

**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 2016**

## ALGEBRIS UCITS FUNDS PLC

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## ALGEBRIS UCITS FUNDS PLC

### Management and Administration

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<b>Registered Office</b>	33 Sir John Rogerson's Quay Dublin 2 Ireland
<b>Directors*</b>	Alexander Lasagna Carl O'Sullivan** Desmond Quigley**
<b>Investment Manager, Distributor and Promoter</b>	<i>Up to 28 December 2016:</i> Algebris Investments (UK) LLP 7 Clifford Street London W1S 2FT United Kingdom  <i>From 28 December 2016:</i> Algebris (UK) Limited 7 Clifford Street London W1S 2FT United Kingdom
<b>Depository</b>	HSBC Institutional Trust Services (Ireland) DAC 1 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
<b>Administrator, Registrar and Transfer Agent</b>	HSBC Securities Services (Ireland) DAC 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>	Dillon Eustace 33 Sir John Rogerson's Quay Dublin 2 Ireland
<b>Company Secretary</b>	Tudor Trust Limited 33 Sir John Rogerson's Quay Dublin 2 Ireland
<b>Representative in Switzerland</b>	ACOLIN Fund Services AG Affolternstrasse 56 CH-8050 Zurich Switzerland

**Management and Administration**

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**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 2016

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The start of the year was difficult for financials, with EU banks falling sharply in January 17% and US banks down 13%. Banks were sold heavily during the month on recessionary, asset quality and capital fears. Central bank action dominated the markets in the early part of the year. Having disappointed at the end of 2015, Mario Draghi primed the market for a package of measures to be announced following the ECB's March meeting. European banks rose into the meeting but despite a bigger than expected easing package, with specific help for the banking sector, European banks subsequently sold off.

The weak start to the year accelerated into the first part of February before rebounding strongly and recovering some of the selloff. In our view there were several factors that contributed to the selloff:

- Concerns over coupon payments for a few specific banks – both as a result of fundamental developments and interpretation of ECB capital requirements
- Broader financial sector selloff linked to commodity prices and resultant credit losses within the banking system
- Inflation expectations and the fear of much lower policy rates putting pressure on net interest income within the banking sector
- Lower prices causing holders to fear extension risk in the securities compounding the selloff

Our analysis led us to the conclusion that coupon payment fears were unlikely to be realized and the risk posed by increases in credit costs and lower net interest income were more than priced into both equity prices and AT1 prices. Stress testing our bank exposures are unlikely to push banks to be loss making and a lower for longer interest rate scenario is a slow, ongoing hit to earnings rather than a shock that would result in a risk to coupon payments. As a result we increased the fund exposure over the course of February, making several purchases as the selloff created some very compelling opportunities for both new long positions and in existing positions

There were two attractive AT1 transactions in the early part of the year, one from BBVA and one from Rabobank. This "vintage" of deals have some of the best characteristics since the beginning of the Basel 3 eligible market. The environment today still features very low interest rates across the US and Europe and spreads are higher than they have been over the last few years. The result is deals with some of the best coupon structures since the very first AT1 deals, which we think are poised to provide stable and very attractive returns over the coming months and years.

In November, as expected, the European Commission (EC) released details of the CRR/CRD4 review, due to be approved by the Parliament. All major changes highlight a growing regulatory pragmatism, and act as a tailwind for financial hybrids and CoCos in particular. Among other items, the reviewed rules harmonize MREL requirements with global TLAC requirements, split Pillar 2 into a "Requirement" and a "Guidance" component, and introduce a new class of non-preferred senior debt (i.e. Tier 3 debt, which French banks will start issue in the coming future). Specifically for the hybrid space, these rules exclude securities issued out of special purpose entities from AT1 and Tier 2 eligibility after 2021, which increases the probability of these legacy securities being redeemed. They also confirm the application from 2018 of a 3% minimum leverage ratio. From the AT1 holder's perspective, the new rules significantly decrease coupon risk. We expect the Pillar 2 split to increase the MDA headroom between +1% and +2.25%, based on the French and Spanish banks' disclosure of 2017E SREP ratios, while the new rules also assign priority to coupon payments over dividends and bonuses in case an issuer breaches the MDA threshold

Primary market activity in AT1/CoCos picked up in December, with three new deals from Unicredit, BNP and Swedbank. We expect new supply to continue in 2017, both in AT1s/CoCos as well as in TLAC-eligible instruments. The first four days of 2017 have already been busy in terms of new issuances, with European banks printing ~\$12.5bn equivalent over 5 different names in HoldCo senior (Barclays, Santander UK), non-preferred senior (BNP, Credit Agricole) and vanilla senior (Rabobank). We have also seen the first AT1 of the year with Intesa issuing €1.25b in a PNC 10 format and a 7.75% coupon. Meanwhile, regulation remains a tailwind, with the finalisation of Basel 4 being delayed further into the New Year, and 2017 SREP ratios coming out on average 100-225bps lower than last year.

# ALGEBRIS UCITS FUNDS PLC

## Algebris Financial Income Fund

### Investment Manager's Report

for the financial year ended 31 December 2016

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The start of the year was difficult for financials, with EU banks falling sharply in January 17% and US banks down 13%. Banks were sold heavily during the month on recessionary, asset quality and capital fears. Central bank action dominated the markets in the early part of the year. Having disappointed at the end of 2015, Mario Draghi primed the market for a package of measures to be announced following the ECB's March meeting. European banks rose into the meeting but despite a bigger than expected easing package, with specific help for the banking sector, European banks subsequently sold off and ended down for March.

There were two attractive AT1 transactions in the early part of the year, one from BBVA and one from Rabobank. This "vintage" of deals have some of the best characteristics since the beginning of the Basel 3 eligible market. The environment today still features very low interest rates across the US and Europe and spreads are higher than they have been over the last few years. The result is deals with some of the best coupon structures since the very first AT1 deals, which we think are poised to provide stable and very attractive returns over the coming months and years.

Given the allocation to financial equities in the portfolio, the UK Brexit referendum results caused a significant drop in the fund performance in June. It was a negative month for risk assets across Europe after the referendum led to a political vacuum in Britain.

Volatile markets and lower interest rates have been headwinds for the banking sector this year. However, we are becoming increasingly more constructive on the banking sector in Europe. With some European bank stocks substantially cheaper than we would have expected under a Remain vote, the important question is whether the referendum has opened up 'the opportunity' of the coming 12 – 18 months.

Primary market activity in AT1/CoCos picked up in December, with three new deals from Unicredit, BNP and Swedbank. We expect new supply to continue in 2017, both in AT1s/CoCos as well as in TLAC-eligible instruments. The first four days of 2017 have already been busy in terms of new issuances, with European banks printing ~\$12.5bn equivalent over 5 different names in HoldCo senior (Barclays, Santander UK), non-preferred senior (BNP, Credit Agricole) and vanilla senior (Rabobank). We have also seen the first AT1 of the year with Intesa issuing €1.25b in a PNC 10 format and a 7.75% coupon.

Stepping back and looking at the big picture for a moment, following 8 years of constant headwinds in the financial sector, 2016 saw a number of structural turning point for financials globally. The journey to build sufficient capital buffers to satisfy regulators has been long, volatile and arduous. Having finally cleared these hurdles materially, we are seeing significant distributions in the US and though European banks lag their US counterparts, this also presents opportunities. European banks have also finally increased their capital sufficiently to start lending again – and loan growth in Europe was positive in 2016. Dividends, and even buybacks, have been switched on for the first time since 2008. With valuations where they are, dividend yields (and in the US case, total payout yields) are compelling.

Investors only started really taking notice though when two additional trends became firmly established during the year, namely: i) confidence in the regulatory end game; and ii) the bottoming of bond yields. Basel 4's conclusion is clearly the end of the heavy regulatory lifting that was initiated by the G20 in the aftermath of the crisis. Politicians, central bankers, regulators and the slightly more beleaguered company managements and shareholders are finally agreeing on this point. And as the central bankers have finally concluded that QE infinity was not working and should be at least partially unwound, global bond yields have started to back up. This is clearly very positive for the banking sector.

# ALGEBRIS UCITS FUNDS PLC

## Algebris Financial Income Fund

### **Investment Manager's Report (continued)** for the financial year ended 31 December 2016

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In the US, we have seen solid macro-economic data and a further increase in interest rates in December. Trump's win reinforces a number of the trends and also provides other stimuli, including a peaking of the regulatory burden, potential corporate tax cuts as well as a boost to inflation and bond yields. This is particularly beneficial for US banks and life insurance companies. In 8 out of the last 10 years, earnings revisions for US banks have been negative, heavily driven by falling net interest margins. In an environment of gently rising interest rates we have modelled Bank of America's net profits, for example, increasing by 20% from this factor alone. Banks outperform in inflationary periods. It's easy to see why. We believe the structure of this fund, with a core position in high yielding credit assets with wide back-end spreads as well as a portfolio of equity assets that are levered to rising rates, make it a positive-carry inflation hedge. This is scarce in this market – and, we believe, underappreciated and undervalued.

## ALGEBRIS UCITS FUNDS PLC

### Algebris Asset Allocation Fund

#### Investment Manager's Report

for the financial year ended 31 December 2016

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The start of the year was difficult for financials, with EU banks falling sharply in January 17% and US banks down 13%. Banks were sold heavily during the month on recessionary, asset quality and capital fears. Central bank action dominated the markets in the early part of the year. Having disappointed at the end of 2015, Mario Draghi primed the market for a package of measures to be announced following the ECB's March meeting. European banks rose into the meeting but despite a bigger than expected easing package, with specific help for the banking sector, European banks subsequently sold off and ended down for March

Equity markets continued their rebound from the February lows, with the MSCI World up 1.3% to turn in a positive performance for the year. EM indices continued to show leadership, with Russia's RTX and Brazil's BOVESPA up 9.4% and 5.2%, respectively, to end the year up 24-26%. Financial indices in developed markets also posted good performance, with US Banks up 7%, European banks up 5% and global financials up 3.4%. Notable laggards were Asian indices, with the SHCOMP and Nikkei the only two major indices to end April down. The credit market continued to heal, with spreads tightening and US investment-grade and high-yield indices up on the year

April was another busy month for Central bank policy, but on balance nothing new came out, suggesting that the most intensive period of policy announcement for the quarter is behind us. The dollar continued to weaken in the month, with the DXY index falling from 95 to 93 in the month, which helped boost EM and commodity markets. Conversely, the weaker dollar has become a headwind for Japanese and European macro momentum, leaving the marginally improving Chinese macro data and US consumer resilience the only positives on the macro front. Having bought aggressively into the February correction, we continued to reduce long equity exposures into strength. In addition to very strong April seasonals, the much oversold market values gave us comfort of good risk/reward probability of a bounce, which has now played out. MSCI World has not done much on a 12 and 24 month basis, and we believe a sustained pick-up in macro and micro momentum is needed to push stocks higher from here. Evidence of such a pick up is absent, and policy alone is unlikely to be enough at this stage, in our view.

The fund returned -3.48% percent for the month of June, a disappointing performance given the MSCI World was down 1.2% for the month, and the SPX was flat. The key detractors were our European financial positions, while hedges offset some of the losses. The fund was not appropriately positioned for the UK referendum surprise result, and the resultant biggest 1 day fall in some major indices in 25 years, magnified by a substantial exposure to financial services equities and credit resulted in a notable underperformance

The fund composition is focused on strong income-generating assets, in particular higher yielding credit (Financials, some sovereigns and some special situations) and high dividend yield paying equities (Financials and Telecoms). All of these underperformed the broader asset classes they are a part of, partly due to inherent beta, and partly due to fears of the unknown post Brexit

The portfolio has been positioned for higher rates, although the large event risks in the month had seen us take some risk down, which in the early hours of the US election seemed like a very prudent choice. The violent sector rotations have seen dispersion of returns accelerate, making agility in adjusting positioning a key asset. The narrative of an evolution towards fiscal policy from monetary policy, however appealing, is not without its challenges - we would note that while US\$1trn stimulus is a big number indeed, in a global context China spends more than that every year. The political environment is evolving very quickly, and the market has been pricing in long-dated outcomes almost instantly. In November we took partial profit on some financial stocks that have priced an environment that will take a while to unfold but remain very constructive on financials. We have also added some small risk in some defensive stocks that we feel have been overly punished in the sector rotation and are discounting a straight line march higher in yields from here.



## ALGEBRIS UCITS FUNDS PLC

### Algebris Asset Allocation Fund

#### **Investment Manager's Report (continued)** for the financial year ended 31 December 2016

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In Q4 banks benefited from a helpful macro backdrop where yields and inflation break evens both increased meaningfully – and as we have pointed out in the past, the correlation between bank equities and yields has become increasingly significant as rates have come down and yield curves have flattened over the past several years. Performance was also boosted at the micro level as we saw the first material positive earnings revisions for the sector in years. Not only was there a consistent theme of significant top line and earnings beats at the large US and European banks for Q3 (reported in October), but forward earnings revisions were boosted thanks to a combination of:

- 1) strong trading results (the second positive y/y quarter in a row after just 4 out of the previous 25),
- 2) better net interest income outlook (particularly in the US, where net interest income is starting to accelerate higher after 18 quarters in a row of flat/negative y/y growth through 3Q15),
- 3) tight cost control across banks of all regions and sizes,
- 4) a peaking of the NPL cycle in southern Europe (and benign normalization elsewhere), and
- 5) continued capital management.

In credit, beyond rates volatility and oil thematics, our near term regulatory focus is on the 2017 SREP requirements. BNP was the first Eurozone bank to disclose its 2017 SREP requirement in tandem with their Q3 results. Reflecting the recent split of Pillar 2 into requirement and guidance, as well as the phasing-in of the Combined Capital Buffer, BNP's minimum SREP requirement will be 200bps lower and equal to 8%. Based on our calculations the 2017 MDA buffer will grow accordingly, to 360bps from <100bps in 2016. The application of the new SREP regime doesn't allow necessarily for a read-across, the drop in BNP's SREP from 10% in 2016 to 8% next year is an extremely good starting point, especially for AT1s whose coupons are dependent on the MDA threshold. We also expect to get an update on "Basel IV" in early 2017 and we expect further regulatory and political pragmatism.

Looking to 2017, our key bet at present is long Eurozone risk, for three reasons. Having struggled with growth recently, a turnaround in the growth and inflation picture will benefit the EU more, than other DMs in our view, and a steepening Euribor curve should continue to boost the banks' earnings. Secondly, higher inflation with the ECB still dovish will allow for some natural deleveraging, while accelerating EPS growth adds further momentum to the trade. We have added some small positions in oversold telcos, where we still see self-help restructuring momentum and dividend yield value, even with rising rates. Elsewhere, financial credit and equity in Europe remain our key long bets.

# ALGEBRIS UCITS FUNDS PLC

## Algebris Financial Equity Fund

### Investment Manager's Report

for the financial year ended 31 December 2016

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Perhaps the biggest feature of 2016 was that for the first time since the global financial crisis in 2008, investors became properly interested in US and European banks.

The start of the year was difficult for financials, with EU banks falling sharply in January 17% and US banks down 13%. Banks were sold heavily during the month on recessionary, asset quality and capital fears. Central bank action dominated the markets in the early part of the year. Having disappointed at the end of 2015, Mario Draghi primed the market for a package of measures to be announced following the ECB's March meeting. European banks rose into the meeting but despite a bigger than expected easing package, with specific help for the banking sector, European banks subsequently sold off and ended down for March.

Given the allocation to financial equities in the portfolio, the UK Brexit referendum results caused a significant drop in the fund performance in June. It was a negative month for risk assets across Europe after the referendum led to a political vacuum in Britain.

Volatile markets and lower interest rates have been headwinds for the bank sector this year. However, we are becoming increasingly more constructive on the banking sector in Europe. With some European bank stocks substantially cheaper than we would have expected under a Remain vote, the important question is whether the referendum has opened up 'the opportunity' of the coming 12 – 18 months.

Stepping back and looking at the big picture for a moment, following 8 years of constant headwinds in the financial sector, 2016 saw a number of structural turning point for financials globally. The journey to build sufficient capital buffers to satisfy regulators has been long, volatile and arduous. Having finally cleared these hurdles materially, we are seeing significant distributions in the US and though European banks lag their US counterparts, this also presents opportunities. European banks have also finally increased their capital sufficiently to start lending again – and loan growth in Europe was positive in 2016. Dividends, and even buybacks, have been switched on for the first time since 2008. With valuations where they are, dividend yields (and in the US case, total pay-out yields) are compelling.

Investors only started really taking notice though when two additional trends became firmly established during the year, namely: i) confidence in the regulatory end game; and ii) the bottoming of bond yields. Basel 4's conclusion is clearly the end of the heavy regulatory lifting that was initiated by the G20 in the aftermath of the crisis. Politicians, central bankers, regulators and the slightly more beleaguered company managements and shareholders are finally agreeing on this point. And as the central bankers have finally concluded that QE infinity was not working and should be at least partially unwound, global bond yields have started to back up. This is clearly very positive for the banking sector.

In the US, we saw solid macro-economic data and a further increase in interest rates in December. Trump's win reinforces a number of trends and also provides other stimuli, including a peaking of the regulatory burden, potential corporate tax cuts and additional government spending as well as a boost to inflation and bond yields. This is particularly beneficial for US banks and life insurance companies. In 8 out of the last 10 years, earnings revisions for US banks have been negative, heavily driven by falling net interest margins. In an environment of gently increasing interest rates we have modelled Bank of America's net profits, for example, will increase by 20% from this factor alone. Banks outperform in inflationary periods.

For us, there have been a significant number of fundamental and material inflection points in the sector and we recommend investors to take note. Avoiding financial stocks has moved from virtual iron-clad investment wisdom to the cause of underperformance. Investors are awakening to 'something' has changed but have so far barely shifted their positioning, especially in Europe.

## ALGEBRIS UCITS FUNDS PLC

### Algebris Macro Credit Fund

#### Investment Manager's Report

for the period from 15 July 2016 (date of launch) to 31 December 2016

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The fallout from Brexit created opportunities to buy UK credits in non-cyclical sectors, including high yield food, and healthcare. Emerging Markets (EM) continued to rally on accommodative global monetary policy, stability in oil prices due to supply-disruptions and stability from China. The fund was cautious on the potential spill-over effects caused by a renewed slowdown in China, and therefore avoided those countries which are more dependent on hard commodities. On the other hand, it maintained exposure to countries with positive political developments and/or exposure to soft commodities, like Argentina, Brazil, Turkey, and Tunisia. Exposure to oil credits is primarily in EM names with higher convexity at current oil price levels. Banks remain attractive as well, with the EBA stress tests in July confirming the overall robustness of the financial system. The fund favoured sub-debt of large, national champion commercial banks.

In September, the fund sharply reduced duration in order to position for a normalisation in the yield curve, which, coupled with rising fears around Deutsche Bank, caused volatility in credit spreads. The fund increased Emerging Markets (EM) exposure, buying assets with lower correlation to Europe, China and commodity prices. In EM, assets remained stable during September's duration sell-off.

2016 marks a departure from the post-crisis low-for-long era, during which investors were buying bonds for capital gains and equities for yield, supported by central banks. Since the summer, the BoJ and then the ECB both changed their mantra from whatever it takes to less is more, focusing more on the transmission mechanism of stimulus to the real economy rather than in financial markets. This shift in monetary policy, coupled with new fiscal spending plans and rising global populism, are bullish for inflation but bearish for bonds.

Since September, the fund anticipated the high probability of a Trump victory and navigated the following rise in political risks by adding convex shorts on rates and US Treasuries in particular, and increasing cash buffers. Into the final political event of the year – Italy's constitutional referendum – we pared down cash and increased our long credit exposure, while reducing our negative duration exposure to almost flat. This helped the fund to benefit from the year-end rally in spreads, but without being negatively impacted by the squeeze in interest rates.

Looking into 2017, we continue to expect rising populism, fiscal expansion and fading monetary policy to drive markets in 2017. This means assets which investors bought for yield only are likely to continue to lose out, including long-dated government debt, IG corporate bonds trading at record-low spreads, and telecom and real estate stocks. We are positive on credit risk, particularly in financials and high yield credit, and have entered the year overweight spreads. We maintain an overall negative duration bias, although we have started the year almost flat – aware of seasonal demand for yield from real money investors. We continue to be short rates in the UK and the Eurozone, particularly on France, which appears too tight vs potential political risk. We are also long Eurozone inflation, which continues to be supported by positive macro data. We are cautious on emerging markets, and have reduced positions on the recent rally amid rising oil prices and tightening US rates, which have pushed EM bonds to new highs. The risk of a China slowdown, a faster-than-expected appreciation in the Dollar or a tit-for-tat dispute with the Trump administration can still jeopardize emerging markets in 2017.

## ALGEBRIS UCITS FUNDS PLC

### UCITS V – Disclosure of Remuneration Policy

#### Investment Manager’s Report

for the financial year ended 31 December 2016

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Algebris have implemented a remuneration policy pursuant to Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards to depositary functions, remuneration policies and sanctions (the “UCITS V Directive”).

This remuneration policy has been adopted by the Non-Executive members of the Board of Directors in their supervisory function and who will be responsible for (i) reviewing the general principles of the remuneration policy on an annual basis and (ii) ensuring that the implementation of the remuneration policy is subject to review on an annual basis. Any revisions to the remuneration policy will also require their approval.

The Company is a self-managed investment company with no employees, other than the Board of Directors and the designated persons nominated by the Directors with responsibility for the day to day monitoring and control of each of the management functions (other than decision making which remains with the Directors) (the “Designated Persons”). The Directors and the Designated Persons are therefore the only identified staff of the Company. This remuneration policy addresses the remuneration requirements of the UCITS V Directive as they apply to the Company and its delegates. The Company will ensure that appropriate contractual arrangements are put in place with entities to which investment management is delegated to ensure that the UCITS remuneration rules are not circumvented or that such delegates are subject to regulatory requirements on remuneration which are equally effective as those applicable under the ESMA Guidelines on Sound Remuneration Policies under the UCITS Directive ESMA 2016/575 (the “ESMA Guidelines”). Contractual arrangements relate to any payments made to delegates’ identified staff as compensation for performance of investment management activities on behalf of the Company.

The Non-Executive members of the Board of Directors receive a fixed fee only and do not receive performance-based remuneration therefore avoiding a potential conflict of interest. The basic fee of a Non-Executive Board member is set at a level that is on par with the rest of the market and reflects the qualifications and contribution required in view of the Company’s business strategy, objectives, values and the values of its Shareholders, the extent of the responsibilities of the Board and the number of board meetings. No pension contributions are payable on Non-Executive Board members’ fees.

The Designated Persons do not receive remuneration of any kind individually from the Company. The services of the Designated Persons are provided to the Company pursuant to an engagement letter between Clifton Fund Consulting Limited trading as KB Associates (“KBA”) and the Company whereby the Designated Persons are seconded to the Company on a part-time basis.

Taking into account the Company’s size, internal organisation nature, the scope and complexity of its activities), the Board of Directors has decided to dis-apply the remuneration committee requirement. The Board is satisfied that this disapplication is reconcilable with the risk profile, risk appetite and the strategy of the Company and its sub-funds.

Additionally as the Company does not have any employees and it does not pay any variable remuneration to any of the Directors and/ or the Designated Persons appointed by the Company, the “pay out process rules” as set out in the UCITS V Directive are not applicable to the Company and an assessment of whether they need to be dis-applied is not required.

