016	(1,561)	(0.01)



**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Forward Contracts (continued)</b>			
Buy EUR 123,457 Sell JPY 16,300,000 16/03/2016		(1,265)	(0.01)
Buy EUR 83,830 Sell SEK 780,000 16/03/2016		(1,203)	(0.01)
Buy GBP 50,000 Sell EUR 68,700 16/03/2016		(969)	(0.01)
Buy EUR 125,625 Sell SEK 1,160,000 16/03/2016		(833)	(0.01)
Buy GBP 39,600 Sell EUR 54,410 16/03/2016		(767)	(0.01)
Buy EUR 164,885 Sell USD 180,000 16/03/2016		(528)	-
Buy EUR 140,802 Sell TWD 5,040,000 16/03/2016		(376)	-
Buy EUR 19,661 Sell AUD 30,000 16/03/2016		(335)	-
Buy EUR 20,038 Sell USD 22,000 16/03/2016		(179)	-
Buy KRW 108,520,000 Sell EUR 84,776 16/03/2016		(142)	-
Buy EUR 6,569 Sell KRW 8,510,000 16/03/2016		(68)	-
Buy USD 11,800 Sell EUR 10,854 16/03/2016		(11)	-
Buy GBP 400 Sell EUR 549 16/03/2016		(7)	-
<b>Total Forward Contracts</b>		<b>(92,137)</b>	<b>(0.67)</b>
<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>		<b>(299,047)</b>	<b>(2.18)</b>
<b>Net Financial Assets and Liabilities at Fair Value Through Profit or Loss</b>		<b>11,016,726</b>	<b>80.15</b>
<b>Other Net Assets</b>		<b>2,728,038</b>	<b>19.85</b>
<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares</b>		<b>13,744,764</b>	<b>100.00</b>
			<b>% of total assets</b>
Transferable securities admitted to an official stock exchange listing or traded in a regulated market		11,087,723	78.27
Over the counter financial derivatives		228,050	1.61
Cash and other current assets		2,851,125	20.12
<b>Total</b>		<b>14,166,898</b>	<b>100.00</b>

\*The counterparties for all the contracts for differences are HSBC Bank plc and Morgan Stanley.

\*\*The counterparty for all the forward contracts is HSBC Bank plc.

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Equity Fund**

**Schedule of Investments**  
as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
	<b>Equity Securities</b>		
	<b>Belgium</b>	<b>519,030</b>	<b>3.38</b>
9,000	KBC Group	519,030	3.38
	<b>China</b>	<b>115,077</b>	<b>0.75</b>
42,300	China Vanke	115,077	0.75
	<b>Germany</b>	<b>701,628</b>	<b>4.56</b>
73,300	Commerzbank	701,628	4.56
	<b>Hong Kong</b>	<b>123,747</b>	<b>0.80</b>
38,296	China Overseas Land & Investment	123,747	0.80
	<b>Ireland</b>	<b>613,103</b>	<b>3.99</b>
1,813,915	Bank of Ireland	613,103	3.99
	<b>Japan</b>	<b>1,782,946</b>	<b>11.60</b>
32,591	Dai-Ichi Life Insurance	507,522	3.30
88,105	Mitsubishi UFJ Financial Group	510,442	3.32
6,500	Sumitomo Mitsui Financial Group	229,102	1.49
43,523	T&D Holdings	535,880	3.49
	<b>Netherlands</b>	<b>1,809,802</b>	<b>11.77</b>
206,500	Aegon	1,079,995	7.02
58,619	ING Group	729,807	4.75
	<b>Sweden</b>	<b>1,563,323</b>	<b>10.17</b>
50,300	Nordea Bank	511,477	3.33
59,400	Skandinaviska Enskilda Banken	578,762	3.76
23,200	Swedbank	473,084	3.08
	<b>United States</b>	<b>4,659,288</b>	<b>30.31</b>
11,200	American Capital Agency	178,812	1.16
6,600	Apollo Global Management LLC	92,246	0.60
4,050	Bank of New York Mellon	153,707	1.00
47,330	Carlyle Group LP	680,687	4.43
14,900	CBL & Associates Properties	169,702	1.10
6,400	Citigroup	304,944	1.98