The first full financial period for which Algebris has to comply with the UCITS V remuneration rules will commence from 1 January 2017. As a result, the aggregate amount of remuneration broken down by category of employees or other staff members as well as the other information that is required by the UCITS V Directive to be disclosed in the annual report is not yet available.

# ALGEBRIS UCITS FUNDS PLC

## Directors' Report

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The Directors present their annual report and the audited financial statements for the year ended 31 December 2016.

### 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 five Sub-Funds: Algebris Financial Credit Fund, Algebris Financial Income Fund, Algebris Asset Allocation Fund, Algebris Financial Equity Fund and Algebris Macro Credit Fund.

A detailed business review is outlined in the Investment Manager's Reports on pages 3-10.

### 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 21-24. Dividends amounting to EUR 53,970,063 were declared during the financial year ended 31 December 2016 for the Algebris Financial Credit Fund, EUR 3,639,658 for the Algebris Financial Income Fund and EUR 652,308 for the Algebris Macro Credit 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 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 Central Bank UCITS Regulations, the Directors are required to entrust the assets of the Company to the Depositary for safe-keeping. In carrying out this duty, the Directors have delegated custody of the Company's assets to HSBC Institutional Trust Services (Ireland) DAC, 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 Persons Transactions**

In accordance with the requirements of the Central Bank UCITS Regulations, all transactions carried out with the Company by the management company or depositary of a UCITS, and the delegate or sub-delegates of such a management company or depositary (excluding any non-group company sub-depositaries appointed by a depositary), and any associated or group companies of such a management company, depositary, delegate or sub-delegate ("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 Central Bank UCITS Regulations are applied to all transactions with connected persons and transactions with connected persons entered into during the period complied with the obligations set out in the Central Bank UCITS Regulations.

**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 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.

**Directors Compliance Statement**

The Directors confirm, in accordance with Section 225 of the Companies Act, 2014, that the following has been completed:

- produced a compliance policy statement setting out the Company's compliance policies;
- established arrangements/structures sufficient to "secure material compliance" with the Company's "relevant obligations"; and
- conducted a review of these arrangements/structures during the financial year ended 31 December 2016.

**Audit Committee**

Section 167 (2) of the Companies Act 2014 requires the Board of Directors to either establish an audit committee or decide not to establish such a committee. The Directors believe that there is no requirement to form an audit committee as:

- the Board has all non-executive Directors and two independent Directors;
- the Company complies with the provisions of the Irish Funds' Corporate Governance Code;

**Audit Information Statement**

As per the Section 330 of the Companies Act 2014,

- so far as the Directors are aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

On behalf of the Board

Director: Des Quigley

Director: Carl O'Sullivan

25 April 2017

## **Report of the Depositary to the Shareholders**

We have enquired into the conduct of Algebris UCITS Funds plc (“the Company”) for the period ended 31 December 2016, in our capacity as Depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company as a body, in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) & Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the “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 Depositary**

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 Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

### **Basis of Depositary Opinion**

The Depositary 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 year, 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 the UCITS Regulations; and

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

### **On behalf of**

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

25 April 2017

**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, John vanVerre (Dutch)  
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 year ended 31 December 2016 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 2016 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 2016.

#### ***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

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

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.

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 auditing standards generally accepted in the United States of America ('U.S. 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)

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.

A handwritten signature in blue ink, appearing to read 'Brian Clavin'.

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

25 April 2017

**ALGEBRIS UCITS FUNDS PLC**

**Statement of Financial Position**

as at 31 December 2016

	Notes	Total 2016 EUR	Algebris Financial Credit Fund 2016 EUR	Algebris Financial Income Fund 2016 EUR	Algebris Asset Allocation Fund 2016 EUR	Algebris Financial Equity Fund 2016 EUR	Algebris Macro Credit Fund 2016 EUR
<b>Assets</b>							
Cash and cash equivalents	2(c)	388,347,962	333,324,995	11,821,462	1,554,545	424,756	41,222,204
Financial assets at fair value through profit or loss	3,4						
- Transferable securities		3,151,135,731	2,732,295,430	157,117,255	10,301,237	24,303,240	227,118,569
- Financial derivative instruments		34,451,693	15,820,805	5,537,777	250,309	1,382,786	11,460,016
Due from broker		4,738,751	2,032	7	-	162,719	4,573,993
Due from members		45,609,842	38,043,553	409,116	40,056	209,542	6,907,575
Dividends receivable		136,678	-	122,491	1,600	5,812	6,775
Accrued income and other receivables	6	46,662,615	38,344,922	1,356,403	287,096	400,107	6,274,087
<b>Total assets</b>		<b>3,671,083,272</b>	<b>3,157,831,737</b>	<b>176,364,511</b>	<b>12,434,843</b>	<b>26,888,962</b>	<b>297,563,219</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	3,4						
- Financial derivative instruments		20,759,269	9,780,949	933,374	230,301	543,689	9,270,956
Due to broker		845,494	44,573	32	-	789,223	11,666
Due to members		6,291,442	5,096,088	991,029	46,221	-	158,104
Performance fees payable	5	9,540,303	8,285,685	-	9,872	247,344	997,402
Investment management fees payable	5	2,542,529	2,103,078	113,399	5,425	14,053	306,574
Audit fee payable	5	86,848	15,333	15,333	20,471	20,429	15,282
Administration fee payable	5	97,380	61,054	11,614	3,665	8,052	12,995
Depository fee payable	5	85,066	65,436	4,995	2,177	1,925	10,533
Director's fee payable	5	25,469	5,484	5,468	5,497	5,413	3,607
Accrued expenses and other payables	7	597,309	105,433	147,775	99,624	106,938	137,539
<b>Liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>40,871,109</b>	<b>25,563,113</b>	<b>2,223,019</b>	<b>423,253</b>	<b>1,737,066</b>	<b>10,924,658</b>
<b>Net assets attributable to holders of redeemable redeemable participating shares</b>		<b>3,630,212,163</b>	<b>3,132,268,624</b>	<b>174,141,492</b>	<b>12,011,590</b>	<b>25,151,896</b>	<b>286,638,561</b>

Approved on behalf of the Board

Director: Carl O'Sullivan

Director: Des Quigley

25 April 2017

The accompanying notes form an integral part of these financial statements

**ALGEBRIS UCITS FUNDS PLC**

**Statement of Financial Position (continued)**

as at 31 December 2015

	Notes	Total 2015 EUR	Algebris Financial Credit Fund 2015 EUR	Algebris Financial Income Fund 2015 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	128,766,755	18,955,736	2,450,640	3,261,345
Financial assets at fair value through profit or loss	3,4					
- Transferable securities		883,979,006	637,857,956	222,625,959	11,087,723	12,407,368
- Financial derivative instruments		5,813,025	2,342,692	2,742,997	228,050	499,286
Due from broker		1,249,797	-	1,227,209	7,320	15,268
Due from members		7,019,851	5,962,844	624,620	332,634	99,753
Dividends receivable		233,233	14,924	212,500	232	5,577
Accrued income and other receivables	6	10,350,430	8,873,135	1,416,351	60,299	645
<b>Total assets</b>		<b>1,062,079,818</b>	<b>783,818,306</b>	<b>247,805,372</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	5,946,159	5,281,972	299,047	664,626
Due to broker		184,846	3,109	10,988	15,790	154,959
Due to members		566,273	378,269	175,907	12,097	-
Performance fees payable	5	630,953	630,953	-	-	-
Investment management fees payable	5	644,241	454,601	174,672	6,338	8,630
Audit fee payable	5	69,688	19,554	19,386	15,374	15,374
Administration fee payable	5	48,790	27,801	14,795	2,832	3,362
Depositary fee payable	5	34,865	22,798	9,519	1,274	1,274
Director's fee payable	5	9,152	3,699	3,699	877	877
Accrued expenses and other payables	7	261,634	61,458	65,120	68,505	66,551
<b>Liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>14,642,246</b>	<b>7,548,401</b>	<b>5,756,058</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>776,269,905</b>	<b>242,049,314</b>	<b>13,744,764</b>	<b>15,373,589</b>

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 2016

	Notes	Total 2016 EUR	Algebris Financial Credit Fund 2016 EUR	Algebris Financial Income Fund 2016 EUR	Algebris Asset Allocation Fund 2016 EUR	Algebris Financial Equity Fund 2016 EUR	Algebris Macro Credit Fund 2016* EUR
<b>Investment income</b>							
Interest income		5,623	-	-	2,423	3,200	-
Dividend income	2	11,882,558	8,303,417	2,986,861	140,980	441,612	9,688
Other income		10,397,610	8,922,122	422,893	222,621	586,040	243,934
Net gain on financial assets and liabilities at fair value through profit or loss		228,158,432	214,935,571	2,475,005	414,095	4,010,292	6,323,469
Net gain on foreign exchange	2	1,545,123	1,300,174	10,353	15,749	18,954	199,893
<b>Total investment income</b>		<b>251,989,346</b>	<b>233,461,284</b>	<b>5,895,112</b>	<b>795,868</b>	<b>5,060,098</b>	<b>6,776,984</b>
<b>Operating expenses</b>							
Performance fees	5	18,831,959	17,507,633	-	9,872	316,124	998,330
Preliminary expense		73,549	-	-	-	1,141	72,408
Investment management fees	5	20,405,622	17,946,214	1,366,183	72,014	144,035	877,176
Administration fees	5	1,342,366	870,843	206,151	73,357	130,973	61,042
Directors' fees	5	41,117	7,984	7,969	10,820	10,737	3,607
Dividend expense		4,627	-	-	4,627	-	-
Depository fees	5	756,870	592,958	69,531	32,424	32,353	29,604
Audit fees	5	82,405	18,207	18,208	15,375	15,333	15,282
Other expenses	8	1,914,761	877,313	454,877	158,825	241,544	182,202
<b>Total operating expenses</b>		<b>43,453,276</b>	<b>37,821,152</b>	<b>2,122,919</b>	<b>377,314</b>	<b>892,240</b>	<b>2,239,651</b>
<b>Net investment income</b>		<b>208,536,070</b>	<b>195,640,132</b>	<b>3,772,193</b>	<b>418,554</b>	<b>4,167,858</b>	<b>4,537,333</b>
<b>Finance costs</b>							
Distributions to holders of redeemable participating shares	10	58,262,029	53,970,063	3,639,658	-	-	652,308
Interest expense	2	2,351,720	1,849,737	312,683	56,912	74,188	58,200
<b>Total finance costs</b>		<b>60,613,749</b>	<b>55,819,800</b>	<b>3,952,341</b>	<b>56,912</b>	<b>74,188</b>	<b>710,508</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 2016

Notes	Total 2016 EUR	Algebris Financial Credit Fund 2016 EUR	Algebris Financial Income Fund 2016 EUR	Algebris Asset Allocation Fund 2016 EUR	Algebris Financial Equity Fund 2016 EUR	Algebris Macro Credit Fund 2016* EUR
<b>Profit/(loss) before tax</b>	<b>147,922,321</b>	<b>139,820,332</b>	<b>(180,148)</b>	<b>361,642</b>	<b>4,093,670</b>	<b>3,826,825</b>
Withholding tax on dividends	2 1,528,680	750,051	693,584	18,107	64,032	2,906
Withholding tax on interest	777,785	743,805	33,980	-	-	-
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>	<b>145,615,856</b>	<b>138,326,476</b>	<b>(907,712)</b>	<b>343,535</b>	<b>4,029,638</b>	<b>3,823,919</b>

\*For the period from 15 July 2016 (date of launch) to 31 December 2016.

The accompanying notes form an integral part of these financial statements

**ALGEBRIS UCITS FUNDS PLC**

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

	Notes	Total 2015 EUR	Algebris Financial Credit Fund 2015 EUR	Algebris Financial Income Fund 2015 EUR	Algebris Asset Allocation Fund 2015** EUR	Algebris Financial Equity Fund 2015** EUR
<b>Investment income</b>						
Dividend income	2	7,844,501	2,343,459	5,322,914	50,003	128,125
Other income		1,664,683	1,139,681	524,880	103	19
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss		47,604,152	38,767,021	9,024,489	73,919	(261,277)
Net (loss)/gain on foreign exchange	2	(448,007)	(2,010)	(440,042)	(10,637)	4,682
<b>Total investment income/(loss)</b>		<b>56,665,329</b>	<b>42,248,151</b>	<b>14,432,241</b>	<b>113,388</b>	<b>(128,451)</b>
<b>Operating expenses</b>						
Performance fees	5	2,645,909	2,645,909	-	-	-
Preliminary expense		119,841	213	-	59,814	59,814
Investment management fees	5	6,140,806	4,299,434	1,772,243	27,876	41,253
Administration fees	5	749,085	463,345	228,474	27,957	29,309
Directors' fees	5	33,959	14,645	14,961	2,177	2,176
Dividend expense		-	-	-	-	-
Depository fees	5	392,259	239,211	132,006	10,521	10,521
Audit fees	5	75,437	22,428	22,261	15,374	15,374
Other expenses	8	1,163,405	489,176	419,395	112,559	142,275
<b>Total operating expenses</b>		<b>11,320,701</b>	<b>8,174,361</b>	<b>2,589,340</b>	<b>256,278</b>	<b>300,722</b>
<b>Net investment income/(loss)</b>		<b>45,344,628</b>	<b>34,073,790</b>	<b>11,842,901</b>	<b>(142,890)</b>	<b>(429,173)</b>
<b>Finance costs</b>						
Distributions to holders of redeemable participating shares	10	17,884,148	14,355,776	3,528,372	-	-
Interest expense	2	421,981	177,124	180,579	20,912	43,366
<b>Total finance costs</b>		<b>18,306,129</b>	<b>14,532,900</b>	<b>3,708,951</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

	Notes	Total 2015 EUR	Algebris Financial Credit Fund 2015 EUR	Algebris Financial Income Fund 2015 EUR	Algebris Asset Allocation Fund 2015 EUR	Algebris Financial Equity Fund 2015 EUR
<b>Profit/(loss) before tax</b>		<b>27,038,499</b>	<b>19,540,890</b>	<b>8,133,950</b>	<b>(163,802)</b>	<b>(472,539)</b>
Withholding tax on dividends	2	1,470,949	281,593	1,166,940	5,318	17,098
Withholding tax on interest		827,200	810,657	16,543	-	-
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>		<b>24,740,350</b>	<b>18,448,640</b>	<b>6,950,467</b>	<b>(169,120)</b>	<b>(489,637)</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

## ALTEGRIS UCITS FUNDS PLC

### Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for the financial year ended 31 December 2016

	<b>Total 2016 EUR</b>	<b>Algebris Financial Credit Fund 2016 EUR</b>	<b>Algebris Financial Income Fund 2016 EUR</b>	<b>Algebris Asset Allocation Fund 2016 EUR</b>	<b>Algebris Financial Equity Fund 2016 EUR</b>	<b>Algebris Macro Credit Fund 2016* EUR</b>
<b>Net assets attributable to holders of redeemable participating shares at beginning of financial year/period</b>	1,047,437,572	776,269,905	242,049,314	13,744,764	15,373,589	-
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	145,615,856	138,326,476	(907,712)	343,535	4,029,638	3,823,919
Proceeds from redeemable participating shares issued	3,251,440,232	2,899,148,652	40,120,429	6,045,333	19,705,313	286,420,505
Payment on redemption of redeemable participating shares	(814,281,497)	(681,476,409)	(107,120,539)	(8,122,042)	(13,956,644)	(3,605,863)
<b>Net assets attributable to holders of redeemable participating shares at end of financial year/period</b>	<b>3,630,212,163</b>	<b>3,132,268,624</b>	<b>174,141,492</b>	<b>12,011,590</b>	<b>25,151,896</b>	<b>286,638,561</b>

\*For the period from 15 July 2016 (date of launch) to 31 December 2016.

The accompanying notes form an integral part of these financial statements

## ALGEBRIS UCITS FUNDS PLC

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

	<b>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>Net assets attributable to holders of redeemable participating shares at beginning of financial year</b>	578,072,163	390,928,350	187,143,813	-	-
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	24,740,350	18,448,640	6,950,467	(169,120)	(489,637)
Proceeds from redeemable participating shares issued	745,605,644	532,427,649	182,671,164	14,336,574	16,170,257
Payment on redemption of redeemable participating shares issued	(300,980,585)	(165,534,734)	(134,716,130)	(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>776,269,905</b>	<b>242,049,314</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 2016

	<b>Total 2016 EUR</b>	<b>Algebris Financial Credit Fund 2016 EUR</b>	<b>Algebris Financial Income Fund 2016 EUR</b>	<b>Algebris Asset Allocation Fund 2016 EUR</b>	<b>Algebris Financial Equity Fund 2016 EUR</b>	<b>Algebris Macro Credit Fund 2016* EUR</b>
<b>Cash flows from operating activities</b>						
Increase in net assets attributable to holders of redeemable participating shares from operations	203,877,885	192,296,539	2,731,946	343,535	4,029,638	4,476,227
Purchase of financial assets and settlement of financial liabilities	(3,061,052,641)	(2,291,659,928)	(219,550,874)	(39,286,243)	(114,844,909)	(395,710,687)
Proceeds from sale of financial assets and of financial liabilities	943,896,999	349,578,381	277,234,168	40,336,090	105,804,688	170,943,672
Realised and unrealised (loss)/gain	(173,561,240)	(162,001,282)	1,909,234	(347,046)	(4,007,539)	(9,114,607)
(Increase) /decrease in interest receivable	(35,716,336)	(29,463,760)	60,085	(5,284)	(34,709)	(6,272,668)
Decrease/(increase) in dividend receivable	96,555	14,924	90,009	(1,368)	(235)	(6,775)
Decrease/(increase) in other receivables	(595,849)	(8,027)	(137)	(221,513)	(364,753)	(1,419)
Increase in other payables	11,936,229	9,462,103	437	35,741	942,350	1,495,598
<b>Net cash (used in)/provided by operating activities</b>	<b>(2,111,118,398)</b>	<b>(1,931,781,050)</b>	<b>62,474,868</b>	<b>853,912</b>	<b>(8,475,469)</b>	<b>(234,190,659)</b>
<b>Cash flows from financing activities</b>						
Proceeds from redeemable participating shares issued	3,212,850,241	2,867,067,943	40,335,933	6,337,911	19,595,524	279,512,930
Payment on redemption of redeemable participating shares	(808,556,328)	(676,758,590)	(106,305,417)	(8,087,918)	(13,956,644)	(3,447,759)
Distributions to holders of redeemable participating shares	(58,262,029)	(53,970,063)	(3,639,658)	-	-	(652,308)
<b>Net cash provided by/(used in) financing activities</b>	<b>2,346,031,884</b>	<b>2,136,339,290</b>	<b>(69,609,142)</b>	<b>(1,750,007)</b>	<b>5,638,880</b>	<b>275,412,863</b>
Net increase/(decrease) in cash and cash equivalents	234,913,486	204,558,240	(7,134,274)	(896,095)	(2,836,589)	41,222,204
Cash and cash equivalents at beginning of the financial year/period	153,434,476	128,766,755	18,955,736	2,450,640	3,261,345	-
<b>Cash and cash equivalents at end of the financial year/period</b>	<b>388,347,962</b>	<b>333,324,995</b>	<b>11,821,462</b>	<b>1,554,545</b>	<b>424,756</b>	<b>41,222,204</b>
<b>Supplemental disclosures of cash flow information</b>						
Interest received	60,085	-	60,085	-	-	-
Interest paid	(2,308,470)	(1,849,737)	(312,683)	(56,912)	(74,188)	(14,950)
Dividends received	11,979,113	8,318,341	3,076,870	139,612	441,377	2,913
Dividends paid	(58,266,656)	(53,970,063)	(3,639,658)	(4,627)	-	(652,308)

\*For the period from 15 July 2016 (date of launch) to 31 December 2016.

The accompanying notes form an integral part of these financial statements

**ALGEBRIS UCITS FUNDS PLC**

**Statement of Cash Flows (continued)**

for the financial year ended 31 December 2015

	<b>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>Cash flows from operating activities</b>					
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	42,624,498	32,804,416	10,478,839	(169,120)	(489,637)
Purchase of financial assets and settlement of financial liabilities	(873,119,253)	(451,400,663)	(360,496,552)	(23,577,519)	(37,644,519)
Proceeds from sale of financial assets and of financial liabilities	548,896,899	199,293,427	311,779,269	12,643,461	25,180,742
Realised and unrealised (loss)/gain	(44,078,079)	(33,271,866)	(10,922,706)	(89,988)	206,481
Increase in interest receivable	(5,156,710)	(4,639,726)	(457,330)	(59,654)	-
(Increase)/decrease in dividend receivable	(5,291)	(1,527)	2,045	(232)	(5,577)
Increase in other receivables	(3,368)	(1,039)	(1,039)	(645)	(645)
Increase in other payables	1,312,468	853,528	96,923	110,990	251,027
<b>Net cash used in operating activities</b>	<b>(329,528,836)</b>	<b>(256,363,450)</b>	<b>(49,520,551)</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	529,167,046	182,588,445	14,003,940	16,070,504
Payment on redemption of redeemable participating shares	(301,013,802)	(165,630,886)	(134,665,292)	(410,593)	(307,031)
Distributions to holders of redeemable participating shares	(17,884,148)	(14,355,776)	(3,528,372)	-	-
<b>Net cash provided by financing activities</b>	<b>422,931,985</b>	<b>349,180,384</b>	<b>44,394,781</b>	<b>13,593,347</b>	<b>15,763,473</b>
Net increase/(decrease) in cash and cash equivalents	93,403,149	92,816,934	(5,125,770)	2,450,640	3,261,345
Cash and cash equivalents at beginning of the financial year/period	60,031,327	35,949,821	24,081,506	-	-
<b>Cash and cash equivalents at end of the financial year/period</b>	<b>153,434,476</b>	<b>128,766,755</b>	<b>18,955,736</b>	<b>2,450,640</b>	<b>3,261,345</b>
<b>Supplemental disclosures of cash flow information</b>					
Interest paid	(421,981)	(177,124)	(180,579)	(20,912)	(43,366)
Dividends received	7,839,210	2,341,932	5,324,959	49,771	122,548
Dividends paid	(17,884,148)	(14,355,776)	(3,528,372)	-	-

\*\*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 2016

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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 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") 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 by 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"). Further Sub-Funds may be established with the prior approval of the Central Bank of Ireland ("Central Bank").

The Company has no employees.

### 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 Central Bank (Supervision and Enforcement Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank 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.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

*(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.

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.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

*(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 Company based on market fluctuations and are recorded as realised or unrealised gains/(losses) or other income dependent upon settlement terms of the contracts held.

*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.

*Swaps*

Generally, a swap contract is an agreement that obligates two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified notional amount of the underlying assets. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

Algebris Macro Credit Fund includes equity swaps, Credit Default Swaps and Interest Rate Swaps.

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



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

for the financial year ended 31 December 2016

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

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

*(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 Depository fees in the Statement of Comprehensive Income (see Note 5).

**(c) Cash and cash equivalents**

Cash comprise of cash held with HSBC Bank Plc. Cash is valued at its face value with interest accrued, where applicable, recorded as interest receivable. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, with original maturities of three months or less, and are held for the purpose of meeting short-term cash commitments rather than for investments or other purposes.

**(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").

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**(d) Foreign currency translation (continued)**

*(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.

**Changes to the accounting policies**

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. 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 2016

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

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

**IFRS 9 ‘Financial Instruments’ (effective 1 January, 2018):** IFRS 9 specifies how an entity should classify and measure financial assets and liabilities, including some hybrid contracts. The standard improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of IAS 39. Most of the requirements of IAS 39 for classification and measurement of financial liabilities were carried forward unchanged. The standard applies a constant approach to classifying financial assets and replaces the numerous categories of financial assets in IAS 39, each of which had its own classification criteria. The standard is not expected to have a significant impact on the Fund’s financial position or performance, as it is expected that the Fund will continue to classify its financial assets and financial liabilities as being at fair value through profit or loss.

**Amendments to IAS 12 The amendments, Recognition of deferred tax assets for unrealised losses:** The IASB has issued IAS 12 to clarify how to account for deferred tax assets related to debt instruments measured at fair value. IAS 12 provides requirements on the recognition and measurement of current or deferred tax liabilities or assets. The amendments clarify the requirements on recognition of deferred tax assets for unrealised losses, to address diversity in practice. It is effective for annual periods beginning on or after 1 January 2017. Earlier application is permitted. The Fund does not expect the measurement and classification requirements to have a significant impact on its financial statements.

**Amendments to IAS 7 ‘Statements of cash flow’:** The IASB requires that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes. The amendments state that one way to fulfil the new disclosure requirement is to provide a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Finally, the amendments state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities. It is effective for annual periods beginning on or after 1 January 2017. Earlier application is permitted. The Fund does not expect the measurement and classification requirements to have a significant impact on its financial statements.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

	<b>Algebris Financial Credit Fund 2016 EUR</b>	<b>Algebris Financial Income Fund 2016 EUR</b>	<b>Algebris Asset Allocation Fund 2016 EUR</b>	<b>Algebris Financial Equity Fund 2016 EUR</b>	<b>Algebris Macro Credit Fund 2016 EUR</b>
<b>Financial assets at fair value through profit or loss</b>					
<i>Held for trading:</i>					
Transferable securities					
- Equity securities*	67,613,595	6,739,302	36,406,000	3,124,112	10,114,573
- Fixed income	3,083,522,136	2,725,556,128	120,711,255	7,177,125	14,188,667
Financial derivatives					
- Contracts for difference	5,673,723	-	3,994,293	129,293	1,037,573
- Forward foreign exchange contracts	17,764,202	15,820,805	774,502	43,155	106,375
- Futures	83,492	-	-	-	713
- Options	3,117,205	-	768,982	77,861	238,125
- Other swaps	7,813,071	-	-	-	-
<b>Total financial assets at fair value through profit or loss</b>	<b>3,185,587,424</b>	<b>2,748,116,235</b>	<b>162,655,032</b>	<b>10,551,546</b>	<b>25,686,026</b>
<b>Financial liabilities at fair value through profit or loss</b>					
<i>Held for trading:</i>					
Financial derivatives					
- Contracts for difference	(723,322)	-	(168,844)	(160,695)	(352,732)
- Forward foreign exchange contracts	(7,939,550)	(7,212,249)	(469,471)	(33,973)	(146,495)
- Futures	(5,092,018)	(2,568,700)	(191,270)	(21,058)	-
- Options	(2,779,686)	-	(103,789)	(14,575)	(44,462)
- Other swaps	(4,224,693)	-	-	-	-
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(20,759,269)</b>	<b>(9,780,949)</b>	<b>(933,374)</b>	<b>(230,301)</b>	<b>(543,689)</b>
<b>Net gain on financial assets and liabilities at fair value through profit or loss</b>	<b>228,158,432</b>	<b>214,935,571</b>	<b>2,475,005</b>	<b>414,095</b>	<b>4,010,292</b>
	<b>6,323,469</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 2016

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

	<b>Total</b>	<b>Algebris Financial Credit Fund</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>2015</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>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 2016

#### 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 2016.

<b>Algebris Financial Credit Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
<b>Financial assets at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Equity securities	6,739,302	-	-	6,739,302
- Fixed income	2,725,484,878	71,250	-	2,725,556,128
- Forward foreign exchange contracts	-	15,820,805	-	15,820,805
<b>Total financial assets at fair value through profit or loss</b>	<b><u>2,732,224,180</u></b>	<b><u>15,892,055</u></b>	<b><u>-</u></b>	<b><u>2,748,116,235</u></b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Futures	(2,568,700)	-	-	(2,568,700)
- Forward foreign exchange contracts	-	(7,212,249)	-	(7,212,249)
<b>Total financial liabilities at fair value through profit or loss</b>	<b><u>(2,568,700)</u></b>	<b><u>(7,212,249)</u></b>	<b><u>-</u></b>	<b><u>(9,780,949)</u></b>

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

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 2016.

<b>Algebris Financial Income Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
<b>Financial assets at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Equity securities	36,406,000	-	-	36,406,000
- Fixed income	120,711,255	-	-	120,711,255
- Contracts for difference	-	3,994,293	-	3,994,293
- Forward foreign exchange contracts	-	774,502	-	774,502
- Options	768,982	-	-	768,982
<b>Total financial assets at fair value through profit or loss</b>	<b><u>157,886,237</u></b>	<b><u>4,768,795</u></b>	<b><u>-</u></b>	<b><u>162,655,032</u></b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Contracts for difference	-	(168,844)	-	(168,844)
- Forward foreign exchange contracts	-	(469,471)	-	(469,471)
- Futures	(191,270)	-	-	(191,270)
- Options	(103,789)	-	-	(103,789)
<b>Total financial liabilities at fair value through profit or loss</b>	<b><u>(295,059)</u></b>	<b><u>(638,315)</u></b>	<b><u>-</u></b>	<b><u>(933,374)</u></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 2016

#### 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 2016.

<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	3,124,112	-	-	3,124,112
- Fixed income	7,177,125	-	-	7,177,125
- Contracts for difference	-	129,293	-	129,293
- Forward foreign exchange contracts	-	43,155	-	43,155
- Options	77,861	-	-	77,861
<b>Total financial assets at fair value through profit or loss</b>	<b>10,379,098</b>	<b>172,448</b>	<b>-</b>	<b>10,551,546</b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Contracts for difference	-	(160,695)	-	(160,695)
- Futures	(21,058)	-	-	(21,058)
- Forward foreign exchange contracts	-	(33,973)	-	(33,973)
- Options	(14,575)	-	-	(14,575)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(35,633)</b>	<b>(194,668)</b>	<b>-</b>	<b>(230,301)</b>

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

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 2016.

<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	10,114,573	-	-	10,114,573
- Fixed income	14,188,667	-	-	14,188,667
- Contracts for difference	-	1,037,573	-	1,037,573
- Futures	713	-	-	713
- Forward foreign exchange contracts	-	106,375	-	106,375
- Options	238,125	-	-	238,125
<b>Total financial assets at fair value through profit or loss</b>	<b>24,542,078</b>	<b>1,143,948</b>	<b>-</b>	<b>25,686,026</b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Contracts for difference	-	(352,732)	-	(352,732)
- Forward foreign exchange contracts	-	(146,495)	-	(146,495)
- Options	(44,462)	-	-	(44,462)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(44,462)</b>	<b>(499,227)</b>	<b>-</b>	<b>(543,689)</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 2016

#### 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 2016.

<b>Algebris Macro 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	11,229,608	-	-	11,229,608
- Fixed income	215,888,961	-	-	215,888,961
- Contracts for difference	-	512,564	-	512,564
- Swaps	-	7,813,071	-	7,813,071
- Futures	82,779	-	-	82,779
- Forward foreign exchange contracts	-	1,019,365	-	1,019,365
- Options	2,032,237	-	-	2,032,237
<b>Total financial assets at fair value through profit or loss</b>	<b>229,233,585</b>	<b>9,345,000</b>	<b>-</b>	<b>238,578,585</b>
<b>Financial liabilities at fair value through profit or loss</b>				
<i>Held for trading:</i>				
- Contracts for difference	-	(41,051)	-	(41,051)
- Swaps	-	(4,224,693)	-	(4,224,693)
- Futures	(2,310,990)	-	-	(2,310,990)
- Forward foreign exchange contracts	-	(77,362)	-	(77,362)
- Options	(2,616,860)	-	-	(2,616,860)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(4,927,850)</b>	<b>(4,343,106)</b>	<b>-</b>	<b>(9,270,956)</b>

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

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 2016

#### 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>

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 2016

#### 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>

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 in the table below. 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 2016

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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. 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.

**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.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**Investment management fees (continued)**

For Algebris Macro Credit Fund, the Investment Manager shall be entitled to receive the Management Fee from the Company equal to 0.75% per annum of the Net Asset Value of the Class B Shares, 0.9% per annum of the Net Asset Value of the Class I Shares and 1.50% per annum of the Net Asset Value of the Class R 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 2016 amounted to EUR 20,405,622 (31 December 2015: EUR 6,140,806) of which EUR 2,542,529 (31 December 2015: EUR 644,241) 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.

“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.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**Performance fees (continued)**

**Algebris Financial Credit Fund (continued)**

“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 Depositary.

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 2016 amounted to EUR 17,507,633 (31 December 2015: EUR 2,645,909) of which EUR 8,285,685 (31 December 2015: EUR 630,953) 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.

Performance fees for the financial year ended 31 December 2016 amounted to EUR 9,872 (31 December 2015: EUR Nil) of which EUR 9,872 (31 December 2015: EUR Nil) was payable at financial year end.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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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.

Performance fees for the financial year ended 31 December 2016 amounted to EUR 316,124 (31 December 2015: EUR Nil) of which EUR 247,344 (31 December 2015: EUR Nil) was payable at financial year end.

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.

**Algebris Macro Credit Fund**

The Performance Fee in respect of the Class I and Class R Accumulating Classes is equal to 15% 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 B Accumulating Class Shares is equal to 10% of the excess of the Net Asset Value per Share of the Class B Accumulating Class 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 15% of the excess of the Adjusted NAV over the Adjusted High Water Mark.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**Performance fees (continued)**

**Algebris Macro Credit Fund (continued)**

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

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 I and Class R Accumulating Share Classes) and the Adjusted NAV (with respect to the Class B, 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.

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.

Performance fees for the financial period from 15 July (launch date) to 31 December 2016 amounted to EUR 998,330 of which EUR 997,402 was payable at financial year end.

**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 2016 amounted to EUR 1,342,366 (31 December 2015: EUR 749,085) of which EUR 97,380 (31 December 2015: EUR 48,790) was payable at financial year end.

**Depositary fees**

The Depositary 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) until 30 June 2016.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2016

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

##### Depository fees (continued)

From 1 July 2016 the Depository 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 0.035% per annum of a Sub-Fund's Net Asset Value for the first EUR 250 million, 0.03% per annum of a Sub-Fund's Net Asset Value between EUR 250 million and EUR 500 million and 0.025% per annum of a Sub-Fund's Net Asset Value above EUR 500 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).

From 1 July 2016 the Depository shall also be entitled to receive a flat fee of \$7,000 per annum for UCITS V related depository services.

The Depository shall also be entitled to receive transaction charges and all Sub-Custodian charges will be recovered by the Depository from the Company as they are incurred by the relevant Sub-Custodians. All such charges shall be charged at normal commercial rates. The Depository is also entitled to reimbursement of its reasonable vouched out-of-pocket expenses. Depository fees for the financial year ended 31 December 2016 amounted to EUR 756,870 (31 December 2015: EUR 392,259) of which EUR 85,066 (31 December 2015: EUR 34,865) 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 2016 amounted to EUR 41,117 (31 December 2015: EUR 33,959) of which EUR 25,469 (31 December 2015: EUR 9,152) was payable at financial year end.

##### Auditors' fees

Fees accrued for the statutory auditors, KPMG, in respect of the financial year ending 31 December 2016, 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 2016 amounted to EUR 82,405 (31 December 2015: EUR 75,437), as at 31 December 2016 EUR 86,848 (31 December 2015: EUR 69,688) was payable.

##### Company secretarial fees

The Company has appointed Tudor Trust Limited as Company Secretary. Company secretarial fees for the financial year ended 31 December 2016 amounted to EUR 53,315 (31 December 2015: EUR 48,217) of which EUR 105,567 (31 December 2015: EUR 52,253) 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 2016 and 2015.

	2016	2015
Algebris Financial Credit Fund	EUR 39,391	EUR 949,206
Algebris Financial Income Fund	EUR 752,929	EUR 741,748
Algebris Asset Allocation Fund	EUR 100,896	EUR 67,945
Algebris Financial Equity Fund	EUR 384,787	EUR 127,989
Algebris Macro Credit Fund	EUR 561,690	-
<b>Total</b>	<b>EUR 1,839,693</b>	<b>EUR 1,886,888</b>



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**6. Other receivables**

		<b>Algebris Financial Credit Fund 2016 EUR</b>	<b>Algebris Financial Income Fund 2016 EUR</b>	<b>Algebris Asset Allocation Fund 2016 EUR</b>	<b>Algebris Financial Equity Fund 2016 EUR</b>	<b>Algebris Macro Credit Fund 2016 EUR</b>
Interest receivable	46,063,398	38,335,856	1,355,227	64,938	34,709	6,272,668
Prepaid facility fees	1,061	7	696	351	7	-
Prepaid listing fees	20	8	12	-	-	-
Prepaid legal fees	10,671	9,051	468	-	75	1,077
Rebate receivable	587,123	-	-	221,807	365,316	-
Prepaid Professional fees	342	-	-	-	-	342
	<b>46,662,615</b>	<b>38,344,922</b>	<b>1,356,403</b>	<b>287,096</b>	<b>400,107</b>	<b>6,274,087</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
		<b>10,350,430</b>	<b>8,873,135</b>	<b>1,416,351</b>	<b>60,299</b>

**7. Other payables**

		<b>Algebris Financial Credit Fund 2016 EUR</b>	<b>Algebris Financial Income Fund 2016 EUR</b>	<b>Algebris Asset Allocation Fund 2016 EUR</b>	<b>Algebris Financial Equity Fund 2016 EUR</b>	<b>Algebris Macro Credit Fund 2016 EUR</b>
Professional fees payable	138,703	23,228	28,897	37,400	35,119	14,059
Interest Payable	43,250	-	-	-	-	43,250
Legal fees payable	72,502	3,048	30,056	19,632	19,254	512
Tax and Administration fees payable	73,895	28,792	27,261	5,413	11,956	473
Corporate Secretarial fees payable	105,567	28,057	28,055	22,039	22,006	5,410
Dividends payable	9,726	-	-	3,208	6,518	-
Amortization expense payable	69,291	-	-	-	-	69,291
Miscellaneous expenses payable	84,375	22,308	33,506	11,932	12,085	4,544
	<b>597,309</b>	<b>105,433</b>	<b>147,775</b>	<b>99,624</b>	<b>106,938</b>	<b>137,539</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**7. Other payables (continued)**

	<b>Total</b>	<b>Algebris Financial Credit Fund</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>2015</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>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>

**8. Other expenses**

	<b>Total</b>	<b>Algebris Financial Credit Fund</b>	<b>Algebris Financial Income Fund</b>	<b>Algebris Asset Allocation Fund</b>	<b>Algebris Financial Equity Fund</b>	<b>Algebris Macro Credit Fund</b>
	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Professional fees	282,229	133,246	66,886	33,264	31,240	17,593
Brokerage fees	323,446	228,262	33,640	20,084	30,422	11,038
Legal fees	381,429	212,418	120,380	19,228	16,285	13,118
Tax and Administrative fees	87,410	35,693	37,071	2,705	11,463	478
Corporate Secretarial fees	53,315	11,968	11,968	12,001	11,968	5,410
Insurance fees expense	9,153	3,700	2,813	414	1,815	411
Agent fees	51,341	33,232	16,096	589	1,424	-
Advertising expense	83,321	58,668	23,420	204	203	826
Annual validation fee	63,176	63,176	-	-	-	-
Miscellaneous expenses	579,941	96,950	142,603	70,336	136,724	133,328
	<b>1,914,761</b>	<b>877,313</b>	<b>454,877</b>	<b>158,825</b>	<b>241,544</b>	<b>182,202</b>

	<b>Total</b>	<b>Algebris Financial Credit Fund</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>2015</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Professional fees	152,827	51,308	37,133	32,193	32,193
Brokerage fees	119,477	46,239	38,140	13,776	21,322
Legal fees	221,984	108,986	75,655	18,578	18,765
Tax and Administrative fees	77,338	38,428	33,361	2,793	2,756
Corporate Secretarial fees	48,217	12,002	12,000	12,215	12,000
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	4,281
Miscellaneous expenses	339,125	103,748	155,696	28,723	50,958
	<b>1,163,405</b>	<b>489,176</b>	<b>419,395</b>	<b>112,559</b>	<b>142,275</b>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2016

#### 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.

The movement in the number of redeemable participating shares for the financial year ended 31 December 2016 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	62,834	106,006	(5,807)	163,033
CHF Class M Shares	2,000	947	-	2,947
CHF Class Md Shares	22,649	-	(22,649)	-
CHF Class R Shares	5,789	15,643	(3,431)	18,001
CHF Class Z Shares	-	234,204	(4,999)	229,205
EUR Class I Shares	1,900,485	3,431,635	(1,101,097)	4,231,023
EUR Class Id Shares	1,198,534	227,150	(113,094)	1,312,590
EUR Class M Shares	21,002	5,228	(20,000)	6,230
EUR Class Md Shares	-	31,560	-	31,560
EUR Class R Shares	1,101,827	3,628,908	(1,182,484)	3,548,251
EUR Class Rd Shares	731,697	8,947,094	(1,157,665)	8,521,126
EUR Class W Shares	1,800	17,388	-	19,188
EUR Class Wd Shares	-	10,092	(5,993)	4,099
EUR Class XXL Shares	-	200,000	-	200,000
EUR Class XXLd Shares	209,207	528,546	(65,389)	672,364
EUR Class Z Shares	-	757,135	(56,186)	700,949
GBP Class I Shares	3,300	6,836	(370)	9,766
GBP Class Id Shares	543,184	2,608,421	(229,818)	2,921,787
GBP Class M Shares	300	64	(58)	306
GBP Class R Shares	-	87	-	87
GBP Class Rd Shares	1,000	11,453	(1,000)	11,453
GBP Class Z Shares	-	6,396	-	6,396
GBP Class Zd Shares	-	34,142	(205)	33,937
USD Class I Shares	221,115	255,648	(131,269)	345,494
USD Class Id Shares	310,309	372,228	(164,218)	518,319
USD Class M Shares	8,197	81,177	(38,882)	50,492
USD Class Md Shares	-	30,226	-	30,226
USD Class R Shares	62,643	176,278	(112,249)	126,672
USD Class Rd Shares	94,647	539,327	(126,961)	507,013
USD Class W Shares	10,000	216,223	(24,414)	201,809
USD Class Wd Shares	3,000	203,926	(129,617)	77,309
USD Class XXL Shares	-	3,383,474	(1,463,353)	1,920,121
USD Class Z Shares	-	390,206	(7,403)	382,803
USD Class Zd Shares	-	850	-	850

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

The movement in the number of redeemable participating shares for the financial year ended 31 December 2016 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	3,700	840	(1,790)	2,750
EUR Class B Shares	246,498	-	(109,010)	137,488
EUR Class Bd Shares	81,145	-	-	81,145
EUR Class I Shares	887,735	236,085	(612,422)	511,398
EUR Class Id Shares	130,800	2,960	(700)	133,060
EUR Class M Shares	8,281	876	(1,965)	7,192
EUR Class Md Shares	2,000	601	-	2,601
EUR Class R Shares	104,795	15,939	(31,190)	89,544
EUR Class Rd Shares	25,600	3,200	(8,652)	20,148
GBP Class Bd Shares	500	-	-	500
GBP Class Id Shares	130,569	21,193	(21,427)	130,335
GBP Class M Shares	183	-	-	183
GBP Class R Shares	-	404	-	404
USD Class Bd Shares	133,301	-	(63,143)	70,158
USD Class I Shares	1,405	-	(1,405)	-
USD Class Id Shares	164,373	78,293	(156,573)	86,093
USD Class M Shares	1,797	5,606	-	7,403
USD Class Md Shares	180,211	1,039	-	181,250
USD Class R Shares	30,503	670	(7,659)	23,514
USD Class Rd Shares	9,944	-	(1,012)	8,932

**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	19,974	1,476	(21,450)	-
EUR Class I Shares	65,956	18,844	(19,777)	65,023
EUR Class M Shares	40,000	-	(40,000)	-
GBP Class B Shares	400	-	-	400
USD Class M Shares	14,350	41,515	-	55,865

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

The movement in the number of redeemable participating shares for the financial year ended 31 December 2016 is as follows:

**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>
CHF Class B Shares	-	150	-	150
CHF Class R Shares	-	110	-	110
EUR Class B Shares	1,898	35,924	(10,281)	27,541
EUR Class Bm Shares	-	633	(108)	525
EUR Class I Shares	26,600	35,499	(6,857)	55,242
EUR Class Im Shares	-	1,042	(504)	538
EUR Class M Shares	40,000	1,114	(40,000)	1,114
EUR Class R Shares	-	500	(500)	-
EUR Class Rm Shares	-	151	-	151
GBP Class B Shares	30,679	8,132	(38,811)	-
GBP Class M Shares	10,404	94	(61)	10,437
GBP Class Mm Shares	-	13	-	13
USD Class B Shares	25,095	-	(3,685)	21,410
USD Class Bm Shares	-	125	-	125
USD Class Im Shares	-	1,670	(1,670)	-
USD Class M Shares	13,020	86,187	-	99,207
USD Class Mm Shares	-	199	(110)	89

**Algebris Macro 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 B Shares	-	2,978	-	2,978
CHF Class Bd Shares	-	1,100	-	1,100
EUR Class B Shares	-	348,897	(6,605)	342,292
EUR Class Bd Shares	-	159,093	-	159,093
EUR Class I Shares	-	439,323	(8,796)	430,527
EUR Class Id Shares	-	-	-	-
EUR Class M Shares	-	57,275	-	57,275
EUR Class R Shares	-	511,401	(9,146)	502,255
EUR Class Rd Shares	-	1,221,649	(10,800)	1,210,849
GBP Class B Shares	-	25,210	-	25,210
USD Class B Shares	-	8,533	-	8,533
USD Class Bd Shares	-	20,000	-	20,000
USD Class Md Shares	-	20,250	-	20,250
USD Class R Shares	-	1,000	-	1,000

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2016

#### 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 2016

#### 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

	At the beginning of the financial year	Shares Issued	Shares Redeemed	At the end of the financial year
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

	At the beginning of the financial year	Shares Issued	Shares Redeemed	At the end of the financial year
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 UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2016

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#### 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 Equity Fund

	At the beginning of the financial year	Shares Issued	Shares Redeemed	At the end of the financial year
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 2016

#### 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 netted against the income to arrive at the net income figure. For the Distributing Classes, the current distribution policy is to distribute net income (consisting of revenue, including any accrued interest and dividends less expenses).