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Equity Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Equity Securities (continued)</b>			
<b>United States (continued)</b>			
4,100	Comerica Incorporated	157,907	1.03
6,370	Discover Financial Services	314,482	2.05
5,750	Federated Investors	151,678	0.99
48,530	Fortress Investment Group LLC	227,436	1.48
50,400	KKR & Co LP	723,447	4.71
6,130	MetLife	272,100	1.77
33,700	Och-Ziff Capital Management Group	193,307	1.26
2,650	Prudential Financial	198,634	1.29
4,550	Starwood Waypoint Residential Trust REIT	94,846	0.62
1,850	State Street	113,034	0.73
9,000	US Bancorp	353,586	2.30
12,650	Washington Prime Group REIT	123,577	0.80
3,100	Wells Fargo & Co	155,156	1.01
<b>Total Equity Securities</b>		<b>11,887,944</b>	<b>77.33</b>
<b>Fixed Income Securities</b>			
<b>France</b>			
128,000	French Discount T-Bill 0% 22/06/2016	128,227	0.83
<b>Italy</b>			
391,000	Bouni Ordinari Del Tes 0% 14/03/2016	391,197	2.55
<b>Total Fixed Income Securities</b>		<b>519,424</b>	<b>3.38</b>
<b>Contracts for Difference*</b>			
55,939	Aviva	37,008	0.24
(277,200)	Bankia	31,899	0.21
(77,700)	CIMB Group Holdings	840	-
(10,365)	DBS Group Holdings	4,288	0.03
(6,600)	Investors Bancorp	1,176	0.01
(800)	iShares Core S&P Mid-Cap 400 Index Fund	1,761	0.01
(2,000)	iShares Russell 2000 Index Fund ETF	6,401	0.04

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Equity Fund

Schedule of Investments (continued)

as at 31 December 2015

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Contracts for Difference (continued)</b>			
(530,000)	Krung Thai Bank	10,463	0.07
(1,250)	Mastercard	2,531	0.02
(3,220)	Moody's	3,488	0.02
(19,723)	Oversea-Chinese Banking	2,596	0.02
99,500	Poste Italiane	34,824	0.23
(550)	Signature Bank	1,274	0.01
(2,000)	Synovus Financial	1,690	0.01
(1,050)	Vanguard REIT ETF	854	-
<b>Total Contracts for Difference</b>		<b>141,093</b>	<b>0.92</b>
<b>Covered Option Contracts</b>			
35	CBOE SPX Volatility Index 21 Call 20/01/2016	3,899	0.03
48	Comerica Incorporated 44 Call 19/02/2016	5,524	0.04
44	Dow Jones EURO STOXX 50 (Price) Index 3000 Put 17/06/2016	49,896	0.32
92	Dow Jones EURO STOXX 50 (Price) Index 3000 Put 18/03/2016	42,504	0.28
98	Dow Jones EURO STOXX 50 (Price) Index 3500 Call 19/02/2016	21,266	0.14
40	Financial Select Sector SPDR Fund 24.5 Call 15/01/2016	332	-
256	Financial Select Sector SPDR Fund 24.5 Call 22/01/2016	4,243	0.03
344	Financial Select Sector SPDR Fund 26 Call 15/01/2016	317	-
154	Fortress Investment Group Group 7 Call 15/01/2016	1,418	0.01
34	Franklin Resources 49.5 Call 15/01/2016	31	-
640	HSCEI Hang Seng China Enterprise Index 10700 Call 30/03/2016	9,108	0.06
35	iShares Barclays 20+ YR Treasury Bond Fund 124 Call 15/01/2016	677	-
100	KKR & Co LP 18 Call 18/03/2016	1,381	0.01
32	Metlife 52.5 Call 19/02/2016	884	0.01
21	Moody's 95 Put 15/01/2016	773	0.01
78	Och Ziff Capital Management Group 7.5 Call 17/06/2016	3,232	0.02
7	S&P 500 Index 1980 Put 15/01/2016	5,929	0.04
16	S&P 500 Index 2000 Put 15/01/2016	19,151	0.12
9	S&P 500 Index 2000 Put 18/03/2016	40,604	0.26
6	S&P 500 Index 2000 Put 17/06/2016	45,465	0.30
4	S&P 500 Index 2040 Put 15/01/2016	8,194	0.05