#### Algebris Financial Credit Fund

Share Class	2016 Ex-Date	Rate	2015 Ex-Date	Rate
CHF Class Md	12-Jan-2016	CHF 1.6229	9-Jan-2015	CHF 1.6526
EUR Class Id	12-Jan-2016	EUR 1.4895	9-Jan-2015	EUR 1.5854
EUR Class Rd	12-Jan-2016	EUR 1.4473	9-Jan-2015	EUR 1.5245
EUR Class XXLd	12-Jan-2016	EUR 0.3712	-	-
GBP Class Id	12-Jan-2016	GBP 1.5039	9-Jan-2015	GBP 1.4826
GBP Class Md	-	-	9-Jan-2015	GBP 1.5545
GBP Class Rd	12-Jan-2016	GBP 1.4100	-	-
USD Class Id	12-Jan-2016	USD 1.4731	9-Jan-2015	USD 1.3752
USD Class Rd	12-Jan-2016	USD 1.5965	9-Jan-2015	USD 1.6410
USD Class Wd	12-Jan-2016	USD 1.4088	-	-
CHF Class Md	11-Apr-2016	CHF 1.5507	8-Apr-2015	CHF 1.7294
EUR Class Id	11-Apr-2016	EUR 1.5244	8-Apr-2015	EUR 1.3561
EUR Class Rd	11-Apr-2016	EUR 1.2277	8-Apr-2015	EUR 1.5620
EUR Class XXLd	11-Apr-2016	EUR 1.0177	-	-
EUR Class Wd	11-Apr-2016	EUR 0.2055	-	-
GBP Class Id	11-Apr-2016	GBP 0.7804	8-Apr-2015	GBP 1.7848
GBP Class Md	-	-	8-Apr-2015	GBP 1.5090
GBP Class Rd	11-Apr-2016	GBP 0.8486	8-Apr-2015	GBP 0.8894
USD Class Id	11-Apr-2016	USD 0.9407	8-Apr-2015	USD 1.1005
USD Class Rd	11-Apr-2016	USD 0.7848	8-Apr-2015	USD 1.1729
USD WD Class	11-Apr-2016	USD 0.3546	-	-
SGD WD Class	11-Apr-2016	SGD 0.5165	-	-
CHF Class Md	11-Jul-2016	CHF 1.7504	8-Jul-2015	CHF 1.5235
EUR Class Id	11-Jul-2016	EUR 1.7304	8-Jul-2015	EUR 1.4629
EUR Class Rd	11-Jul-2016	EUR 1.3048	8-Jul-2015	EUR 1.3915
EUR Class XXLd	11-Jul-2016	EUR 1.6071	-	-
EUR Class Wd	11-Jul-2016	EUR 2.2991	-	-
EUR Class Md	11-Jul-2016	EUR 0.3352	-	-
GBP Class Id	11-Jul-2016	GBP 1.6165	8-Jul-2015	GBP 1.2416
GBP Class Md	-	-	8-Jul-2015	GBP 1.6004
GBP Class Rd	11-Jul-2016	GBP 2.9666	8-Jul-2015	GBP 1.3193
USD Class Id	11-Jul-2016	USD 1.5776	8-Jul-2015	USD 1.2756
USD Class Rd	11-Jul-2016	USD 1.5115	8-Jul-2015	USD 1.2299
USD Class Wd	11-Jul-2016	USD 2.8027	-	-
SGD Class Wd	11-Jul-2016	SGD 1.5105	-	-
CHF Class Md	11-Oct-2016	CHF 1.7935	8-Oct-2015	CHF 1.5257
EUR Class Id	11-Oct-2016	EUR 1.7507	8-Oct-2015	EUR 1.5212
EUR Class Rd	11-Oct-2016	EUR 1.6125	8-Oct-2015	EUR 1.3935

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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**10. Distributions (continued)**

**Algebris Financial Credit Fund (continued)**

Share Class	2016		2015	
	Ex-Date	Rate	Ex-Date	Rate
EUR Class XXLd	11-Oct-2016	EUR 1.5996	-	-
EUR Class Wd	11-Oct-2016	EUR 1.6348	-	-
EUR Class Md	11-Oct-2016	EUR 1.5936	-	-
GBP Class Id	11-Oct-2016	GBP 0.9059	8-Oct-2015	GBP 1.3636
GBP Class Md	-	-	8-Oct-2015	GBP 1.6088
GBP Class Rd	11-Oct-2016	GBP 0.6918	8-Oct-2015	GBP 1.3227
USD Class Rd	11-Oct-2016	USD 1.0626	8-Oct-2015	USD 1.3048
USD Class Id	11-Oct-2016	USD 1.4846	8-Oct-2015	USD 1.2590
USD Class Wd	11-Oct-2016	USD 1.6075	8-Oct-2015	USD 1.0464
USD Class Md	11-Oct-2016	USD 0.7634	-	-

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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**10. Distributions (continued)**

**Algebris Financial Income Fund**

Share Class	2016		2015	
	Ex-Date	Rate	Ex-Date	Rate
EUR Class Bd	12-Jan-2016	EUR 1.0966	9-Jan-2015	EUR 1.0998
EUR Class Id	12-Jan-2016	EUR 1.0010	9-Jan-2015	EUR 0.9915
EUR Class Rd	12-Jan-2016	EUR 0.9563	9-Jan-2015	EUR 0.9735
EUR Class Md	12-Jan-2016	EUR 0.9326	-	-
GBP Class Bd	12-Jan-2016	GBP 1.1006	9-Jan-2015	GBP 1.1006
GBP Class Id	12-Jan-2016	GBP 1.0121	9-Jan-2015	GBP 0.4565
USD Class Bd	12-Jan-2016	USD 1.1139	9-Jan-2015	USD 1.1178
USD Class Id	12-Jan-2016	USD 1.2827	9-Jan-2015	USD 0.8535
USD Class Md	12-Jan-2016	USD 1.1063	9-Jan-2015	USD 1.1046
USD Class Rd	12-Jan-2016	USD 1.0630	-	-
EUR Class Bd	11-Apr-2016	EUR 1.1629	8-Apr-2015	EUR 1.3715
EUR Class Id	11-Apr-2016	EUR 1.0487	8-Apr-2015	EUR 1.2195
EUR Class Rd	11-Apr-2016	EUR 1.0105	8-Apr-2015	EUR 1.3884
EUR Class Md	11-Apr-2016	EUR 0.9294	-	-
GBP Class Bd	11-Apr-2016	GBP 1.1680	8-Apr-2015	GBP 1.3721
GBP Class Id	11-Apr-2016	GBP 1.0374	8-Apr-2015	GBP 1.2081
USD Class Bd	11-Apr-2016	USD 1.5873	8-Apr-2015	USD 1.3926
USD Class Id	11-Apr-2016	USD 1.1019	8-Apr-2015	USD 1.3074
USD Class Md	11-Apr-2016	USD 1.1784	8-Apr-2015	USD 1.3781
USD Class Rd	11-Apr-2016	USD 0.9806	-	-
EUR Class Bd	11-Jul-2016	EUR 1.9262	8-Jul-2015	EUR 1.4579
EUR Class Id	11-Jul-2016	EUR 1.7549	8-Jul-2015	EUR 1.3336
EUR Class Md	11-Jul-2016	EUR 1.6432	8-Jul-2015	EUR 1.0373
EUR Class Rd	11-Jul-2016	EUR 1.6077	8-Jul-2015	EUR 1.2841
GBP Class Bd	11-Jul-2016	GBP 1.9366	8-Jul-2015	GBP 1.4608
GBP Class Id	11-Jul-2016	GBP 1.7683	8-Jul-2015	GBP 1.3330
USD Class Bd	11-Jul-2016	USD 1.9583	8-Jul-2015	USD 1.4843
USD Class Id	11-Jul-2016	USD 1.9120	8-Jul-2015	USD 1.3875
USD Class Md	11-Jul-2016	USD 1.9565	8-Jul-2015	USD 1.4704
USD Class Rd	11-Jul-2016	USD 1.7724	8-Jul-2015	USD 0.8556
EUR Class Bd	11-Oct-2016	EUR 1.1458	8-Oct-2015	EUR 1.2495
EUR Class Id	11-Oct-2016	EUR 1.0431	8-Oct-2015	EUR 1.1423
EUR Class Md	11-Oct-2016	EUR 0.9792	8-Oct-2015	EUR 1.0612
EUR Class Rd	11-Oct-2016	EUR 1.1090	8-Oct-2015	EUR 1.0951
GBP Class Bd	11-Oct-2016	GBP 1.1720	8-Oct-2015	GBP 1.2549
GBP Class Id	11-Oct-2016	GBP 1.0895	8-Oct-2015	GBP 1.1428
USD Class Bd	11-Oct-2016	USD 1.1786	8-Oct-2015	USD 1.2727
USD Class Id	11-Oct-2016	USD 1.0935	8-Oct-2015	USD 1.1851
USD Class Md	11-Oct-2016	USD 1.1781	8-Oct-2015	USD 1.2625
USD Class Rd	11-Oct-2016	USD 0.9660	8-Oct-2015	USD 1.0561

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2016

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#### 10. Distributions (continued)

##### Algebris Macro Credit Fund

	2016	
	Ex-Date	Rate
EUR Class Bd	11-Oct-2016	EUR 0.9970
EUR Class Rd	11-Oct-2016	EUR 0.8330
CHF Class Bd	11-Oct-2016	CHF 0.0979
USD Class Bd	11-Oct-2016	USD 1.0001
USD Class Md	11-Oct-2016	USD 1.0016

#### 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 2016 (2015: Nil).

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

for the financial year ended 31 December 2016

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**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 historical approach. The lowest, highest and the average utilisation of the VaR limit at 99% confidence levels calculated during the year was 2.1%, 33.4% and 12.8% 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 344%.

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 historical approach. The lowest, highest and the average utilisation of the VaR limit at 99% confidence levels calculated during the year was 2.8%, 10.5% and 4.7% 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 246%.

The Company uses the Value-at-Risk (VaR) Approach to calculate Macro Credit 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 historical approach. The lowest, highest and the average utilisation of the VaR limit at 99% confidence levels calculated during the year was 2.7%, 6.4% and 3.9% 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 297%.

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**(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 2016 would have increased the net assets attributable to holders of redeemable shares for Algebris Financial Credit Fund by EUR 336,965 (31 December 2015: EUR 841,345), Algebris Financial Income Fund by EUR 1,820,300 (31 December 2015: EUR 5,623,142), Algebris Asset Allocation Fund by EUR 156,206 (31 December 2015: EUR 253,404), Algebris Financial Equity Fund by EUR 505,729 (31 December 2015: EUR 594,397) and Algebris Macro Credit Fund by EUR 561,480. 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 2016

**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 2016</b>	<b>Monetary assets/(liabilities) EUR</b>	<b>Non-monetary liabilities EUR</b>	<b>Forward Contracts EUR</b>	<b>Total EUR</b>
Australian Dollar	42,496	-	-	42,496
Pound Sterling	380,027,674	(386,172,050)	30,980,262	24,835,886
Singapore Dollar	(352)	-	-	(352)
Swiss Francs	2,479,351	(44,773,060)	44,442,591	2,148,882
United States Dollar	1,720,746,509	(415,474,115)	(1,225,540,925)	79,731,469
	<b>2,103,295,678</b>	<b>(846,419,225)</b>	<b>(1,150,118,072)</b>	<b>106,758,381</b>

<b>Algebris Financial Income Fund as at 31 December 2016</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	6,825	1,770,466	(1,803,487)	(26,196)
Danish Krone	(5)	-	-	(5)
Hong Kong Dollar	12	-	81,394	81,406
Japanese Yen	92,431	2,384,697	(2,379,371)	97,757
Norwegian Krone	3	-	-	3
Polish Zloty	10	-	-	10
Pound Sterling	13,378,671	(15,501,635)	3,425,908	1,302,944
Swedish Kroner	180,151	-	-	180,151
Swiss Francs	(658)	231,373	589,769	820,484
Taiwan Dollar	-	-	(804,403)	(804,403)
United States Dollar	4,888,663	(14,331,668)	(38,064,571)	(47,507,576)
	<b>18,546,104</b>	<b>(25,446,767)</b>	<b>(38,954,761)</b>	<b>(45,855,424)</b>

<b>Algebris Asset Allocation Fund as at 31 December 2016</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	(3,604)	-	(9,587)	(13,191)
Canadian Dollar	(12,289)	-	8,222	(4,067)
Danish Krone	(363)	-	-	(363)
Hong Kong Dollar	10,597	388,797	7,305	406,699
Japanese Yen	4,590	68,591	(66,451)	6,730
Korean Won	140	-	(483,882)	(483,742)
Norwegian Krone	5,150	181,658	(177,033)	9,775
Pound Sterling	1,543,912	(47,483)	(544,927)	951,502
Singapore Dollar	(7,996)	-	-	(7,996)
Swiss Francs	(1)	224,739	-	224,738
Taiwan Dollar	(2,888)	-	(129,185)	(132,073)
United States Dollar	4,902,760	(4,258,780)	2,432,977	3,076,957
	<b>6,440,008</b>	<b>(3,442,478)</b>	<b>1,037,439</b>	<b>4,034,969</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

*(ii) Currency risk (continued)*

<b>Algebris Financial Equity Fund as at 31 December 2016</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	(7,847)	-	(19,221)	(27,068)
Brazilian Real	-	-	(214,564)	(214,564)
Canadian Dollar	(31,558)	-	(1,965)	(33,523)
Hong Kong Dollar	16,263	518,982	12,198	547,443
Japanese Yen	12,921	386,540	(388,183)	11,278
Korean Won	-	-	(565,371)	(565,371)
Norwegian Krone	(1)	-	8,757	8,756
Polish Zloty	(35,149)	-	-	(35,149)
Pound Sterling	12,801	(1,374,036)	1,281,986	(79,249)
Singapore Dollar	(1,951)	-	-	(1,951)
Swiss Francs	(21,417)	700,618	32,034	711,235
Taiwan Dollar	-	-	(208,863)	(208,863)
Thai Baht	-	-	(58,903)	(58,903)
United States Dollar	(2,345,668)	(6,618,742)	4,699,450	(4,264,960)
	<b>(2,401,606)</b>	<b>(6,386,638)</b>	<b>4,577,355</b>	<b>(4,210,889)</b>

<b>Algebris Macro Credit Fund as at 31 December 2016</b>	<b>Monetary assets/(liabilities) EUR</b>	<b>Non-monetary liabilities EUR</b>	<b>Forward Contracts EUR</b>	<b>Total EUR</b>
Australian Dollar	(2,071)	-	-	(2,071)
Canadian Dollar	(31,553)	-	-	(31,553)
Chinese Yuan Renminbi	-	-	(9,465,222)	(9,465,222)
Hong Kong Dollar	2,693	-	-	2,693
Japanese Yen	12,922	3,788,173	(3,760,934)	40,161
Mexican Peso	1,802,529	-	-	1,802,529
New Zealand Dollar	18,566	-	-	18,566
Singapore Dollar	302,858	-	-	302,858
South African Rand	1,930	-	-	1,930
Polish Zloty	(35,120)	-	-	(35,120)
Pound Sterling	27,664,363	(3,053,660)	(38,287,799)	(13,677,096)
Swiss Francs	(20,819)	(386,842)	386,386	(21,275)
United States Dollar	77,226,472	1,536,042	(50,378,467)	28,384,047
	<b>106,942,770</b>	<b>1,883,713</b>	<b>(101,506,036)</b>	<b>7,320,447</b>

<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>



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

*(ii) Currency risk (continued)*

<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 2016

**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>

At 31 December 2016 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.

<b>Algebris Financial Credit Fund as at 31 December 2016</b>	<b>EUR</b>	<b>Algebris Financial Credit Fund as at 31 December 2015</b>	<b>EUR</b>
Australian Dollar	2,125	Australian Dollar	(59)
Pound Sterling	1,241,794	Pound Sterling	(62,412)
Singapore Dollar	(18)	Singapore Dollar	-
Swiss Francs	107,444	Swiss Francs	510
United States Dollar	3,986,573	United States Dollar	84,471
	<b>5,337,918</b>		<b>22,510</b>

<b>Algebris Financial Income Fund as at 31 December 2016</b>	<b>EUR</b>	<b>Algebris Financial Income Fund as at 31 December 2015</b>	<b>EUR</b>
Canadian Dollar	(1,310)	Canadian Dollar	3
Danish Krone	-	Danish Krone	122,201
Hong Kong Dollar	4,070	Hong Kong Dollar	1
Japanese Yen	4,888	Japanese Yen	6,578
Polish Zloty	1	Polish Zloty	1
Pound Sterling	65,147	Pound Sterling	(6,153)
Swedish Kroner	9,008	Swedish Kroner	8,163
Swiss Francs	41,024	Swiss Francs	226
Taiwan Dollar	(40,220)	Taiwan Dollar	(135,842)
United States Dollar	(2,375,379)	United States Dollar	(126,500)
	<b>(2,292,771)</b>		<b>(131,322)</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

*(ii) Currency risk (continued)*

**Algebris Asset Allocation Fund  
as at 31 December 2016**

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

	<b>EUR</b>		<b>EUR</b>
Australian Dollar	(660)	Australian Dollar	(773)
Canadian Dollar	(203)	Canadian Dollar	947
Danish Krone	(18)	Danish Krone	-
Hong Kong Dollar	20,335	Hong Kong Dollar	48,188
Japanese Yen	337	Japanese Yen	369
Korean Won	(24,187)	Korean Won	-
Malaysian Ringgit	-	Malaysian Ringgit	1,034
Norwegian Krone	489	Norwegian Krone	-
Pound Sterling	47,575	Pound Sterling	5,156
Singapore Dollar	(400)	Singapore Dollar	160
Swedish Kroner	-	Swedish Kroner	302
Swiss Francs	11,237	Swiss Francs	(433)
Taiwan Dollar	(6,604)	Taiwan Dollar	(12,899)
United States Dollar	153,848	United States Dollar	(335)
	<u><b>201,749</b></u>		<u><b>41,756</b></u>

**Algebris Financial Equity Fund  
as at 31 December 2016**

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

	<b>EUR</b>		<b>EUR</b>
Australian Dollar	(1,353)	Australian Dollar	(998)
Brazilian Real	(10,728)	Brazilian Real	-
Canadian Dollar	(1,676)	Canadian Dollar	429
Hong Kong Dollar	27,372	Hong Kong Dollar	11,482
Japanese Yen	564	Japanese Yen	576
Korean Won	(28,269)	Korean Won	-
Malaysian Ringgit	-	Malaysian Ringgit	1,350
Norwegian Krone	438	Norwegian Krone	-
Polish Zloty	(1,757)	Polish Zloty	-
Pound Sterling	(3,962)	Pound Sterling	3,187
Singapore Dollar	(98)	Singapore Dollar	1,160
Swedish Kroner	-	Swedish Kroner	1,201
Swiss Francs	35,562	Swiss Francs	(7)
Taiwan Dollar	(10,443)	Taiwan Dollar	(14,804)
Thai Baht	(2,945)	Thai Baht	-
United States Dollar	(213,248)	United States Dollar	4,787
	<u><b>(210,543)</b></u>		<u><b>8,363</b></u>

## ALGEBRIS UCITS FUNDS PLC

Notes to the Financial Statements (continued)  
for the financial year ended 31 December 2016

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

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

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

#### Algebris Macro Credit Fund as at 31 December 2016

	<b>EUR</b>
Australian Dollar	(104)
Canadian Dollar	(1,578)
Chinese Yuan Renminbi	(473,261)
Hong Kong Dollar	135
Japanese Yen	2,008
Mexican Peso	90,126
New Zealand Dollar	928
Singapore Dollar	15,143
South African Rand	97
Polish Zloty	(1,756)
Pound Sterling	(683,855)
Swiss Francs	(1,064)
United States Dollar	1,419,202
	<u><b>366,021</b></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 2016

**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 2016</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	-	60,387,774	8,924,470	322,477,757	2,333,766,126	22,560,108	2,748,116,235
Cash and cash equivalents	333,324,995	-	-	-	-	-	333,324,995
Due from brokers	-	-	-	-	-	2,032	2,032
Due from members	-	-	-	-	-	38,043,553	38,043,553
Accrued income and other receivables	-	-	-	-	-	38,344,922	38,344,922
<b>Total Financial Assets</b>	<b>333,324,995</b>	<b>60,387,774</b>	<b>8,924,470</b>	<b>322,477,757</b>	<b>2,333,766,126</b>	<b>98,950,615</b>	<b>3,157,831,737</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	-	-	-	-	-	9,780,949	9,780,949
Due to members	-	-	-	-	-	5,096,088	5,096,088
Due to broker	-	-	-	-	-	44,573	44,573
Performance fee payable	-	-	-	-	-	8,285,685	8,285,685
Directors' fee payable	-	-	-	-	-	5,484	5,484
Investment management fee payable	-	-	-	-	-	2,103,078	2,103,078
Administration fee payable	-	-	-	-	-	61,054	61,054
Audit fee payable	-	-	-	-	-	15,333	15,333
Depositary fee payable	-	-	-	-	-	65,436	65,436
Accrued expenses and other payables	-	-	-	-	-	105,433	105,433
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	3,132,268,624	3,132,268,624
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,157,831,737</b>	<b>3,157,831,737</b>
<b>Total interest sensitivity gap</b>	<b>333,324,995</b>	<b>60,387,774</b>	<b>8,924,470</b>	<b>322,477,757</b>	<b>2,333,766,126</b>		

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**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 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>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	-	-	-	-	-	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
Depositary 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>		

At 31 December 2016 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 13,627,781 (31 December 2015: EUR 3,105,155) 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 2016</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	-	28,421,593	1,385,188	7,104,055	83,800,414	41,943,782	162,655,032
Cash and cash equivalents	11,821,462	-	-	-	-	-	11,821,462
Due from broker	-	-	-	-	-	7	7
Due from members	-	-	-	-	-	409,116	409,116
Accrued income and other receivables	-	-	-	-	-	1,478,894	1,478,894
<b>Total Financial Assets</b>	<b>11,821,462</b>	<b>28,421,593</b>	<b>1,385,188</b>	<b>7,104,055</b>	<b>83,800,414</b>	<b>43,831,799</b>	<b>176,364,511</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**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	-	-	-	-	-	933,374	933,374
Due to broker	-	-	-	-	-	32	32
Due to members	-	-	-	-	-	991,029	991,029
Investment management fee payable	-	-	-	-	-	113,399	113,399
Administration fee payable	-	-	-	-	-	11,614	11,614
Audit fee payable	-	-	-	-	-	15,333	15,333
Directors' fee payable	-	-	-	-	-	5,468	5,468
Depositary fee payable	-	-	-	-	-	4,995	4,995
Accrued expenses and other payables	-	-	-	-	-	147,775	147,775
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	174,141,492	174,141,492
<b>Total Financial Liabilities</b>	-	-	-	-	-	<b>176,364,511</b>	<b>176,364,511</b>

**Total interest sensitivity gap** 11,821,462 28,421,593 1,385,188 7,104,055 83,800,414

**Interest rate risk**

**Algebris Financial Income 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	-	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>

	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
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**Liabilities**

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
Depositary 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>