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Equity Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Covered Option Contracts (continued)</b>			
2	S&P 500 Index 2050 Put 15/01/2016	5,294	0.03
248	S&P/ASX 200 Index (Australia) 5006.70359 Put 18/02/2016	6,721	0.04
20	SPDR S&P 500 ETF Trust 202 Put 15/01/2016	3,591	0.02
26	WR Berkley 60 Call 15/01/2016	239	-
<b>Total Covered Option Contracts</b>		<b>280,673</b>	<b>1.82</b>
<b>Futures Contract</b>			
(21)	FTSE KLCI Future Jan 16 29/01/2016	4,703	0.03
(9)	S&P 500 E-Mini Future Mar 16 18/03/2016	9,889	0.06
<b>Total Futures Contract</b>		<b>14,592</b>	<b>0.09</b>
<b>Forward Contracts**</b>			
	Buy USD 2,447,100 Sell EUR 2,222,355 16/03/2016	26,437	0.17
	Buy USD 1,265,900 Sell EUR 1,149,638 16/03/2016	13,676	0.09
	Buy JPY 67,650,000 Sell EUR 509,083 16/03/2016	8,554	0.06
	Buy EUR 130,184 Sell GBP 94,200 16/03/2016	2,579	0.02
	Buy JPY 34,020,000 Sell EUR 257,950 16/03/2016	2,361	0.01
	Buy JPY 16,620,000 Sell EUR 125,732 16/03/2016	1,439	0.01
	Buy EUR 96,027 Sell GBP 70,000 16/03/2016	1,204	0.01
	Buy USD 140,000 Sell EUR 127,516 16/03/2016	1,139	0.01
	Buy EUR 57,077 Sell GBP 41,300 16/03/2016	1,131	0.01
	Buy TWD 5,740,000 Sell EUR 159,844 16/03/2016	942	0.01
	Buy TWD 2,230,000 Sell EUR 61,585 16/03/2016	880	0.01
	Buy SEK 460,000 Sell EUR 49,589 16/03/2016	558	-
	Buy SEK 350,000 Sell EUR 37,724 16/03/2016	432	-
	Buy EUR 39,602 Sell GBP 29,000 16/03/2016	318	-
	Buy EUR 13,336 Sell GBP 9,650 16/03/2016	264	-
	Buy KRW 184,990,000 Sell EUR 144,027 16/03/2016	245	-
	Buy USD 27,300 Sell EUR 24,845 16/03/2016	243	-
	Buy EUR 165,565 Sell USD 180,000 16/03/2016	152	-
	Buy USD 14,300 Sell EUR 13,014 16/03/2016	127	-
	Buy EUR 13,792 Sell GBP 10,100 16/03/2016	111	-

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Equity Fund

Schedule of Investments (continued)

as at 31 December 2015

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Forward Contracts** (continued)</b>			
	Buy TWD 330,000 Sell EUR 9,141 16/03/2016	103	-
	Buy TWD 210,000 Sell EUR 5,850 16/03/2016	33	-
<b>Total Forward Contracts</b>		<b>62,928</b>	<b>0.41</b>
<b>Total Financial Assets at Fair Value Through Profit or Loss</b>		<b>12,906,654</b>	<b>83.95</b>
<b>Financial Liabilities at Fair Value Through Profit or Loss</b>			
<b>Contracts for Difference*</b>			
7,108	Amundi	(12,937)	(0.08)
236,000	Banco De Sabadell	(17,909)	(0.12)
(2,100)	Bank of the Ozarks	(5,978)	(0.04)
239,500	Barclays	(54,240)	(0.35)
(495)	BlackRock	(1,008)	(0.01)
15,625	BNP Paribas	(21,563)	(0.14)
57,100	Credit Agricole	(9,817)	(0.06)
(283,000)	E.Sun Financial Holding	(3,703)	(0.02)
344,900	Fubon Financial Holding	(59,976)	(0.39)
(2,800)	Hannover Rueck	(35,976)	(0.23)
115,950	HSBC Holdings	(8,229)	(0.05)
(5,725)	Ishares Russell 1000 Growth Index Fund	(15,927)	(0.10)
(105,000)	Legal & General Group	(7,970)	(0.05)
(22,600)	Link REIT	(3,085)	(0.02)
1,079,950	Lloyds Banking Group	(27,321)	(0.18)
212,100	Natixis	(63,708)	(0.42)
(1,330)	Onex	(2,284)	(0.02)
(7,300)	People's United Financial	(1,024)	(0.01)
(43,300)	Powszechna Kasa Oszczednosci Bank Polski	(26,658)	(0.17)
(8,400)	Scor Se	(26,753)	(0.17)
(700)	Simon Property Group Inc REIT	(729)	(0.01)
(62,700)	Singapore Exchange	(7,050)	(0.05)
23,890	Societe Generale	(13,219)	(0.09)