**Total interest sensitivity gap** 18,955,736 9,454,772 3,450,079 8,587,171 88,671,090

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

*(iii) Interest rate risk (continued)*

At 31 December 2016 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 603,556 (31 December 2015: EUR 550,816) 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 Asset Allocation Fund as at 31 December 2016</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	-	3,553,141	138,519	546,131	2,939,333	3,374,422	10,551,546
Cash and cash equivalents	1,554,545	-	-	-	-	-	1,554,545
Due from broker	-	-	-	-	-	-	-
Due from members	-	-	-	-	-	40,056	40,056
Accrued income and other receivables	-	-	-	-	-	288,696	288,696
<b>Total Financial Assets</b>	<b>1,554,545</b>	<b>3,553,141</b>	<b>138,519</b>	<b>546,131</b>	<b>2,939,333</b>	<b>3,703,174</b>	<b>12,434,843</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	-	-	-	-	-	230,301	230,301
Due to members	-	-	-	-	-	46,221	46,221
Performance fee payable	-	-	-	-	-	9,872	9,872
Investment management fee payable	-	-	-	-	-	5,425	5,425
Administration fee payable	-	-	-	-	-	3,665	3,665
Audit fee payable	-	-	-	-	-	20,471	20,471
Directors' fee payable	-	-	-	-	-	5,497	5,497
Depository fee payable	-	-	-	-	-	2,177	2,177
Accrued expenses and other payables	-	-	-	-	-	99,624	99,624
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	12,011,590	12,011,590
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,434,843</b>	<b>12,434,843</b>
<b>Total interest sensitivity gap</b>	<b>1,554,545</b>	<b>3,553,141</b>	<b>138,519</b>	<b>546,131</b>	<b>2,939,333</b>		



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

*(iii) Interest rate risk (continued)*

**Interest rate risk**

<b>Algebris Asset Allocation 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	-	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>
	<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	-	-	-	-	-	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
Depository 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 2016 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 35,886 (31 December 2015: 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 2016

**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 2016	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	-	11,056,825	-	-	3,131,843	11,497,358	25,686,026
Cash and cash equivalents	424,756	-	-	-	-	-	424,756
Due from broker	-	-	-	-	-	162,719	162,719
Due from members	-	-	-	-	-	209,542	209,542
Accrued income and other receivables	-	-	-	-	-	405,919	405,919
<b>Total Financial Assets</b>	<b>424,756</b>	<b>11,056,825</b>	<b>-</b>	<b>-</b>	<b>3,131,843</b>	<b>12,275,538</b>	<b>26,888,962</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	-	-	-	-	-	543,689	543,689
Due to broker	-	-	-	-	-	789,223	789,223
Performance fee payable	-	-	-	-	-	247,344	247,344
Investment management fee payable	-	-	-	-	-	14,053	14,053
Administration fee payable	-	-	-	-	-	8,052	8,052
Audit fee payable	-	-	-	-	-	20,429	20,429
Directors' fee payable	-	-	-	-	-	5,413	5,413
Depositary fee payable	-	-	-	-	-	1,925	1,925
Accrued expenses and other payables	-	-	-	-	-	106,938	106,938
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	25,151,896	25,151,896
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,888,962</b>	<b>26,888,962</b>
<b>Total interest sensitivity gap</b>	<b>424,756</b>	<b>11,056,825</b>	<b>-</b>	<b>-</b>	<b>3,131,843</b>		

**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>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2016

#### 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	-	-	-	-	-	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
Depository 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>		

At 31 December 2016 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 70,943 (31 December 2015: 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

##### Interest rate risk

Algebris Macro Credit Fund as at 31 December 2016	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	-	12,684,301	68,684,445	96,428,863	38,091,350	22,689,626	238,578,585
Cash and cash equivalents	41,222,204	-	-	-	-	-	41,222,204
Due from broker	-	-	-	-	-	4,573,993	4,573,993
Due from members	-	-	-	-	-	6,907,575	6,907,575
Accrued income and other receivables	-	-	-	-	-	6,280,862	6,280,862
<b>Total Financial Assets</b>	<b>41,222,204</b>	<b>12,684,301</b>	<b>68,684,445</b>	<b>96,428,863</b>	<b>38,091,350</b>	<b>40,452,056</b>	<b>297,563,219</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

*(iii) Interest rate risk (continued)*

	<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	-	-	-	-	-	9,270,956	9,270,956
Due to broker	-	-	-	-	-	11,666	11,666
Due to members	-	-	-	-	-	158,104	158,104
Performance fee payable	-	-	-	-	-	997,402	997,402
Investment management fee payable	-	-	-	-	-	306,574	306,574
Administration fee payable	-	-	-	-	-	12,995	12,995
Audit fee payable	-	-	-	-	-	15,282	15,282
Directors' fee payable	-	-	-	-	-	3,607	3,607
Depositary fee payable	-	-	-	-	-	10,533	10,533
Interest payable	-	-	-	-	-	43,250	43,250
Accrued expenses and other payables	-	-	-	-	-	94,289	94,289
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	286,638,561	286,638,561
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>297,563,219</b>	<b>297,563,219</b>
<b>Total interest sensitivity gap</b>	<b>41,222,204</b>	<b>12,684,301</b>	<b>68,684,445</b>	<b>96,428,863</b>	<b>38,091,350</b>		

At 31 December 2016 for Algebris Macro 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 1,079,445 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.

## ALGBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2016

#### 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	
	2016	2015	2016	2015
A+	2.76%	4.13%	0.52%	4.30%
A	20.47%	14.78%	14.95%	11.88%
A-	12.94%	12.73%	13.15%	11.99%
BBB+	27.37%	33.24%	28.98%	30.33%
BBB	6.70%	8.32%	8.93%	12.48%
BBB-	21.58%	8.60%	22.93%	16.52%
BB+	0.57%	1.28%	-	-
B+	3.30%	1.80%	4.34%	4.88%
A2 (Moody's)	-	0.11%	-	-
Aa3 (Moody's)	0.13%	0.54%	-	-
Ba1 (Moody's)	0.92%	2.07%	1.42%	-
Baa1 (Moody's)	0.10%	0.50%	-	-
Ba2 (Moody's)	0.76%	-	-	-
Baa2 (Moody's)	0.79%	1.34%	-	0.98%
Ba3 (Moody's)	-	0.48%	1.48%	-
Baa3 (Moody's)	-	0.38%	-	-
BBB (Fitch)	0.48%	-	-	-
BBB- (Fitch)	-	2.50%	-	-
BB- (Fitch)	0.62%	1.04%	2.15 %	2.37%
NR	0.51%	6.16%	1.15 %	4.27%
<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 2016

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**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		Algebris Financial Equity Fund	
	2016	2015	2016	2015
AA	-	26.47%	-	24.69%
A+	-	3.16%	-	-
A	5.54%	6.47%	-	-
A-	8.14%	-	-	-
BBB+	25.88%	6.11%	31.72%	-
BBB	9.03%	8.94%	-	-
BBB-	43.20%	37.02%	66.27%	75.31%
BB+	1.86%	-	-	-
BB	1.95%	-	-	-
B+	2.47%	-	-	-
Ba1 (Moody's)	-	-	2.01%	-
NR	1.93%	11.83%	-	-
<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 2016

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

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

Debt securities by rating category	Algebris Macro credit Fund 2016
A	4.09%
A-	1.35%
B+	4.59%
B	10.12%
B-	19.13%
BB+	2.72%
BB	1.00%
BB-	3.74%
BBB+	14.37%
BBB	0.72%
BBB-	10.06%
CCC	0.20%
CCC-	3.23%
B1 (Moody's)	2.20%
B2 (Moody's)	6.63%
B3 (Moody's)	1.53%
Ba1 (Moody's)	1.45%
Ba2 (Moody's)	0.44%
Baa2 (Moody's)	1.35%
Ba3 (Moody's)	0.75%
Caa1 (Moody's)	5.23%
Caa2 (Moody's)	0.55%
Caa3 (Moody's)	0.80%
BB- (Fitch)	1.24%
CCC (Fitch)	0.44%
NR	2.07%
<b>Total</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 Depositary, HSBC Institutional Trust Services (Ireland) Limited, Morgan Stanley, JP Morgan, Goldman Sachs, BNP Paribas and Merrill Lynch. 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 Depositary (and brokers). The risk of default is considered minimal, as delivery of securities sold is only made once the Depositary or broker has received payment. Payment is made on a purchase once the securities have been received by the Depositary 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 2016

#### 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 2016

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	333,324,995
Fixed Income Securities	HSBC Bank Plc	AA-	2,725,556,128
Forward foreign exchange contracts	HSBC Bank Plc	AA-	15,820,805
			<b>3,074,701,928</b>

##### Algebris Financial Income Fund as at 31 December 2016

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	11,821,462
Fixed Income Securities	HSBC Bank Plc	AA-	120,711,255
Forward foreign exchange contracts	HSBC Bank Plc	AA-	774,502
			<b>133,307,219</b>

##### Algebris Asset Allocation Fund as at 31 December 2016

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	1,304,472
Cash and cash equivalents	Morgan Stanley	A+	239,993
Cash and cash equivalents	Merrill Lynch	A+	10,080
Fixed Income Securities	HSBC Bank Plc	AA-	7,177,125
Forward foreign exchange contracts	HSBC Bank Plc	AA-	43,155
			<b>8,774,825</b>

##### Algebris Financial Equity Fund as at 31 December 2016

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	407,377
Cash and cash equivalents	Merrill Lynch	A+	17,379
Fixed Income Securities	HSBC Bank Plc	AA-	14,188,667
Forward foreign exchange contracts	HSBC Bank Plc	AA-	106,375
			<b>14,719,798</b>

##### Algebris Macro Credit Fund as at 31 December 2016

Financial assets	Counterparty	Credit rating	EUR
Cash and cash equivalents	HSBC Bank Plc	AA-	22,386,578
Cash and cash equivalents	BNP Paribas	A	2,539,996
Cash and cash equivalents	Goldman Sachs	A+	11,220,000
Cash and cash equivalents	JP Morgan	A-	5,075,630
Fixed Income Securities	HSBC Bank Plc	AA-	215,888,961
Forward foreign exchange contracts	HSBC Bank Plc	AA-	1,019,365
			<b>258,130,530</b>



## ALGEBRIS UCITS FUNDS PLC

Notes to the Financial Statements (continued)  
for the financial year ended 31 December 2016

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

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

##### 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
			<u>752,140,499</u>

##### 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
			<u>130,271,440</u>

##### 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
			<u>8,511,415</u>

##### 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
			<u>3,843,696</u>

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.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2016

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

##### (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 2016 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 2016	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	7,212,249	-	2,568,700	-	-	-	9,780,949
Due to broker	44,573	-	-	-	-	-	44,573
Due to members	5,096,088	-	-	-	-	-	5,096,088
Performance fee payable	8,285,685	-	-	-	-	-	8,285,685
Investment management fee payable	2,103,078	-	-	-	-	-	2,103,078
Accrued expenses and other payables	105,433	-	-	-	-	-	105,433
Directors' fee payable	5,484	-	-	-	-	-	5,484
Administration fee payable	61,054	-	-	-	-	-	61,054
Audit fee payable	15,333	-	-	-	-	-	15,333
Depository fee payable	65,436	-	-	-	-	-	65,436
Net assets attributable to holders of redeemable participating shares	3,132,268,624	-	-	-	-	-	3,132,268,624
	<b>3,155,263,037</b>	<b>-</b>	<b>2,568,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,157,831,737</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**(c) Liquidity risk (continued)**

<b>Algebris Financial Income Fund as at 31 December 2016</b>	<b>Less than 1 month EUR</b>	<b>1-2 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>Total EUR</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	742,104	-	191,270	-	-	-	933,374
Due to broker	32	-	-	-	-	-	32
Due to members	991,029	-	-	-	-	-	991,029
Investment management fee payable	113,399	-	-	-	-	-	113,399
Accrued expenses and other payables	147,775	-	-	-	-	-	147,775
Administration fee payable	11,614	-	-	-	-	-	11,614
Audit fee payable	15,333	-	-	-	-	-	15,333
Directors' fee payable	5,468	-	-	-	-	-	5,468
Depositary fee payable	4,995	-	-	-	-	-	4,995
Net assets attributable to holders of redeemable participating shares	174,141,492	-	-	-	-	-	174,141,492
	<b>176,173,241</b>	<b>-</b>	<b>191,270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>176,364,511</b>
<b>Algebris Asset Allocation Fund as at 31 December 2016</b>							
	<b>Less than 1 month EUR</b>	<b>1-2 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>Total EUR</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	209,243	-	21,058	-	-	-	230,301
Due to broker	-	-	-	-	-	-	-
Due to members	46,221	-	-	-	-	-	46,221
Performance fee payable	9,872	-	-	-	-	-	9,872
Investment management fee payable	5,425	-	-	-	-	-	5,425
Accrued expenses and other payables	99,624	-	-	-	-	-	99,624
Administration fee payable	3,665	-	-	-	-	-	3,665
Audit fee payable	20,471	-	-	-	-	-	20,471
Directors' fee payable	5,497	-	-	-	-	-	5,497
Depositary fee payable	2,177	-	-	-	-	-	2,177
Net assets attributable to holders of redeemable participating shares	12,011,590	-	-	-	-	-	12,011,590
	<b>12,413,785</b>	<b>-</b>	<b>21,058</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,434,843</b>
<b>Algebris Financial Equity Fund as at 31 December 2016</b>							
	<b>Less than 1 month EUR</b>	<b>1-2 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>Total EUR</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	-	-	543,689	-	-	-	543,689
Due to broker	789,223	-	-	-	-	-	789,223
Performance fee payable	247,344	-	-	-	-	-	247,344
Investment management fee payable	14,053	-	-	-	-	-	14,053
Accrued expenses and other payables	106,938	-	-	-	-	-	106,938
Administration fee payable	8,052	-	-	-	-	-	8,052
Audit fee payable	20,429	-	-	-	-	-	20,429
Directors' fee payable	5,413	-	-	-	-	-	5,413
Depositary fee payable	1,925	-	-	-	-	-	1,925
Net assets attributable to holders of redeemable participating shares	25,151,896	-	-	-	-	-	25,151,896
	<b>26,345,273</b>	<b>-</b>	<b>543,689</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,888,962</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**(c) Liquidity risk (continued)**

<b>Algebris Macro Credit Fund as at 31 December 2016</b>	<b>Less than 1 month EUR</b>	<b>1-2 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>Total EUR</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss	557,155	979,673	5,237,805	2,487,071	9,252	-	9,270,956
Due to broker	11,666	-	-	-	-	-	11,666
Due to members	158,104	-	-	-	-	-	158,104
Performance fee payable	997,402	-	-	-	-	-	997,402
Investment management fee payable	306,574	-	-	-	-	-	306,574
Accrued expenses and other payables	94,289	-	-	-	-	-	94,289
Administration fee payable	12,995	-	-	-	-	-	12,995
Audit fee payable	15,282	-	-	-	-	-	15,282
Interest payable	43,250	-	-	-	-	-	43,250
Directors' fee payable	3,607	-	-	-	-	-	3,607
Depositary fee payable	10,533	-	-	-	-	-	10,533
Net assets attributable to holders of redeemable participating shares	286,638,561	-	-	-	-	-	286,638,561
	<b>288,849,418</b>	<b>979,673</b>	<b>5,237,805</b>	<b>2,487,071</b>	<b>9,252</b>	<b>-</b>	<b>297,563,219</b>

<b>Algebris Financial Credit Fund as at 31 December 2015</b>	<b>Less than 1 month EUR</b>	<b>1-2 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>Total EUR</b>
<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
Depositary 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>-</b>	<b>5,946,159</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>783,818,306</b>

<b>Algebris Financial Income Fund as at 31 December 2015</b>	<b>Less than 1 month EUR</b>	<b>1-2 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>Total EUR</b>
<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
Depositary 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 UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2016

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

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

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
Depositary 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>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
Depositary 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>16,289,242</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 Sub-Fund or the counterparties. In addition, the Sub-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 2016

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

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

**Algebris Financial Credit Fund**

**31 December 2016**

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	15,820,805	-	15,820,805	(9,780,949)	-	6,039,856
	<b>15,820,805</b>	<b>-</b>	<b>15,820,805</b>	<b>(9,780,949)</b>	<b>-</b>	<b>6,039,856</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	(9,780,949)	-	(9,780,949)	9,780,949	-	-
	<b>(9,780,949)</b>	<b>-</b>	<b>(9,780,949)</b>	<b>9,780,949</b>	<b>-</b>	<b>-</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

**Algebris Financial Income Fund**

**31 December 2016**

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	5,537,777	-	5,537,777	(933,374)	-	4,604,403
	<b>5,537,777</b>	<b>-</b>	<b>5,537,777</b>	<b>(933,374)</b>	<b>-</b>	<b>4,604,403</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	(933,374)	-	(933,374)	933,374	-	-
	<b>(933,374)</b>	<b>-</b>	<b>(933,374)</b>	<b>933,374</b>	<b>-</b>	<b>-</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

**Algebris Asset Allocation Fund**

**31 December 2016**

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	250,309	-	250,309	(230,301)	-	20,008
	<b>250,309</b>	<b>-</b>	<b>250,309</b>	<b>(230,301)</b>	<b>-</b>	<b>20,008</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	(230,301)	-	(230,301)	230,301	-	-
	<b>(230,301)</b>	<b>-</b>	<b>(230,301)</b>	<b>230,301</b>	<b>-</b>	<b>-</b>



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

**Algebris Financial Equity Fund**

**31 December 2016**

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	1,382,786	-	1,382,786	(543,689)	-	839,097
	<b>1,382,786</b>	<b>-</b>	<b>1,382,786</b>	<b>(543,689)</b>	<b>-</b>	<b>839,097</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	(543,689)	-	(543,689)	543,689	-	-
	<b>(543,689)</b>	<b>-</b>	<b>(543,689)</b>	<b>543,689</b>	<b>-</b>	<b>-</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

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

**Algebris Macro Credit Fund**

**31 December 2016**

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	11,460,016	-	11,460,016	(9,270,956)	-	2,189,060
	<b>11,460,016</b>	<b>-</b>	<b>11,460,016</b>	<b>(9,270,956)</b>	<b>-</b>	<b>2,189,060</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	(9,270,956)	-	(9,270,956)	9,270,956	-	-
	<b>(9,270,956)</b>	<b>-</b>	<b>(9,270,956)</b>	<b>9,270,956</b>	<b>-</b>	<b>-</b>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2016

#### 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 2016

#### 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>	<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)	(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>	<b>(2,538,975)</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**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 2016

**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 2016

#### 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 2016, 31 December 2015 and 31 December 2014.

#### Algebris Financial Credit Fund

	Net Asset Value 2016	Shares in Issue	Net Asset Value per Share 2016
CHF Class I Shares	CHF 22,364,159	163,033	CHF 137.18
CHF Class M Shares	CHF 336,741	2,947	CHF 114.27
CHF Class R Shares	CHF 1,915,779	18,001	CHF 106.43
CHF Class Z Shares	CHF 23,330,483	229,205	CHF 101.79
EUR Class I Shares	EUR 600,105,898	4,231,023	EUR 141.83
EUR Class Id Shares	EUR 151,162,022	1,312,590	EUR 115.16
EUR Class M Shares	EUR 902,358	6,230	EUR 144.85
EUR Class Md Shares	EUR 3,431,720	31,560	EUR 108.74
EUR Class R Shares	EUR 448,706,040	3,548,251	EUR 126.46
EUR Class Rd Shares	EUR 903,652,396	8,521,126	EUR 106.05
EUR Class W Shares	EUR 2,061,630	19,188	EUR 107.44
EUR Class Wd Shares	EUR 435,037	4,099	EUR 106.14
EUR Class XXL Shares	EUR 21,534,119	200,000	EUR 107.67
EUR Class XXLd Shares	EUR 69,037,971	672,364	EUR 102.68
EUR Class Z Shares	EUR 71,680,523	700,949	EUR 102.26
GBP Class I Shares	GBP 1,113,119	9,766	GBP 113.98
GBP Class Id Shares	GBP 322,700,085	2,921,787	GBP 110.45
GBP Class M Shares	GBP 33,251	306	GBP 108.58
GBP Class R Shares	GBP 8,960	87	GBP 102.67
GBP Class Rd Shares	GBP 1,147,007	11,453	GBP 100.15
GBP Class Z Shares	GBP 642,736	6,396	GBP 100.49
GBP Class Zd Shares	GBP 3,460,049	33,937	GBP 101.96
USD Class I Shares	USD 38,034,611	345,494	USD 110.09
USD Class Id Shares	USD 52,519,766	518,319	USD 101.33
USD Class M Shares	USD 5,886,918	50,492	USD 116.59
USD Class Md Shares	USD 3,120,626	30,226	USD 103.24
USD Class R Shares	USD 14,615,927	126,672	USD 115.38
USD Class Rd Shares	USD 50,560,235	507,013	USD 99.72
USD Class W Shares	USD 21,960,692	201,809	USD 108.82
USD Class Wd Shares	USD 7,833,632	77,309	USD 101.33
USD Class XXL Shares	USD 210,307,656	1,920,121	USD 109.53
USD Class Z Shares	USD 39,089,224	382,803	USD 102.11
USD Class Zd Shares	USD 85,245	850	USD 100.29

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**Algebris Financial Income fund**

	<b>Net Asset Value 2016</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2016</b>
CHF Class B Shares	CHF 316,125	2,474	CHF 127.76
CHF Class R Shares	CHF 314,114	2,750	CHF 114.22
EUR Class B Shares	EUR 17,501,951	137,488	EUR 127.30
EUR Class Bd Shares	EUR 8,954,733	81,145	EUR 110.35
EUR Class I Shares	EUR 64,153,004	511,398	EUR 125.45
EUR Class Id Shares	EUR 13,344,891	133,060	EUR 100.29
EUR Class M Shares	EUR 935,466	7,192	EUR 130.07
EUR Class Md Shares	EUR 245,689	2,601	EUR 94.45
EUR Class R Shares	EUR 10,782,180	89,544	EUR 120.41
EUR Class Rd Shares	EUR 1,909,411	20,148	EUR 94.77
GBP Class Bd Shares	GBP 55,423	500	GBP 110.85
GBP Class Id Shares	GBP 13,089,771	130,335	GBP 100.43
GBP Class M Shares	GBP 20,676	183	GBP 112.96
GBP Class R Shares	GBP 45,000	404	GBP 111.32
USD Class Bd Shares	USD 7,959,053	70,158	USD 113.44
USD Class Id Shares	USD 9,037,738	86,093	USD 104.98
USD Class M Shares	USD 914,631	7,403	USD 123.55
USD Class Md Shares	USD 20,623,244	181,250	USD 113.78
USD Class R Shares	USD 2,749,365	23,514	USD 116.93
USD Class Rd Shares	USD 828,992	8,932	USD 92.81

**Algebris Asset Allocation Fund**

	<b>Net Asset Value 2016</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2016</b>
EUR Class I Shares	EUR 6,589,746	65,023	EUR 101.35
GBP Class B Shares	GBP 40,466	400	GBP 101.16
USD Class M Shares	USD 5,743,255	55,865	USD 102.81

**Algebris Financial Equity Fund**

	<b>Net Asset Value 2016</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2016</b>
CHF Class B Shares	CHF 19,927	150	CHF 132.84
CHF Class R Shares	CHF 14,302	110	CHF 130.21
EUR Class B Shares	EUR 2,990,109	27,541	EUR 108.57
EUR Class Bm Shares	EUR 752,374	525	EUR 1,433.68
EUR Class I Shares	EUR 5,872,692	55,242	EUR 106.31
EUR Class Im Shares	EUR 660,516	538	EUR 1,227.65
EUR Class M Shares	EUR 123,381	1,114	EUR 110.80
EUR Class Rm Shares	EUR 169,016	151	EUR 1,116.35
GBP Class M Shares	GBP 1,150,984	10,437	GBP 110.28
GBP Class Mm Shares	GBP 20,003	13	GBP 1,565.17
USD Class B Shares	USD 2,345,998	21,410	USD 109.58
USD Class Bm Shares	USD 192,988	125	USD 1,543.91
USD Class M Shares	USD 11,068,320	99,207	USD 111.57
USD Class Mm Shares	USD 195,903	89	USD 2,203.14