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Equity Fund

Schedule of Investments (continued)

as at 31 December 2015

Holdings	Financial Liabilities at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Contracts for Difference* (continued)</b>			
(3,750)	Sun Life Financial	(180)	-
(2,300)	Webster Financial	(426)	-
<b>Total Contracts for Difference</b>		<b>(427,670)</b>	<b>(2.78)</b>
<b>Covered Option Contracts</b>			
(24)	Comerica Incorporated 40 Put 19/02/2016	(2,409)	(0.01)
(98)	Dow Jones EURO STOXX 50 (Price) Index 3850 Call 19/02/2016	(882)	(0.01)
(640)	HSCEI Hang Seng China Enterprise Index 9000 Put 30/03/2016	(15,198)	(0.10)
(129)	Keycorp 13 Put 19/02/2016	(4,751)	(0.03)
(97)	Keycorp 14 Call 19/02/2016	(2,143)	(0.01)
(32)	Metlife 42.5 Put 19/02/2016	(943)	(0.01)
(7)	Moody's 90 Put 15/01/2016	(206)	-
(16)	S&P 500 Index 1905 Put 15/01/2016	(4,419)	(0.03)
<b>Total Covered Option Contracts</b>		<b>(30,951)</b>	<b>(0.20)</b>
<b>Forward Contracts**</b>			
	Buy GBP 3,072,400 Sell EUR 4,221,472 16/03/2016	(59,525)	(0.39)
	Buy EUR 1,678,363 Sell JPY 224,570,000 16/03/2016	(39,979)	(0.26)
	Buy EUR 3,305,697 Sell USD 3,640,000 16/03/2016	(39,325)	(0.26)
	Buy GBP 720,600 Sell EUR 990,103 16/03/2016	(13,961)	(0.09)
	Buy EUR 425,793 Sell JPY 56,690,000 16/03/2016	(7,981)	(0.05)
	Buy EUR 1,098,138 Sell SEK 10,140,000 16/03/2016	(7,282)	(0.05)
	Buy EUR 709,848 Sell USD 780,000 16/03/2016	(6,942)	(0.05)
	Buy EUR 449,733 Sell SEK 4,180,000 16/03/2016	(5,953)	(0.04)
	Buy GBP 300,000 Sell EUR 411,642 16/03/2016	(5,255)	(0.04)
	Buy EUR 445,371 Sell JPY 58,680,000 16/03/2016	(3,631)	(0.02)
	Buy EUR 281,194 Sell TWD 10,130,000 16/03/2016	(2,563)	(0.02)
	Buy GBP 110,000 Sell EUR 151,140 16/03/2016	(2,131)	(0.01)
	Buy EUR 244,143 Sell KRW 315,530,000 16/03/2016	(1,936)	(0.01)
	Buy EUR 467,174 Sell USD 510,000 16/03/2016	(1,497)	(0.01)
	Buy EUR 99,897 Sell USD 110,000 16/03/2016	(1,188)	(0.01)

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Equity Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
<b>Forward Contracts** (continued)</b>			
Buy EUR 65,559 Sell SEK 610,000 16/03/2016		(941)	(0.01)
Buy GBP 50,500 Sell EUR 69,277 16/03/2016		(868)	(0.01)
Buy EUR 74,605 Sell JPY 9,850,000 16/03/2016		(765)	(0.01)
Buy EUR 166,481 Sell TWD 5,970,000 16/03/2016		(748)	-
Buy EUR 82,824 Sell TWD 2,980,000 16/03/2016		(650)	-
Buy GBP 30,000 Sell EUR 41,220 16/03/2016		(581)	-
Buy EUR 26,214 Sell AUD 40,000 16/03/2016		(447)	-
Buy GBP 17,200 Sell EUR 23,595 16/03/2016		(296)	-
Buy EUR 30,012 Sell USD 32,950 16/03/2016		(268)	-
Buy GBP 12,400 Sell EUR 17,019 16/03/2016		(222)	-
Buy KRW 141,080,000 Sell EUR 110,212 16/03/2016		(185)	-
Buy EUR 15,484 Sell USD 17,000 16/03/2016		(138)	-
Buy EUR 15,326 Sell USD 16,800 16/03/2016		(113)	-
Buy CAD 10,000 Sell EUR 6,728 16/03/2016		(87)	-
Buy EUR 8,136 Sell KRW 10,540,000 16/03/2016		(84)	-
Buy GBP 33,500 Sell EUR 45,462 16/03/2016		(82)	-
Buy EUR 22,259 Sell USD 24,300 16/03/2016		(71)	-
Buy EUR 7,845 Sell USD 8,600 16/03/2016		(58)	-
Buy EUR 27,853 Sell GBP 20,600 16/03/2016		(52)	-
Buy GBP 2,900 Sell EUR 3,980 16/03/2016		(52)	-
Buy EUR 11,542 Sell USD 12,600 16/03/2016		(37)	-
Buy USD 40,500 Sell EUR 37,252 16/03/2016		(34)	-
Buy GBP 11,700 Sell EUR 15,878 16/03/2016		(29)	-
Buy EUR 9,600 Sell GBP 7,100 16/03/2016		(18)	-
Buy USD 21,000 Sell EUR 19,316 16/03/2016		(18)	-
Buy USD 9,200 Sell EUR 8,463 16/03/2016		(8)	-
Buy USD 5,000 Sell EUR 4,599 16/03/2016		(4)	-
<b>Total Forward Contracts</b>		<b>(206,005)</b>	<b>(1.34)</b>
<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>		<b>(664,626)</b>	<b>(4.32)</b>