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**Algebris Macro Credit Fund**

	<b>Net Asset Value 2016</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2016</b>
CHF Class B Shares	CHF 301,572	2,978	CHF 101.27
CHF Class Bd Shares	CHF 112,694	1,100	CHF 102.45
EUR Class B Shares	EUR 35,191,979	342,292	EUR 102.81
EUR Class Bd Shares	EUR 16,197,337	159,093	EUR 101.81
EUR Class I Shares	EUR 43,956,318	430,527	EUR 102.10
EUR Class M Shares	EUR 5,927,402	57,275	EUR 103.49
EUR Class R Shares	EUR 51,327,767	502,255	EUR 102.19
EUR Class Rd Shares	EUR 122,667,990	1,210,849	EUR 101.31
GBP Class B Shares	GBP 2,602,403	25,210	GBP 103.23
USD Class B Shares	USD 883,385	8,533	USD 103.52
USD Class Bd Shares	USD 2,049,477	20,000	USD 102.47
USD Class Md Shares	USD 2,080,408	20,250	USD 102.74
USD Class R Shares	USD 100,074	1,000	USD 100.07

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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

**Algebris Financial Credit Fund**

	<b>Net Asset Value 2015</b>	<b>Shares in Issue</b>	<b>Net Asset Value per Share 2015</b>
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 2016

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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 2016

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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 2016

#### 15. Exchange rates

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

	2016	2015
Swiss francs	0.9338	0.9194
Euro	1.0000	1.0000
Pound Sterling	1.1734	1.3571
United States Dollar	0.9509	0.9207

#### 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 financial statements.

#### Financial Highlights\*

##### Algebris Financial Credit Fund

	2016 CHF Class I	2016 CHF Class M	2016 CHF Class R	2016 CHF Class Z	2016 EUR Class I
Net asset value, beginning of financial year	128.85	105.71	100.45	100.00	132.50
Income/(loss) from investment operations:					
Net investment income/(loss)	(1.01)	0.69	(1.24)	(0.15)	(0.96)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	9.34	7.87	7.22	1.94	10.29
Distributions to holders of redeemable participating shares	-	-	-	-	-
Net increase in net assets from operations	8.33	8.56	5.98	1.79	9.33
Net asset value, end of financial year	137.18	114.27	106.43	101.79	141.83
Total return before Incentive Allocation and Distribution	7.40%	8.09%	6.63%	1.79%	7.93%
Incentive Allocation	(0.94)%	0.00%	(0.68)%	0.00%	(0.88)%
Distribution	0.00%	0.00%	0.00%	0.00%	0.00%
Total return after Incentive Allocation and Distribution	6.46%	8.09%	5.95%	1.79%	7.05%
Ratios to average net assets:					
Expenses	0.79%	0.28%	1.47%	1.09%	0.78%
Incentive Allocation	1.03%	0.00%	0.85%	0.00%	0.96%
Total expenses and Incentive Allocation	1.82%	0.28%	2.32%	1.09%	1.74%
Net investment income/(expense) after Incentive Allocation	(0.94)%	0.59%	(1.50)%	(0.92)%	(0.88)%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2016 EUR Class Id</b>	<b>2016 EUR Class M</b>	<b>2016 EUR Class Md</b>	<b>2016 EUR Class R</b>	<b>2016 EUR Class Rd</b>
Net asset value, beginning of financial year	113.94	133.53	100.00	118.80	105.13
Income/(loss) from investment operations:					
Net investment income/(loss)	(0.66)	0.87	0.33	(1.53)	(1.25)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	8.38	10.45	10.34	9.19	7.73
Distributions to holders of redeemable participating shares	(6.50)	-	(1.93)	-	(5.56)
Net increase in net assets from operations	1.22	11.32	8.74	7.66	0.92
Net asset value, end of financial year	115.16	144.85	108.74	126.46	106.05
Total return before Incentive Allocation and Distribution	7.48%	8.47%	10.55%	7.18%	6.80%
Incentive Allocation	(0.73)%	0.00%	0.00%	(0.74)%	(0.66)%
Distribution	(5.67)%	0.00%	(1.81)%	0.00%	(5.27)%
Total return after Incentive Allocation and Distribution	1.08%	8.47%	8.74%	6.44%	0.87%
Ratios to average net assets:					
Expenses	0.79%	0.27%	0.27%	1.47%	1.46%
Incentive Allocation	0.76%	0.00%	0.00%	0.85%	0.88%
Total expenses and Incentive Allocation	1.55%	0.27%	0.27%	2.32%	2.34%
Net investment income/(expense) after Incentive Allocation	(0.62)%	0.64%	0.43%	(1.48)%	(1.57)%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
	<b>Class W</b>	<b>Class Wd</b>	<b>Class XXL</b>	<b>Class XXLd</b>	<b>Class Z</b>
Net asset value, beginning of financial year	100.55	100.00	100.00	99.68	100.00
Income/(loss) from investment operations:					
Net investment income/(loss)	(0.87)	(0.68)	0.11	0.14	(0.09)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	7.76	10.96	7.56	7.46	2.35
Distributions to holders of redeemable participating shares	-	(4.14)	-	(4.60)	-
Net increase in net assets from operations	6.89	6.14	7.67	3.00	2.26
Net asset value, end of financial year	107.44	106.14	107.67	102.68	102.26
Total return before Incentive Allocation and Distribution	6.86%	10.11%	7.67%	7.57%	2.25%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	0.00%	(3.96)%	0.00%	(4.56)%	0.00%
Total return after Incentive Allocation and Distribution	6.86%	6.15%	7.67%	3.01%	2.25%
Ratios to average net assets:					
Expenses	1.76%	1.76%	0.76%	0.78%	1.09%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	1.76%	1.76%	0.76%	0.78%	1.09%
Net investment income/(expenses) after Incentive	(0.81)%	(0.74)%	0.13%	0.22%	(0.85)%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2016 GBP Class I</b>	<b>2016 GBP Class Id</b>	<b>2016 GBP Class M</b>	<b>2016 GBP Class R</b>	<b>2016 GBP Class Rd</b>
Net asset value, beginning of financial year	106.00	107.65	99.56	100.00	99.82
Income/(loss) from investment operations:					
Net investment income/(loss)	(0.85)	(1.09)	0.65	(0.62)	(1.82)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	8.83	8.68	8.37	3.29	8.07
Distributions to holders of redeemable participating shares	-	(4.79)	-	-	(5.92)
Net increase in net assets from operations	7.98	2.80	9.02	2.67	0.33
Net asset value, end of financial year	113.98	110.45	108.58	102.67	100.15
Total return before Incentive Allocation and Distribution	8.48%	8.21%	9.06%	2.98%	7.58%
Incentive Allocation	(0.96)%	(1.17)%	0.00%	(0.30)%	(1.32)%
Distribution	0.00%	(4.44)%	0.00%	0.00%	(5.94)%
Total return after Incentive Allocation and Distribution	7.52%	2.60%	9.06%	2.68%	0.32%
Ratios to average net assets:					
Expenses	0.80%	0.79%	0.28%	1.51%	1.53%
Incentive Allocation	1.28%	1.42%	0.00%	1.24%	1.82%
Total expenses and Incentive Allocation	2.08%	2.21%	0.28%	2.75%	3.35%
Net investment income/(expense) after Incentive Allocation	(1.20)%	(1.34)%	0.66%	(2.58)%	(2.59)%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2016 GBP Class Z</b>	<b>2016 GBP Class Zd</b>	<b>2016 USD Class I</b>	<b>2016 USD Class Id</b>	<b>2016 USD Class M</b>
Net asset value, beginning of financial year	100.00	100.00	101.70	99.04	106.63
Income/(loss) from investment operations:					
Net investment income/(loss)	(0.05)	(0.15)	(0.93)	(0.74)	0.70
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	0.54	2.11	9.32	8.58	9.26
Distributions to holders of redeemable participating shares	-	-	-	(5.55)	-
Net increase in net assets from operations	0.49	1.96	8.39	2.29	9.96
Net asset value, end of financial year	100.49	101.96	110.09	101.33	116.59
Total return before Incentive Allocation and Distribution	0.50%	1.95%	9.32%	8.76%	9.35%
Incentive Allocation	0.00%	0.00%	(1.08)%	(0.91)%	0.00%
Distribution	0.00%	0.00%	0.00%	(5.54)%	0.00%
Total return after Incentive Allocation and Distribution	0.50%	1.95%	8.24%	2.31%	9.35%
Ratios to average net assets:					
Expenses	1.37%	1.14%	0.79%	0.78%	0.36%
Incentive Allocation	0.00%	0.00%	1.07%	0.97%	0.00%
Total expenses and Incentive Allocation	1.37%	1.14%	1.86%	1.75%	0.36%
Net investment income/(expense) after Incentive Allocation	(1.19)%	(0.97)%	(0.93)%	(0.81)%	0.53%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2016 USD</b>	<b>2016 USD</b>	<b>2016 USD</b>	<b>2016 USD</b>	<b>2016 USD</b>
	<b>Class Md</b>	<b>Class R</b>	<b>Class Rd</b>	<b>Class W</b>	<b>Class Wd</b>
Net asset value, beginning of financial year	100.00	107.28	97.62	100.72	99.85
Income/(loss) from investment operations:					
Net investment income/(loss)	0.18	(1.73)	(1.35)	(0.88)	(0.83)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	3.82	9.83	8.33	8.98	8.48
Distributions to holders of redeemable participating shares	(0.76)	-	(4.88)	-	(6.17)
Net increase in net assets from operations	3.24	8.10	2.10	8.10	1.48
Net asset value, end of financial year	103.24	115.38	99.72	108.82	101.33
Total return before Incentive Allocation and Distribution	4.00%	8.62%	7.98%	8.05%	7.61%
Incentive Allocation	0.00%	(1.06)%	(0.85)%	0.00%	0.00%
Distribution	(0.76)%	0.00%	(4.97)%	0.00%	(6.13)%
Total return after Incentive Allocation and Distribution	3.24%	7.56%	2.16%	8.05%	1.48%
Ratios to average net assets:					
Expenses	0.29%	1.49%	1.47%	1.77%	1.75%
Incentive Allocation	0.00%	1.12%	1.07%	0.00%	0.00%
Total expenses and Incentive Allocation	0.29%	2.61%	2.54%	1.77%	1.75%
Net investment income/(expense) after Incentive Allocation	0.48%	(1.64)%	(1.84)%	(0.98)%	(0.71)%

\*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 2016

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**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Credit Fund (continued)**

	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>
	<b>Class XXL</b>	<b>Class Z</b>	<b>Class Zd</b>
Net asset value, beginning of financial year	100.00	100.00	100.00
Income/(loss) from investment operations:			
Net investment income/(loss)	0.05	(0.15)	(0.03)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	9.48	2.26	0.32
Distributions to holders of redeemable participating shares	-	-	-
Net increase in net assets from operations	9.53	2.11	0.29
Net asset value, end of financial year	109.53	102.11	100.29
Total return before Incentive Allocation and Distribution	9.53%	2.11%	0.29%
Incentive Allocation	0.00%	0.00%	0.00%
Distribution	0.00%	0.00%	0.00%
Total return after Incentive Allocation and Distribution	9.53%	2.11%	0.29%
Ratios to average net assets:			
Expenses	0.76%	1.09%	1.49%
Incentive Allocation	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	0.76%	1.09%	1.49%
Net investment income/(expense) after Incentive Allocation	(0.03)%	(0.92)%	(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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Income Fund**

	<b>2016 CHF Class B</b>	<b>2016 CHF Class R</b>	<b>2016 EUR Class B</b>	<b>2016 EUR Class Bd</b>	<b>2016 EUR Class I</b>
Net asset value, beginning of financial year	120.27	109.20	119.33	109.15	118.06
Income/(loss) from investment operations:					
Net investment income/(loss)	0.82	(0.61)	0.22	0.65	0.17
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	6.67	5.63	7.75	5.88	7.22
Distributions to holders of redeemable participating shares	-	-	-	(5.33)	-
Net increase in net assets from operations	7.49	5.02	7.97	1.20	7.39
Net asset value, end of financial year	127.76	114.22	127.30	110.35	125.45
Total return before Incentive Allocation and Distribution	6.24%	4.60%	6.68%	6.35%	6.26%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	0.00%	0.00%	0.00%	(5.24)%	0.00%
Total return after Incentive Allocation and Distribution	6.24%	4.60%	6.68%	1.11%	6.26%
Ratios to average net assets:					
Expenses	1.36%	2.65%	1.39%	1.36%	1.77%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	1.36%	2.65%	1.39%	1.36%	1.77%
Net investment income/(expense) after Incentive Allocation	0.71%	(0.64)%	0.68%	0.64%	0.20%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Income Fund (continued)**

	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</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	99.58	121.32	92.88	114.34	95.02
Income/(loss) from investment operations:					
Net investment income/(loss)	0.22	1.16	1.00	(0.83)	(0.75)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	5.34	7.59	5.05	6.90	5.18
Distributions to holders of redeemable participating shares	(4.85)	-	(4.48)	-	(4.68)
Net increase/(decrease) in net assets from operations	0.71	8.75	1.57	6.07	(0.25)
Net asset value, end of financial year	100.29	130.07	94.45	120.41	94.77
Total return before Incentive Allocation and Distribution	5.95%	7.22%	6.86%	5.31%	5.05%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	(5.24)%	0.00%	(5.17)%	0.00%	(5.32)%
Total return after Incentive Allocation and Distribution	0.71%	7.22%	1.69%	5.31%	(0.27)%
Ratios to average net assets:					
Expenses	1.76%	0.85%	0.87%	2.67%	2.67%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	1.76%	0.85%	0.87%	2.67%	2.67%
Net investment income/(expense) after Incentive Allocation	0.24%	1.11%	1.18%	(0.64)%	(0.60)%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Income Fund (continued)**

	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>USD</b>
	<b>Class Bd</b>	<b>Class Id</b>	<b>Class M</b>	<b>Class R</b>	<b>Class Bd</b>
Net asset value, beginning of financial year	109.77	99.88	105.59	100.00	111.29
Income/(loss) from investment operations:					
Net investment income/(loss)	0.41	(0.01)	1.21	(0.45)	0.72
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	6.05	5.47	6.16	11.77	7.27
Distributions to holders of redeemable participating shares	(5.38)	(4.91)	-	-	(5.84)
Net increase in net assets from operations	1.08	0.55	7.37	11.32	2.15
Net asset value, end of financial year	110.85	100.43	112.96	111.32	113.44
Total return before Incentive Allocation and Distribution	6.26%	5.85%	6.99%	11.32%	7.55%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	(5.27)%	(5.29)%	0.00%	0.00%	(5.62)%
Total return after Incentive Allocation and Distribution	0.99%	0.56%	6.99%	11.32%	1.93%
Ratios to average net assets:					
Expenses	1.36%	1.76%	0.85%	2.70%	1.36%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	1.36%	1.76%	0.85%	2.70%	1.36%
Net investment income/(expense) after Incentive Allocation	0.40%	0.08%	1.19%	(0.89)%	0.63%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Income Fund (continued)**

	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</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	103.42	114.13	110.60	109.72	92.20
Income/(loss) from investment operations:					
Net investment income/(loss)	0.76	1.75	1.27	(0.76)	(0.54)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	6.19	7.67	7.33	7.97	5.93
Distributions to holders of redeemable participating shares	(5.39)	-	(5.42)	-	(4.78)
Net increase in net assets from operations	1.56	9.42	3.18	7.21	0.61
Net asset value, end of financial year	104.98	123.55	113.78	116.93	92.81
Total return before Incentive Allocation and Distribution	7.07%	8.26%	8.11%	6.56%	6.23%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution	(5.58)%	0.00%	(5.23)%	0.00%	(5.58)%
Total return after Incentive Allocation and Distribution	1.49%	8.26%	2.88%	6.56%	0.65%
Ratios to average net assets:					
Expenses	1.70%	0.84%	0.86%	2.67%	2.67%
Incentive Allocation	0.00%	0.00%	0.00%	0.00%	0.00%
Total expenses and Incentive Allocation	1.70%	0.84%	0.86%	2.67%	2.67%
Net investment income/(expense) after Incentive Allocation	(0.28)%	0.92%	1.22%	(0.55)%	(0.54)%

\*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 2016

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**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Asset Allocation Fund**

	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>EUR</b>	<b>GBP</b>	<b>USD</b>
	<b>Class I</b>	<b>Class B</b>	<b>Class M</b>
	<hr/>	<hr/>	<hr/>
Net asset value, beginning of financial year	98.98	98.10	98.19
Income/(loss) from investment operations:			
Net investment income/(loss)	(1.06)	(0.72)	(0.13)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	3.43	3.78	4.75
Distributions to holders of redeemable participating shares	-	-	-
	<hr/>	<hr/>	<hr/>
Net increase in net assets from operations	2.37	3.06	4.62
	<hr/>	<hr/>	<hr/>
Net asset value, end of financial year	101.35	101.16	102.81
	<hr/>	<hr/>	<hr/>
Total return before Incentive Allocation	2.55%	3.25%	4.70%
Incentive Allocation	(0.15)%	(0.13)%	0.00%
Total return after Incentive Allocation	2.40%	3.12%	4.70%
	<hr/>	<hr/>	<hr/>
Ratios to average net assets:			
Expenses	4.02%	3.59%	3.36%
Incentive Allocation	0.15%	0.13%	0.00%
Total expenses and Incentive Allocation	4.17%	3.72%	3.36%
Net investment increase/(expense) after Incentive Allocation	(1.16)%	(0.75)%	(0.26)%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Equity Fund**

	<b>2016 CHF Class B</b>	<b>2016 CHF Class R</b>	<b>2016 EUR Class B</b>	<b>2016 EUR Class Bm</b>	<b>2016 EUR Class I</b>
Net asset value, beginning of financial year	100.00	100.00	97.00	1,114.81	96.18
Income/(loss) from investment operations:					
Net investment income/(loss)	(3.03)	(6.86)	0.06	(23.08)	(0.86)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	35.87	37.07	11.51	341.95	10.99
Distributions to holders of redeemable participating shares	-	-	-	-	-
Net increase in net assets from operations	32.84	30.21	11.57	318.87	10.13
Net asset value, end of financial year	132.84	130.21	108.57	1,433.68	106.31
Total return before Incentive Allocation	36.68%	36.93%	13.01%	31.90%	12.44%
Incentive Allocation	(3.83)%	(6.72)%	(1.08)%	(3.30)%	(1.91)%
Total return after Incentive Allocation	32.85%	30.21%	11.93%	28.60%	10.53%
Ratios to average net assets:					
Expenses	3.74%	4.66%	3.20%	3.80%	4.09%
Incentive Allocation	3.48%	6.31%	1.51%	3.12%	2.72%
Total expenses and Incentive Allocation	7.22%	10.97%	4.71%	6.92%	6.81%
Net investment income/(expense) after Incentive Allocation	(3.01)%	(6.97)%	(0.24)%	(1.79)%	(1.81)%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Equity Fund (continued)**

	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>GBP</b>	<b>GBP</b>
	<b>Class Im</b>	<b>Class M</b>	<b>Class Rm</b>	<b>Class Mm</b>	<b>Class M</b>
Net asset value, beginning of financial year	981.41	97.18	895.78	1,188.86	97.83
Income/(loss) from investment operations:					
Net investment income/(loss)	(158.94)	(42.80)	(49.74)	23.73	1.52
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	405.18	56.42	270.31	352.58	10.93
Distributions to holders of redeemable participating shares	-	-	-	-	-
Net increase in net assets from operations	246.24	13.62	220.57	376.31	12.45
Net asset value, end of financial year	1,227.65	110.80	1,116.35	1,565.17	110.28
Total return before Incentive Allocation	31.32%	14.14%	30.73%	31.64%	12.72%
Incentive Allocation	(6.23)%	0.00%	(6.11)%	0.00%	0.00%
Total return after Incentive Allocation	25.09%	14.14%	24.62%	31.64%	12.72%
Ratios to average net assets:					
Expenses	4.24%	2.81%	4.79%	2.78%	2.77%
Incentive Allocation	5.68%	0.00%	5.79%	0.00%	0.00%
Total expenses and Incentive Allocation	9.92%	2.81%	10.58%	2.78%	2.77%
Net investment income/(expense) after Incentive Allocation	(11.16)%	2.12%	(5.64)%	2.01%	1.65%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Financial Equity Fund (continued)**

	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
	<b>Class B</b>	<b>Class Bm</b>	<b>Class M</b>	<b>Class Mm</b>
Net asset value, beginning of financial year	96.91	1,188.75	96.69	1,669.32
Income/(loss) from investment operations:				
Net investment income/(loss)	(0.15)	(20.92)	2.47	24.70
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	12.82	376.08	12.41	509.12
Distributions to holders of redeemable participating shares	-	-	-	-
Net increase in net assets from operations	12.67	355.16	14.88	533.82
Net asset value, end of financial year	109.58	1,543.91	111.57	2,203.14
Total return before Incentive Allocation	14.17%	33.33%	15.39%	31.98%
Incentive Allocation	(1.13)%	(3.45)%	0.00%	0.00%
Total return after Incentive Allocation	13.04%	29.88%	15.39%	31.98%
Ratios to average net assets:				
Expenses	3.82%	3.78%	2.72%	3.11%
Incentive Allocation	1.04%	3.21%	0.00%	0.00%
Total expenses and Incentive Allocation	4.86%	6.99%	2.72%	3.11%
Net investment income/(expense) after Incentive Allocation	(0.01)%	(1.77)%	2.35%	2.35%

\*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 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Macro Credit Fund\*\***

	<b>2016 CHF Class B</b>	<b>2016 CHF Class Bd</b>	<b>2016 EUR Class B</b>	<b>2016 EUR Class Bd</b>	<b>2016 EUR Class I</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)	(0.38)	(0.60)	(0.72)	(0.71)	(1.30)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	1.65	3.15	3.53	3.51	3.40
Distributions to holders of redeemable participating shares	-	(0.10)	-	(0.99)	-
Net increase in net assets from operations	1.27	2.45	2.81	1.81	2.10
Net asset value, end of period	101.27	102.45	102.81	101.81	102.10
Total return before Incentive Allocation and Distribution	1.46%	2.84%	3.14%	3.11%	3.11%
Incentive Allocation	(0.19)%	(0.28)%	(0.33)%	(0.31)%	(1.02)%
Distribution	0.00%	(0.10)%	0.00%	(0.99)%	0.00%
Total return after Incentive Allocation and Distribution	1.27%	2.46%	2.81%	1.81%	2.09%
Ratios to average net assets:					
Expenses	1.33%	1.27%	1.25%	1.25%	1.55%
Incentive Allocation	0.79%	1.09%	0.74%	0.69%	3.55%
Total expenses and Incentive Allocation	2.12%	2.36%	1.99%	1.94%	5.10%
Net investment income/(expense) after Incentive Allocation	(1.84)%	(2.02)%	(1.61)%	(1.56)%	(4.82)%

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

\*\*For the period from 15 July 2016 (launch date) to 31 December 2016.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Macro Credit Fund (continued)\*\***

	<b>2016 EUR Class M</b>	<b>2016 EUR Class R</b>	<b>2016 EUR Class Rd</b>	<b>2016 GBP Class B</b>	<b>2016 USD Class B</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)	(0.05)	(1.48)	(1.53)	(1.28)	(0.02)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	3.54	3.67	3.65	4.51	3.54
Distributions to holders of redeemable participating shares	-	-	(0.81)	-	-
Net increase in net assets from operations	3.49	2.19	1.31	3.23	3.52
Net asset value, end of period	103.49	102.19	101.31	103.23	103.52
Total return before Incentive Allocation and Distribution	3.49%	2.91%	2.89%	3.62%	3.92%
Incentive Allocation	0.00%	(0.72)%	(0.77)%	(0.39)%	(0.40)%
Distribution	0.00%	0.00%	(0.81)%	0.00%	0.00%
Total return after Incentive Allocation and Distribution	3.49%	2.19%	1.31%	3.23%	3.52%
Ratios to average net assets:					
Expenses	0.50%	2.36%	2.36%	1.25%	1.18%
Incentive Allocation	0.00%	1.81%	1.83%	0.92%	0.83%
Total expenses and Incentive Allocation	0.50%	4.17%	4.19%	2.17%	2.01%
Net investment income/(expense) after Incentive	(0.12)%	(3.82)%	(3.85)%	(2.44)%	(0.97)%

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

\*\*For the period from 15 July 2016 (launch date) to 31 December 2016.