**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Equity Fund**

**Schedule of Investments (continued)**

as at 31 December 2015

<b>Holdings</b>	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>Fair Value EUR</b>	<b>% of Net Asset Value</b>
	<b>Net Financial Assets and Liabilities at Fair Value Through Profit or Loss</b>	<b>12,242,028</b>	<b>79.63</b>
	<b>Other Net Assets</b>	<b>3,131,561</b>	<b>20.37</b>
	<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>15,373,589</b>	<b>100.00</b>
			<b>% of total assets</b>
	Transferable securities admitted to an official stock exchange listing or traded in a regulated market	12,407,368	76.17
	Over the counter financial derivatives	499,286	3.07
	Cash and other current assets	3,382,588	20.76
	<b>Total</b>	<b>16,289,242</b>	<b>100.00</b>

\*The counterparties for all the contracts for differences are HSBC Bank plc & Morgan Stanley.

\*\* The counterparty for all the forward contracts is HSBC Bank plc.

**ALGEBRIS UCITS FUNDS PLC****Algebris Financial Credit Fund****Schedule of Significant Changes in Investments (Unaudited)**

Top 20 purchases and sales as at 31 December 2015

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	<b>Cost EUR</b>	<b>Proceeds EUR</b>
Baggot Securities Ltd 10.24% Perpetual	18,164,509	-
Banco Bilbao Vizcaya ARG 7% Perpetual	18,190,650	18,190,650
Banco Bilbao Vizcaya ARG Perpetual	21,576,811	-
Banco Popular Espanol Perpetual	19,600,000	12,323,075
Banco Santander (Series) Perpetual	-	15,465,608
Banco Santander Perpetual	16,841,966	21,350,870
Bank of America (Series AA) Perpetual	28,200,557	12,410,681
Barclays VAR 7% Perpetual	18,514,205	-
BNP Paribas Perpetual	28,000,000	10,612,751
Citigroup (Series O) Perpetual	14,788,913	-
Citigroup (Series P) Perpetual	20,568,110	-
Credit Suisse Group 7.5% Perpetual	21,767,078	14,942,697
CSG Guernsey I Ltd 24/02/2041	-	10,631,898
Deutsche Bank Perpetual	-	14,488,586
HSBC Holdings Perpetual (EK4786126)	-	14,093,975
ING Group 6% Perpetual	15,397,909	11,533,920
Intesa Sanpaolo (144A) Perpetual	24,721,014	-
KBC Group Perpetual	18,328,305	10,756,125
Lloyds Banking Group 7% Perpetual	36,125,599	26,479,047
Morgan Stanley Perpetual	-	10,581,803
Santander UK Group Perpetual	15,512,089	-
Skandinaviska Enskilda Perpetual	-	19,965,630
Standard Chartered Perpetual	14,753,376	-
UBS 5.125% 15/05/2024	17,756,174	10,468,402
UBS Group Perpetual	22,936,582	11,450,410
UBS Group Perpetual (EK7554505)	20,499,574	12,158,898
Unicredit Perpetual	-	19,457,767
UT2 Funding 5.321% 30/06/2016	-	13,792,243

**ALGEBRIS UCITS FUNDS PLC****Algebris Financial Income Fund****Schedule of Significant Changes in Investments (Unaudited) (continued)**

Top 20 purchases and sales as at 31 December 2015

	<b>Cost EUR</b>	<b>Proceeds EUR</b>
Apollo Investment	-	5,742,518
Banco Popular Espanol Perpetual	8,200,000	-
Bank of America	-	5,485,995
Blackstone Group LP	-	8,349,726
BNP Paribas	7,418,080	-
Buoni Ordinari Del Tes 0% 14/12/2015	13,001,806	13,001,897
Bouni Ordinari Del Tes 0% 14/03/2016	9,454,731	-
Carlyle Group LP	9,205,229	-
Dai-Ichi Life Insurance	9,931,640	-
Eurex Euro STOXX 50 Weekly Index Options	8,777,600	8,812,500
FinecoBank Banca Fineco	-	6,715,109
GAM Holding	-	5,795,477
ING Group	7,482,739	6,108,678
Intesa Sanpaolo	-	6,339,304
JPMorgan Chase & Co	-	7,902,325
KBC Group	7,920,598	12,181,892
KKR & Co LP	8,599,639	-
Lloyds Banking Group Perpetual	8,443,405	6,930,810
Mitsubishi UFJ Financial Group	8,061,594	7,325,400
ORIX	6,989,008	7,171,651
Prudential Financial	6,759,844	5,872,072
Standard Chartered Perpetual	7,578,403	-
Sumitomo Mitsui Financial Group	11,808,216	12,691,918
Swedbank	6,624,212	-
Swiss Reinsurance	-	6,027,494
T&D Holdings	9,032,901	-
UBS Group	9,339,275	8,932,967
Unipol Gruppo Finanziario Preferred	-	6,882,964
Zurich Insurance Group	6,729,577	6,735,715

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Significant Changes in Investments (Unaudited) (continued)**

Top 20 purchases and sales as at 31 December 2015

	<b>Cost EUR</b>	<b>Proceeds EUR</b>
Aegon	413,361	-
Baggot Securities Ltd 10.24% Perpetual	430,269	-
Barclays Plc Perpetual	286,040	-
Barclays VAR 7% Perpetual	261,190	-
BOC Hong Kong Holdings	-	235,742
Bouni Ordinari Del Tes 0% 14/03/2016	2,335,447	680,090
Carlyle Group LP	475,931	-
Chevron	-	212,016
China Longyuan Power Group	254,570	231,726
China Mobile ADR	-	235,681
China Telecom ADR	-	235,227
China Unicom (Hong Kong)	341,911	359,119
China Unicom (Hong Kong) ADR	-	235,331
China Vanke	278,571	245,614
Dai-ichi Life Insurance	765,248	249,555
Ferrari	-	247,518
Fiat Chrysler Automobiles	-	229,755
First Resources	-	249,100
French Discount T-Bill 0% 17/02/2016	1,641,260	-
ING Group	416,187	-
KBC Group	310,104	316,549
KKR & Co LP	484,223	-
Kyushu Electric Power Company	346,361	360,559
Mazda Motor	-	223,700
Mitsubishi UFJ Financial Group	807,271	357,715
Natixis	400,802	-
ORIX	-	272,130
PetroChina	300,260	-
Royal Bank of Scotland Group Perpetual	355,257	-
Sumitomo Mitsui Financial Group	-	237,303
T&D Holdings	705,964	-
Toyota Motor	-	250,217

**ALGEBRIS UCITS FUNDS PLC****Algebris Financial Equity Fund****Schedule of Significant Changes in Investments (Unaudited) (continued)**

Top 20 purchases and sales as at 31 December 2015

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	<b>Cost EUR</b>	<b>Proceeds EUR</b>
Aegon	1,495,855	421,127
Banco Popolare Societa Cooperativa	658,546	620,968
Bank of Ireland	1,017,890	385,337
BNP Paribas	1,906,290	1,839,860
Bouni Ordinari Del Tes 0% 14/03/2016	2,741,955	2,350,678
Capital One Financial	-	481,251
Carlyle Group LP	950,031	-
China Vanke	-	317,827
Commerzbank	988,578	-
Dai-Ichi Life Insurance	902,626	-
Danske Bank	-	462,654
Deutsche Bank	569,919	546,870
French Discount T-Bill 0% 17/02/2016	890,691	890,646
French Discount T-Bill 0% 22/06/2016	915,146	786,256
ING Group	1,168,047	406,391
Intesa Sanpaolo	1,147,850	1,179,481
KBC Group	936,160	446,125
KKR & Co LP	912,136	-
Mitsubishi UFJ Financial Group	1,023,806	496,542
Natixis	-	463,410
ORIX	-	479,336
Skandinaviska Enskilda Banken	670,482	-
Societe Generale	1,383,204	1,320,871
T&D Holdings	830,720	-
UBS Group	586,590	604,741
Unipolsai	-	380,002