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

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**16. Supplemental information (continued)**

**Financial Highlights\* (continued)**

**Algebris Macro Credit Fund (continued)\*\***

	<b>2016 USD Class Bd</b>	<b>2016 USD Class Md</b>	<b>2016 USD Class R</b>
Net asset value, beginning of period	100.00	100.00	100.00
Income/(loss) from investment operations:			
Net investment income/(loss)	(0.01)	0.72	(0.11)
Net realised and unrealised gain/(loss) from securities transactions and appreciation on deferred incentive fee	3.48	3.02	0.18
Distributions to holders of redeemable participating shares	(1.00)	(1.00)	-
Net increase in net assets from operations	2.47	2.74	0.07
Net asset value, end of period	102.47	102.74	100.07
Total return before Incentive Allocation and Distribution	3.85%	3.72%	0.09%
Incentive Allocation	(0.39)%	0.00%	(0.02)%
Distribution	(0.99)%	(0.98)%	0.00%
Total return after Incentive Allocation and Distribution	2.47%	2.74%	0.07%
Ratios to average net assets:			
Expenses	1.18%	0.52%	2.20%
Incentive Allocation	0.80%	0.00%	0.28%
Total expenses and Incentive Allocation	1.98%	0.52%	2.48%
Net investment income/(expense) after Incentive Allocation	(0.02)%	1.29%	(2.31)%

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

\*\*For the period from 15 July 2016 (launch date) to 31 December 2016.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2016

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#### 16. Supplemental information (continued)

##### Share Capital

For Algebris Financial Credit Fund, the Company paid 31 December 2016 redemptions of EUR 3,298,780 that were effective 1 January 2017, which would result in a 0.105 % net decrease in the 31 December 2016 Net Assets, had they been treated as payable as at 31 December 2016, 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 2016 redemptions of EUR 24,130 that were effective 1 January 2017, which would result in a 0.01 % net decrease in the 31 December 2016 Net Assets, had they been treated as payable as at 31 December 2016, 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 2016 redemptions of EUR 46,221 that were effective 1 January 2017, which would result in a 0.38 % net decrease in the 31 December 2016 Net Assets, had they been treated as payable as at 31 December 2016, 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 2016 redemptions of EUR Nil that were effective 1 January 2017, which would result in a Nil % net decrease in the 31 December 2016 Net Assets, had they been treated as payable as at 31 December 2016, as would be required under accounting standards generally accepted in the United States of America.

For Algebris Macro Credit Fund, the Company paid 31 December 2016 redemptions of EUR 24,301 that were effective 1 January 2017, which would result in a 0.01 % net decrease in the 31 December 2016 Net Assets, had they been treated as payable as at 31 December 2016, 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.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2016

#### 16. Supplemental information (continued)

##### Accounting for Uncertainty in Income Taxes (continued)

The Investment manager has analysed the Company's tax positions for all open tax years (tax year ended 31 December 2016) and the positions to be taken for tax year ended 31 December 2016 and has 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 2016, the Company did not incur any interest or penalties.

##### 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, option contracts and swaps.

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 2016 EUR	Location in Statement of Financial Position	Fair value 2016 EUR
Forward foreign exchange contracts	Financial assets at fair value through profit or loss - Financial derivative instruments	15,820,805	Financial liabilities at fair value through profit or loss – Financial derivative instruments	7,212,249
Future	Financial assets at fair value through profit or loss - Financial derivative instruments	-	Financial liabilities at fair value through profit or loss - Financial derivative instruments	2,568,700
<b>Total</b>		<b>15,820,805</b>		<b>9,780,949</b>

##### Volume of Derivative Activity

As an indication of the volume of derivative activity during the year, an average of the month-end gross notionals of each derivative type held at year end, categorised by primary underlying risk, has been provided as follows:

	Notional Long Exposure EUR	Notional Short Exposure EUR
<b>Currency Risk</b>		
Forward foreign exchange contracts	1,492,534,974	(512,507,918)
<b>Equity Price Risk</b>		
Futures	-	(88,804,598)



**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**16. Supplemental information (continued)**

**Derivative Financial Instruments (continued)**

**Algebris Financial Income Fund**

Derivatives type	Asset derivatives		Liability derivatives	
	Location in Statement of Financial Position	Fair value 2016 EUR	Location in Statement of Financial Position	Fair value 2016 EUR
Contracts for difference	Financial assets at fair value through profit or loss - Financial derivative instruments	3,994,293	Financial liabilities at fair value through profit or loss - Financial derivative instruments	168,844
Forward foreign exchange contracts	Financial assets at fair value through profit or loss - Financial derivative instruments	774,502	Financial liabilities at fair value through profit or loss - Financial derivative instruments	469,471
Future	Financial assets at fair value through profit or loss - Financial derivative instruments	-	Financial liabilities at fair value through profit or loss - Financial derivative instruments	191,270
Options	Financial assets at fair value through profit or loss - Financial derivative instruments	768,982	Financial liabilities at fair value through profit or loss - Financial derivative instruments	103,789
<b>Total</b>		<b><u>5,537,777</u></b>		<b><u>933,374</u></b>

**Volume of Derivative Activity**

As an indication of the volume of derivative activity during the year, an average of the month-end gross notionals of each derivative type held at year end, categorised by primary underlying risk, has been provided as follows:

	Notional Long Exposure EUR	Notional Short Exposure EUR
<b>Currency Risk</b>		
Forward foreign exchange contracts	137,015,872	(78,145,698)
<b>Equity Price Risk</b>		
Contract for difference	29,558,133	-
Options	74,860,604	(37,576,900)
Futures	-	(17,822,176)

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**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 2016 EUR	Location in Statement of Financial Position	Fair value 2016 EUR
Contracts for difference	Financial assets at fair value through profit or loss - Financial derivative instruments	129,293	Financial liabilities at fair value through profit or loss - Financial derivative instruments	160,695
Forward foreign exchange contracts	Financial assets at fair value through profit or loss - Financial derivative instruments	43,155	Financial liabilities at fair value through profit or loss - Financial derivative instruments	33,973
Futures	Financial assets at fair value through profit or loss - Financial derivative instruments	-	Financial liabilities at fair value through profit or loss - Financial derivative instruments	21,058
Options	Financial assets at fair value through profit or loss - Financial derivative instruments	77,861	Financial liabilities at fair value through profit or loss - Financial derivative instruments	14,575
<b>Total</b>		<b><u>250,309</u></b>		<b><u>230,301</u></b>

**Volume of Derivative Activity**

As an indication of the volume of derivative activity during the year, an average of the month-end gross notionals of each derivative type held at year end, categorised by primary underlying risk, has been provided as follows:

	Notional Long Exposure EUR	Notional Short Exposure EUR
<b>Currency Risk</b>		
Forward foreign exchange contracts	7,027,340	(3,632,556)
<b>Equity Price Risk</b>		
Contract for difference	1,431,162	(2,725,904)
Options	21,851,333	(17,305,411)
Futures	73,893	(2,496,997)

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**16. Supplemental information (continued)**

**Derivative Financial Instruments (continued)**

**Algebris Financial Equity Fund**

Derivatives type	Asset derivatives		Liability derivatives	
	Location in Statement of Financial Position	Fair value 2016 EUR	Location in Statement of Financial Position	Fair value 2016 EUR
Contracts for difference	Financial assets at fair value through profit or loss - Financial derivative instruments	1,037,573	Financial liabilities at fair value through profit or loss - Financial derivative instruments	352,732
Forward foreign exchange contracts	Financial assets at fair value through profit or loss - Financial derivative instruments	106,375	Financial liabilities at fair value through profit or loss - Financial derivative instruments	146,495
Futures	Financial assets at fair value through profit or loss - Financial derivative instruments	713	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	238,125	Financial liabilities at fair value through profit or loss - Financial derivative instruments	44,462
<b>Total</b>		<b><u>1,382,786</u></b>		<b><u>543,689</u></b>

**Volume of Derivative Activity**

As an indication of the volume of derivative activity during the year, an average of the month-end gross notionals of each derivative type held at year end, categorised by primary underlying risk, has been provided as follows:

	Notional Long Exposure EUR	Notional Short Exposure EUR
<b>Currency Risk</b>		
Forward foreign exchange contracts	15,424,898	(17,579,674)
<b>Equity Price Risk</b>		
Contract for difference	9,724,651	(4,830,813)
Options	50,041,618	(36,496,196)
Futures	-	(2,109,799)

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**16. Supplemental information (continued)**

**Derivative Financial Instruments (continued)**

**Algebris Macro Credit Fund**

Derivatives type	Asset derivatives		Liability derivatives	
	Location in Statement of Financial Position	Fair value 2016 EUR	Location in Statement of Financial Position	Fair value 2016 EUR
Contracts for difference	Financial assets at fair value through profit or loss - Financial derivative instruments	512,564	Financial liabilities at fair value through profit or loss - Financial derivative instruments	41,051
Forward foreign exchange contracts	Financial assets at fair value through profit or loss - Financial derivative instruments	1,019,365	Financial liabilities at fair value through profit or loss - Financial derivative instruments	77,362
Futures	Financial assets at fair value through profit or loss - Financial derivative instruments	82,779	Financial liabilities at fair value through profit or loss - Financial derivative instruments	2,310,990
Options	Financial assets at fair value through profit or loss - Financial derivative instruments	2,032,237	Financial liabilities at fair value through profit or loss - Financial derivative instruments	2,616,860
swaps	Financial assets at fair value through profit or loss - Financial derivative instruments	7,813,071	Financial liabilities at fair value through profit or loss - Financial derivative instruments	4,224,693
<b>Total</b>		<b><u>11,460,016</u></b>		<b><u>9,270,956</u></b>

**Volume of Derivative Activity**

As an indication of the volume of derivative activity during the year, an average of the month-end gross notionals of each derivative type held at year end, categorised by primary underlying risk, has been provided as follows:

	Notional Long Exposure EUR	Notional Short Exposure EUR
<b>Currency Risk</b>		
Forward foreign exchange contracts	73,380,467	(13,904,807)
<b>Equity Price Risk</b>		
Contract for difference	2,549,317	(64,364)
Options	1,640,220,658	(3,181,540,588)
Futures	17,508,866	(91,997,800)
Other swaps	861,169,551	(33,000,000)

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**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 2016 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/(gain) on derivatives EUR</b>	<b>Net change in unrealised appreciation/(depreciation) on derivatives EUR</b>
Forward foreign exchange contracts	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(71,585,642)	12,212,027
Futures	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	9,837,416	(2,566,720)
<b>Total</b>		<b>(61,748,226)</b>	<b>9,645,307</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 loss/(gain) on derivatives EUR</b>	<b>Net change in unrealised appreciation/(depreciation) on derivatives EUR</b>
Contracts for difference	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(5,268,872)	6,383,179
Forward foreign exchange contracts	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(2,736,800)	1,635,563
Futures	Net loss on financial assets and liabilities at fair value through profit or loss	(351,230)	(191,270)
Options	Net loss on financial assets and liabilities at fair value through profit or loss	(1,353,821)	(307,579)
<b>Total</b>		<b>(9,710,723)</b>	<b>7,519,893</b>

**ALGEBRIS UCITS FUNDS PLC**

**Notes to the Financial Statements (continued)**  
for the financial year ended 31 December 2016

**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 2016 was as follows:

**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 loss on derivatives EUR</b>	<b>Net change in unrealised appreciation/(depreciation) on derivatives EUR</b>
Contracts for difference	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(249,432)	33,319
Forward foreign exchange contracts	Net loss on financial assets and liabilities at fair value through profit or loss	(172,596)	60,194
Futures	Net loss on financial assets and liabilities at fair value through profit or loss	(197,344)	(25,538)
Options	Net loss on financial assets and liabilities at fair value through profit or loss	(11,548)	(23,385)
<b>Total</b>		<b>(630,920)</b>	<b>44,590</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 appreciation/(depreciation) on derivatives EUR</b>
Contracts for difference	Net gain on financial assets and liabilities at fair value through profit or loss	550,763	971,417
Forward foreign exchange contracts	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(104,959)	102,961
Futures	Net loss on financial assets and liabilities at fair value through profit or loss	(213,286)	(13,879)
Options	Net loss on financial assets and liabilities at fair value through profit or loss	(184,417)	(75,035)
<b>Total</b>		<b>48,101</b>	<b>985,464</b>

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued) for the financial year ended 31 December 2016

#### 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 2016 was as follows:

##### Algebris Macro Credit Fund

Derivative type	Location of gain/(loss) on derivatives recognised in Statement of Comprehensive income	Net realised loss/(gain) on derivatives EUR	Net change in unrealised appreciation/(depreciation) on derivatives EUR
Swaps including contracts for difference	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(199,897)	2,372,539
Forward foreign exchange contracts	Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(6,686,779)	942,003
Futures	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	4,210,173	(2,228,211)
Options	Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	264,451	(923,135)
<b>Total</b>		<b>(2,412,052)</b>	<b>163,196</b>

#### 17. Related parties

The below table provides an analysis of related party transactions for the financial year ended 31 December 2016.

	Relationship	Transaction type	Fees paid
Algebris (UK) Limited	Investment Manager, Promoter	Investment management services	See note 5

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 2016 are included in Note 5 of these financial statements.

Algebris Investments (UK) LLP hold 406 shares in Algebris Financial Credit Fund, 797 shares in Algebris Financial Income Fund, 5,971 shares in Algebris Financial Equity Fund and 30,000 shares in Algebris Macro Credit Fund.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Financial Statements (continued)

for the financial year ended 31 December 2016

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

Algebris Global Financials Fund (Northern Trust), a separate legal entity have been merged with Algebris Financial Equity Fund with effect from 5 February 2016.

On 18 March 2016 UCITS V Directive was implemented, from this date the Custodian is now known as the Depositary going forward.

With effect from 18 March 2016, the Depositary is charging a fee, in addition to these fees described in Note 5, for performing certain depositary 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.

Algebris Macro Credit Fund was launched as a sub-fund of Algebris UCITS Funds plc with effect from 15 July 2016, with the Supplement to Prospectus issued on 7 July 2016.

The launch date of Algebris Macro Credit Fund Share classes are as follows:

	<b>Launch Date</b>
CHF Class B Shares	29 September 2016
CHF Class Bd Shares	4 August 2016
EUR Class B Shares	15 July 2016
EUR Class Bd Shares	15 July 2016
EUR Class I Shares	21 September 2016
EUR Class Id Shares	29 December 2016
EUR Class M Shares	15 July 2016
EUR Class R Shares	2 August 2016
EUR Class Rd Shares	2 August 2016
GBP Class B Shares	15 July 2016
USD Class B Shares	15 July 2016
USD Class Bd Shares	15 July 2016
USD Class Md Shares	15 July 2016
USD Class R Shares	9 December 2016

Responsibility for investment management was transferred from Algebris Investments (UK) LLP to Algebris (UK) Limited during the year. The terms and conditions governing the appointment of Algebris (UK) Limited are substantially the same as the terms and conditions that governed the appointment of Algebris Investments (UK) LLP. The Central Bank of Ireland was informed of this change.

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

Algebris Financial Credit Fund received significant subscriptions during the months of January, February and March 2016 of € 152,609,583, € 210,260,503 and € 397,862,377 respectively.

Algebris Global Macro Fund received significant subscriptions during the months of January, February and March 2017 of €47,059,662, € 65,781,543 and € 78,063,325 respectively.

#### 20. Approval of financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 25 April 2017.



**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments**

as at 31 December 2016

<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>3,859,120</b>	<b>0.12</b>
162,006	Royal Bank of Scotland (Series S) 6.6% (Preferred) Perpetual	3,859,120	0.12
	<b>United States</b>	<b>2,880,182</b>	<b>0.09</b>
120,000	Wells Fargo & Co VAR (Preferred) Perpetual	2,880,182	0.09
	<b>Total Equity Securities</b>	<b>6,739,302</b>	<b>0.21</b>
	<b>Fixed Income Securities</b>		
	<b>Belgium</b>	<b>41,882,945</b>	<b>1.34</b>
41,450,000	KBC Group Perpetual	41,882,945	1.34
	<b>France</b>	<b>424,072,506</b>	<b>13.54</b>
93,200,000	BNP Paribas Perpetual	93,764,553	2.99
24,591,000	BNP Paribas Perpetual (ENXP)	25,826,821	0.83
11,500,000	BNP Paribas VAR Perpetual	11,079,248	0.35
84,050,000	Credit Agricole 7.875% Perpetual	80,970,858	2.59
8,500,000	Credit Agricole Perpetual	7,909,826	0.25
55,100,000	Credit Agricole VAR Perpetual	55,359,624	1.77
57,244,000	Societe Generale 7.875% Perpetual	53,006,224	1.70
20,990,000	Societe Generale Perpetual	20,809,561	0.66
23,800,000	Societe Generale Perpetual (QZ4822180)	22,595,515	0.72
55,493,000	Societe Generale VAR Perpetual	52,750,276	1.68
	<b>Germany</b>	<b>59,108,715</b>	<b>1.89</b>
17,000,000	Aareal Bank 7.625% Perpetual	16,992,945	0.54
7,800,000	Deutsche Bank 4.5% 19/05/2026	8,067,891	0.26
39,050,000	Deutsche Bank 24/05/2028	34,047,879	1.09
	<b>Italy</b>	<b>448,133,366</b>	<b>14.31</b>
30,000,000	Buoni Ordinari Del Tesoro 0% 31/05/2017	30,043,050	0.96
92,337,000	Intesa Sanpaolo (144A) 5.71% 15/01/2026	84,017,363	2.68
142,550,000	Intesa Sanpaolo (144A) Perpetual	128,887,377	4.11
1,000,000	Intesa Sanpaolo Perpetual	1,063,850	0.04
50,000,000	Intesa Sanpaolo VAR Perpetual	49,549,250	1.58
3,100,000	Unicredit 02/05/2023	2,962,628	0.10
1,075,000	Unicredit 6.95% 31/10/2022	1,237,728	0.04

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Italy (continued)</b>			
83,499,000	Unicredit Perpetual	73,194,226	2.34
56,200,000	Unicredit Perpetual (AL7554663 Corporation)	59,999,120	1.92
16,100,000	Unicredit VAR Perpetual	15,178,275	0.48
2,101,000	Unipolsai Perpetual	2,000,499	0.06
<b>Jersey</b>		<b>4,462,999</b>	<b>0.14</b>
2,887,000	HBOS Sterling Finance Jersey Perpetual	4,462,999	0.14
<b>Netherlands</b>		<b>115,001,562</b>	<b>3.67</b>
38,800,000	Cooperatieve Rabobank Perpetual	41,633,952	1.33
13,690,000	Demeter (Swiss Reinsurance) 15/08/2050	13,093,243	0.42
39,300,000	ING Group (Series *) Perpetual	37,549,326	1.20
1,850,000	ING Group 6% Perpetual	1,717,258	0.05
22,950,000	ING Group 6.5% Perpetual	21,007,783	0.67
<b>Norway</b>		<b>6,997,954</b>	<b>0.22</b>
7,200,000	DNB Bank Perpetual (QZ8551595 Corporation)	6,997,954	0.22
<b>Spain</b>		<b>455,981,764</b>	<b>14.56</b>
37,200,000	Banco Bilbao Vizcaya ARG 7% Perpetual	35,785,284	1.14
89,800,000	Banco Bilbao Vizcaya ARG Perpetual	86,041,870	2.75
95,600,000	Banco Bilbao Vizcaya ARG VAR Perpetual	103,291,976	3.30
14,500,000	Banco De Sabadell 5.625% 06/05/2026	15,582,933	0.50
59,200,000	Banco Popular Espanol Perpetual	52,429,000	1.67
37,300,000	Banco Popular Espanol VAR Perpetual	37,738,275	1.20
16,600,000	Banco Santander (Series) Perpetual	15,563,828	0.50
55,100,000	Banco Santander 11/09/2049	51,849,651	1.66
7,400,000	Bankinter Perpetual	8,103,000	0.26
20,400,000	Santander Issuances 5.179% 19/11/2025	19,541,497	0.62
30,000,000	Spain Letras Del Tesoro 0% 05/12/2017	30,054,450	0.96

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Switzerland</b>		<b>374,117,247</b>	<b>11.95</b>
12,700,000	Credit Suisse 6.5% 08/08/2023	12,952,406	0.41
19,600,000	Credit Suisse Group 6.25% Perpetual	18,146,495	0.58
95,600,000	Credit Suisse Group 7.5% Perpetual	95,395,000	3.05
5,500,000	Swiss Reinsurance Perpetual	5,571,862	0.18
10,550,000	UBS 22/05/2023	10,263,878	0.33
13,800,000	UBS 5.125% 15/05/2024	13,285,978	0.42
15,400,000	UBS Group Perpetual	15,397,291	0.49
134,350,000	UBS Group Perpetual (JK4458820)	130,211,289	4.16
11,000,000	UBS Group Perpetual (EK7554505)	10,777,981	0.34
26,300,000	UBS Group Perpetual (QZ1261762)	25,853,330	0.83
34,800,000	UBS Group Perpetual (UV4180070)	32,740,327	1.05
3,250,000	UBS Stamford 7.625% 17/08/2022	3,521,410	0.11
<b>United Kingdom</b>		<b>643,177,815</b>	<b>20.53</b>
4,675,000	Bank of Scotland (Series B) Perpetual	6,542,806	0.21
13,800,000	Barclays Bank 8.25% Perpetual	13,699,216	0.44
2,500,000	Barclays Perpetual	2,229,258	0.07
57,500,000	Barclays Perpetual (QZ3177313)	55,514,347	1.77
59,566,000	Barclays Perpetual (UV4299359)	69,542,597	2.22
1,274,000	Barclays VAR 7% Perpetual	1,412,637	0.04
2,700,000	Barclays VAR Perpetual	2,848,311	0.09
1,850,000	Direct Line Insurance 27/04/2042	2,677,610	0.09
9,375,000	HSBC Holdings Perpetual	9,717,047	0.31
62,400,000	HSBC Holdings Perpetual (LW2088877)	62,563,773	2.00
5,650,000	HSBC Holdings VAR Perpetual	5,321,643	0.17
3,300,000	Legal & General Group 27/10/2045	4,022,733	0.13
64,017,000	Lloyds Banking Group Perpetual	76,241,380	2.43
60,400,000	Lloyds Banking Group Perpetual (GBP)	74,369,873	2.37
34,750,000	Lloyds Banking Group VAR Perpetual	43,220,527	1.38
50,000	Lloyds TSB Bank 13% Perpetual	71,250	-
25,870,000	Nationwide Building Society Perpetual	30,468,521	0.97
2,300,000	Prudential 20/07/2055	2,653,540	0.08
3,325,000	Royal Bank of Scotland 6.125% 15/12/2022	3,355,891	0.11
1,900,000	Royal Bank of Scotland Group 4.8% 05/04/2026	1,813,492	0.06
29,500,000	Royal Bank of Scotland Group Perpetual	26,606,245	0.85
24,200,000	Royal Bank of Scotland Group Perpetual (BYRQWJ1)	22,117,019	0.71
70,050,000	Royal Bank of Scotland Group VAR Perpetual	67,552,687	2.16

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>			
32,200,000	Santander UK Group Perpetual	37,593,117	1.20
500,000	Scottish Widows 5.5% 16/06/2023	634,298	0.02
21,400,000	Standard Chartered Perpetual (QZ2259237 Corporation)	20,387,997	0.65
<b>United States</b>		<b>152,619,255</b>	<b>4.87</b>
16,100,000	Bank of America (Series AA) Perpetual	15,525,263	0.49
1,500,000	Citigroup (Series N) Perpetual	1,444,535	0.05
5,400,000	Citigroup (Series O) Perpetual	5,210,261	0.17
12,050,000	Citigroup (Series P) Perpetual	11,311,084	0.36
2,500,000	Citigroup (Series Q) Perpetual	2,414,000	0.08
5,100,000	Citigroup (Series R) Perpetual	5,051,478	0.16
12,300,000	Citigroup (Series T) Perpetual	12,041,567	0.38
7,800,000	Citigroup Perpetual	7,493,407	0.24
3,800,000	Citizens Financial Group Perpetual	3,568,119	0.11
18,765,000	Dresdner Funding Trust I 8.151% 30/06/2031	20,633,559	0.66
1,000,000	Goldman Sachs Group (Series L) Perpetual	976,041	0.03
7,100,000	Goldman Sachs Group (Series M) Perpetual	6,850,494	0.22
325,000	HVB Funding Trust I (144A) 8.741% 30/06/2031	370,670	0.01
2,630,000	HVB Funding Trust III (144A) 9% 22/10/2031	3,052,973	0.10
18,359,000	ING Capital Funding Trust III (Series 9) Perpetual	17,435,900	0.56
2,750,000	JPMorgan Chase & Co (Series R) Perpetual	2,628,387	0.08
1,500,000	JPMorgan Chase & Co (Series U) Perpetual	1,449,420	0.05
6,500,000	JPMorgan Chase & Co (Series Z) Perpetual	6,279,954	0.20
1,000,000	Morgan Stanley Perpetual	961,064	0.03
9,097,000	Pennymac (144A) Conv 5.375% 01/05/2020	8,400,711	0.27
1,500,000	Prudential Financial 15/03/2044	1,416,313	0.04
6,000,000	Suntrust Banks Perpetual	5,867,830	0.19
301,000	Synovus Financial 5.125% 15/06/2017	290,274	0.01
500,000	Synovus Financial 7.875% 15/02/2019	523,759	0.02
11,500,000	Synovus Financial VAR 12/15/2025	11,422,192	0.36
<b>Total Fixed Income Securities</b>		<b>2,725,556,128</b>	<b>87.02</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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*</b>			
	Buy EUR 1,617,949,689 Sell USD 1,691,314,000 23/01/2017	11,575,079	0.37
	Buy EUR 353,985,909 Sell GBP 298,640,000 23/01/2017	3,776,239	0.12
	Buy EUR 33,272,301 Sell USD 34,781,000 23/01/2017	238,036	0.01
	Buy EUR 5,777,464 Sell USD 6,000,000 23/01/2017	78,789	-
	Buy EUR 6,095,542 Sell GBP 5,142,500 23/01/2017	65,026	-
	Buy USD 4,000,000 Sell EUR 3,781,444 23/01/2017	17,672	-
	Buy GBP 1,541,400 Sell EUR 1,791,815 23/01/2017	15,757	-
	Buy EUR 488,581 Sell USD 507,400 23/01/2017	6,663	-
	Buy EUR 723,326 Sell USD 755,700 23/01/2017	5,578	-
	Buy EUR 420,248 Sell GBP 354,300 23/01/2017	4,767	-
	Buy EUR 360,805 Sell AUD 520,000 23/01/2017	4,631	-
	Buy GBP 2,200,000 Sell EUR 2,575,799 23/01/2017	4,101	-
	Buy GBP 319,300 Sell EUR 371,173 23/01/2017	3,264	-
	Buy GBP 319,000 Sell EUR 370,825 23/01/2017	3,261	-
	Buy EUR 197,589 Sell USD 205,200 23/01/2017	2,695	-
	Buy EUR 232,842 Sell USD 243,500 23/01/2017	1,571	-
	Buy CHF 1,146,000 Sell EUR 1,069,174 23/01/2017	1,421	-
	Buy EUR 97,254 Sell USD 101,000 23/01/2017	1,326	-
	Buy EUR 195,166 Sell USD 204,100 23/01/2017	1,317	-
	Buy EUR 145,060 Sell USD 151,700 23/01/2017	978	-
	Buy GBP 84,200 Sell EUR 97,879 23/01/2017	861	-
	Buy GBP 79,600 Sell EUR 92,532 23/01/2017	814	-
	Buy GBP 77,000 Sell EUR 89,509 23/01/2017	787	-
	Buy EUR 98,437 Sell USD 102,900 23/01/2017	704	-
	Buy EUR 103,887 Sell USD 108,700 23/01/2017	646	-
	Buy EUR 129,426 Sell USD 135,600 23/01/2017	636	-
	Buy EUR 40,459 Sell GBP 34,000 23/01/2017	588	-
	Buy CHF 180,200 Sell EUR 167,763 23/01/2017	580	-
	Buy EUR 54,406 Sell GBP 45,900 23/01/2017	580	-
	Buy EUR 79,974 Sell USD 83,600 23/01/2017	572	-
	Buy EUR 61,798 Sell USD 64,600 23/01/2017	442	-

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Forward Contracts* (continued)</b>			
	Buy EUR 48,394 Sell GBP 40,800 23/01/2017	549	-
	Buy EUR 39,961 Sell USD 41,500 23/01/2017	545	-
	Buy EUR 61,798 Sell USD 64,600 23/01/2017	442	-
	Buy EUR 37,363 Sell GBP 31,500 23/01/2017	424	-
	Buy EUR 31,314 Sell GBP 26,400 23/01/2017	355	-
	Buy EUR 71,404 Sell GBP 60,600 23/01/2017	340	-
	Buy EUR 70,697 Sell GBP 60,000 23/01/2017	336	-
	Buy EUR 43,359 Sell USD 45,300 23/01/2017	334	-
	Buy EUR 21,473 Sell USD 22,300 23/01/2017	293	-
	Buy EUR 25,010 Sell GBP 21,100 23/01/2017	267	-
	Buy EUR 24,418 Sell GBP 20,600 23/01/2017	260	-
	Buy EUR 38,058 Sell USD 39,800 23/01/2017	257	-
	Buy EUR 12,518 Sell USD 13,000 23/01/2017	171	-
	Buy EUR 18,856 Sell USD 19,700 23/01/2017	145	-
	Buy CHF 42,700 Sell EUR 39,765 23/01/2017	125	-
	Buy CHF 94,300 Sell EUR 87,978 23/01/2017	117	-
	Buy GBP 11,000 Sell EUR 12,787 23/01/2017	112	-
	Buy EUR 20,031 Sell GBP 17,000 23/01/2017	95	-
	Buy EUR 6,837 Sell USD 7,100 23/01/2017	93	-
	Buy EUR 14,623 Sell USD 15,300 23/01/2017	91	-
	Buy CHF 112,500 Sell EUR 105,013 23/01/2017	85	-
	Buy CHF 89,100 Sell EUR 83,170 23/01/2017	67	-
	Buy EUR 4,522 Sell GBP 3,800 23/01/2017	66	-
	Buy EUR 10,117 Sell USD 10,600 23/01/2017	50	-
	Buy EUR 7,267 Sell USD 7,600 23/01/2017	49	-
	Buy EUR 10,369 Sell GBP 8,800 23/01/2017	49	-
	Buy USD 10,400 Sell EUR 9,832 23/01/2017	46	-
	Buy EUR 9,163 Sell USD 9,600 23/01/2017	45	-
	Buy EUR 9,553 Sell CHF 10,200 23/01/2017	24	-
	Buy EUR 3,436 Sell USD 3,600 23/01/2017	17	-
	Buy CHF 13,400 Sell EUR 12,508 23/01/2017	10	-
	Buy CHF 8,000 Sell EUR 7,468 23/01/2017	6	-
	Buy CHF 1,700 Sell EUR 1,587 23/01/2017	1	-
	<b>Total Forward Contracts</b>	<b>15,820,805</b>	<b>0.50</b>
	<b>Total Financial Assets at Fair Value Through Profit or Loss</b>	<b>2,748,116,235</b>	<b>87.73</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Futures Contract</b>			
(1,095)	Euro-Bobl Future Mar 17 08/03/2017	(1,256,680)	(0.04)
(666)	Euro-Oat Future Mar 17 08/03/2017	(1,312,020)	(0.04)
<b>Total Futures Contract</b>		<b>(2,568,700)</b>	<b>(0.08)</b>
<b>Forward Contracts*</b>			
	Buy GBP 317,896,650 Sell EUR 376,811,327 23/01/2017	(4,019,735)	(0.13)
	Buy USD 208,404,844 Sell EUR 199,364,845 23/01/2017	(1,426,289)	(0.05)
	Buy USD 51,198,644 Sell EUR 48,977,795 23/01/2017	(350,395)	(0.01)
	Buy USD 51,185,755 Sell EUR 48,965,465 23/01/2017	(350,307)	(0.01)
	Buy USD 35,916,300 Sell EUR 34,358,355 23/01/2017	(245,805)	(0.01)
	Buy USD 28,282,552 Sell EUR 27,055,737 23/01/2017	(193,561)	(0.01)
	Buy USD 21,786,877 Sell EUR 20,841,825 23/01/2017	(149,106)	(0.01)
	Buy USD 10,806,889 Sell EUR 10,338,117 23/01/2017	(73,961)	-
	Buy USD 6,075,000 Sell EUR 5,834,238 23/01/2017	(64,331)	-
	Buy USD 7,771,664 Sell EUR 7,434,552 23/01/2017	(53,188)	-
	Buy GBP 2,113,500 Sell EUR 2,505,188 23/01/2017	(26,725)	-
	Buy USD 2,521,000 Sell EUR 2,416,512 23/01/2017	(22,119)	-
	Buy USD 3,093,600 Sell EUR 2,959,409 23/01/2017	(21,172)	-
	Buy USD 3,016,200 Sell EUR 2,880,811 23/01/2017	(16,087)	-
	Buy GBP 2,764,800 Sell EUR 3,257,733 23/01/2017	(15,503)	-
	Buy GBP 1,080,000 Sell EUR 1,280,153 23/01/2017	(13,656)	-
	Buy USD 2,446,600 Sell EUR 2,336,778 23/01/2017	(13,049)	-
	Buy USD 1,660,000 Sell EUR 1,588,886 23/01/2017	(12,253)	-
	Buy USD 1,300,000 Sell EUR 1,246,119 23/01/2017	(11,406)	-
	Buy USD 832,000 Sell EUR 799,027 23/01/2017	(8,810)	-
	Buy USD 1,280,000 Sell EUR 1,224,477 23/01/2017	(8,760)	-
	Buy CHF 3,736,500 Sell EUR 3,499,056 23/01/2017	(8,409)	-
	Buy GBP 658,656 Sell EUR 780,722 23/01/2017	(8,329)	-
	Buy GBP 450,000 Sell EUR 535,491 23/01/2017	(7,784)	-
	Buy USD 1,026,813 Sell EUR 982,273 23/01/2017	(7,027)	-
	Buy USD 1,150,800 Sell EUR 1,099,144 23/01/2017	(6,138)	-

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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 AUD 520,000 Sell EUR 361,917 23/01/2017	(5,743)	-
	Buy USD 1,054,000 Sell EUR 1,006,689 23/01/2017	(5,622)	-
	Buy GBP 440,482 Sell EUR 522,115 23/01/2017	(5,570)	-
	Buy USD 490,000 Sell EUR 469,691 23/01/2017	(4,299)	-
	Buy GBP 220,000 Sell EUR 261,796 23/01/2017	(3,806)	-
	Buy GBP 295,000 Sell EUR 349,671 23/01/2017	(3,730)	-
	Buy USD 401,100 Sell EUR 383,608 23/01/2017	(2,651)	-
	Buy USD 280,000 Sell EUR 268,395 23/01/2017	(2,457)	-
	Buy GBP 213,000 Sell EUR 252,176 23/01/2017	(2,395)	-
	Buy USD 311,000 Sell EUR 297,715 23/01/2017	(2,334)	-
	Buy USD 198,500 Sell EUR 190,273 23/01/2017	(1,742)	-
	Buy CHF 757,800 Sell EUR 709,644 23/01/2017	(1,705)	-
	Buy GBP 98,500 Sell EUR 117,213 23/01/2017	(1,704)	-
	Buy EUR 2,463,422 Sell CHF 2,638,686 23/01/2017	(1,644)	-
	Buy CHF 650,000 Sell EUR 608,694 23/01/2017	(1,463)	-
	Buy USD 301,100 Sell EUR 287,391 23/01/2017	(1,413)	-
	Buy GBP 81,000 Sell EUR 96,388 23/01/2017	(1,401)	-
	Buy USD 289,800 Sell EUR 276,532 23/01/2017	(1,286)	-
	Buy GBP 76,500 Sell EUR 90,945 23/01/2017	(1,235)	-
	Buy GBP 396,700 Sell EUR 466,428 23/01/2017	(1,225)	-
	Buy USD 255,500 Sell EUR 243,868 23/01/2017	(1,199)	-
	Buy CHF 530,000 Sell EUR 496,320 23/01/2017	(1,193)	-
	Buy USD 249,900 Sell EUR 238,522 23/01/2017	(1,173)	-
	Buy CHF 20,638,400 Sell EUR 19,281,573 23/01/2017	(1,134)	-
	Buy GBP 364,200 Sell EUR 428,216 23/01/2017	(1,125)	-
	Buy USD 153,700 Sell EUR 146,997 23/01/2017	(1,016)	-
	Buy GBP 82,800 Sell EUR 98,029 23/01/2017	(931)	-
	Buy CHF 16,433,169 Sell EUR 15,352,806 23/01/2017	(903)	-
	Buy USD 100,000 Sell EUR 95,855 23/01/2017	(877)	-
	Buy GBP 280,700 Sell EUR 330,039 23/01/2017	(867)	-
	Buy GBP 48,600 Sell EUR 57,833 23/01/2017	(841)	-
	Buy GBP 72,700 Sell EUR 86,071 23/01/2017	(818)	-
	Buy GBP 260,400 Sell EUR 306,171 23/01/2017	(804)	-
	Buy EUR 335,916 Sell USD 354,500 23/01/2017	(781)	-
	Buy GBP 41,400 Sell EUR 49,265 23/01/2017	(716)	-



**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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 GBP 220,500 Sell EUR 259,257 23/01/2017		(681)	-
Buy USD 85,000 Sell EUR 81,293 23/01/2017		(562)	-
Buy USD 115,000 Sell EUR 109,764 23/01/2017		(540)	-
Buy USD 63,700 Sell EUR 60,979 23/01/2017		(478)	-
Buy USD 60,600 Sell EUR 58,011 23/01/2017		(455)	-
Buy USD 41,700 Sell EUR 40,047 23/01/2017		(442)	-
Buy USD 91,000 Sell EUR 86,857 23/01/2017		(427)	-
Buy GBP 32,965 Sell EUR 39,074 23/01/2017		(417)	-
Buy USD 43,800 Sell EUR 41,985 23/01/2017		(384)	-
Buy USD 35,600 Sell EUR 34,189 23/01/2017		(377)	-
Buy EUR 144,695 Sell USD 152,700 23/01/2017		(336)	-
Buy USD 71,500 Sell EUR 68,245 23/01/2017		(336)	-
Buy USD 39,000 Sell EUR 37,334 23/01/2017		(293)	-
Buy GBP 400,400 Sell EUR 469,831 23/01/2017		(289)	-
Buy GBP 14,700 Sell EUR 17,493 23/01/2017		(254)	-
Buy EUR 109,256 Sell USD 115,300 23/01/2017		(254)	-
Buy CHF 128,600 Sell EUR 120,377 23/01/2017		(238)	-
Buy GBP 73,900 Sell EUR 86,889 23/01/2017		(228)	-
Buy CHF 100,000 Sell EUR 93,645 23/01/2017		(225)	-
Buy USD 50,200 Sell EUR 47,902 23/01/2017		(223)	-
Buy USD 41,000 Sell EUR 39,133 23/01/2017		(192)	-
Buy CHF 84,800 Sell EUR 79,411 23/01/2017		(191)	-
Buy CHF 406,500 Sell EUR 379,934 23/01/2017		(181)	-
Buy EUR 101,510 Sell GBP 86,700 23/01/2017		(162)	-
Buy EUR 67,657 Sell USD 71,400 23/01/2017		(157)	-
Buy GBP 46,900 Sell EUR 55,144 23/01/2017		(145)	-
Buy CHF 2,625,286 Sell EUR 2,452,692 23/01/2017		(144)	-
Buy USD 25,000 Sell EUR 23,878 23/01/2017		(133)	-
Buy USD 14,200 Sell EUR 13,611 23/01/2017		(125)	-
Buy EUR 42,683 Sell GBP 36,500 23/01/2017		(120)	-
Buy EUR 71,654 Sell GBP 61,200 23/01/2017		(114)	-
Buy GBP 8,900 Sell EUR 10,549 23/01/2017		(113)	-
Buy CHF 1,905,408 Sell EUR 1,780,141 23/01/2017		(105)	-
Buy CHF 313,900 Sell EUR 293,335 23/01/2017		(89)	-
Buy CHF 37,100 Sell EUR 34,742 23/01/2017		(84)	-
Buy USD 17,400 Sell EUR 16,608 23/01/2017		(82)	-

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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 CHF 35,000 Sell EUR 32,776 23/01/2017		(79)	-
Buy GBP 25,400 Sell EUR 29,865 23/01/2017		(78)	-
Buy EUR 23,388 Sell GBP 20,000 23/01/2017		(66)	-
Buy EUR 22,686 Sell GBP 19,400 23/01/2017		(64)	-
Buy GBP 11,300 Sell EUR 13,315 23/01/2017		(63)	-
Buy EUR 24,793 Sell CHF 26,600 23/01/2017		(57)	-
Buy USD 9,200 Sell EUR 8,787 23/01/2017		(49)	-
Buy EUR 16,138 Sell GBP 13,800 23/01/2017		(45)	-
Buy GBP 2,100 Sell EUR 2,504 23/01/2017		(42)	-
Buy EUR 14,617 Sell GBP 12,500 23/01/2017		(41)	-
Buy EUR 16,677 Sell USD 17,600 23/01/2017		(39)	-
Buy GBP 1,800 Sell EUR 2,146 23/01/2017		(36)	-
Buy GBP 43,500 Sell EUR 51,043 23/01/2017		(31)	-
Buy GBP 41,900 Sell EUR 49,166 23/01/2017		(30)	-
Buy USD 6,700 Sell EUR 6,393 23/01/2017		(30)	-
Buy GBP 2,500 Sell EUR 2,960 23/01/2017		(28)	-
Buy EUR 18,741 Sell GBP 16,000 23/01/2017		(22)	-
Buy GBP 30,000 Sell EUR 35,202 23/01/2017		(22)	-
Buy USD 4,500 Sell EUR 4,295 23/01/2017		(21)	-
Buy EUR 6,899 Sell GBP 5,900 23/01/2017		(19)	-
Buy CHF 334,386 Sell EUR 312,403 23/01/2017		(18)	-
Buy GBP 3,000 Sell EUR 3,535 23/01/2017		(17)	-
Buy GBP 900 Sell EUR 1,070 23/01/2017		(15)	-
Buy EUR 12,181 Sell GBP 10,400 23/01/2017		(14)	-
Buy EUR 5,306 Sell USD 5,600 23/01/2017		(12)	-
Buy GBP 400 Sell EUR 477 23/01/2017		(8)	-
Buy GBP 900 Sell EUR 1,060 23/01/2017		(5)	-
Buy EUR 1,895 Sell USD 2,000 23/01/2017		(4)	-
Buy GBP 600 Sell EUR 707 23/01/2017		(3)	-
Buy EUR 2,800 Sell CHF 3,000 23/01/2017		(2)	-

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Credit Fund

Schedule of Investments (continued)

as at 31 December 2016

Holdings	Financial Liabilities at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Forward Contracts* (continued)</b>			
	Buy GBP 2,900 Sell EUR 3,403 23/01/2017	(2)	-
	Buy EUR 585 Sell GBP 500 23/01/2017	(2)	-
	Buy GBP 200 Sell EUR 236 23/01/2017	(1)	-
	<b>Total Forward Contracts</b>	<b>(7,212,249)</b>	<b>(0.23)</b>
	<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>(9,780,949)</b>	<b>(0.31)</b>
	<b>Net Financial Assets and Liabilities at Fair Value Through Profit or Loss</b>	<b>2,738,335,286</b>	<b>87.42</b>
	<b>Other Net Assets</b>	<b>393,933,338</b>	<b>12.58</b>
	<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>3,132,268,624</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	2,732,295,430	86.52
	Over the counter financial derivatives	15,820,805	0.50
	Cash and other current assets	409,715,502	12.98
	<b>Total</b>	<b>3,157,831,737</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 2016

<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>Austria</b>	<b>1,318,905</b>	<b>0.76</b>
47,400	Erste Group Bank	1,318,905	0.76
	<b>Canada</b>	<b>1,770,466</b>	<b>1.02</b>
104,600	Manulife Financial	1,770,466	1.02
	<b>Japan</b>	<b>2,384,697</b>	<b>1.37</b>
2,500	Invincible Investment	1,071,730	0.62
88,490	ORIX Corporation	1,312,967	0.75
	<b>Netherlands</b>	<b>4,398,436</b>	<b>2.52</b>
126,350	ABN AMRO Group Dutch Cert	2,659,667	1.52
130,050	ING Group	1,738,769	1.00
	<b>Russian Federation</b>	<b>1,286,723</b>	<b>0.74</b>
116,900	Sberbank of Russia	1,286,723	0.74
	<b>Switzerland</b>	<b>819,890</b>	<b>0.47</b>
60,100	Credit Suisse Group	819,890	0.47
	<b>United States</b>	<b>24,426,883</b>	<b>14.03</b>
15,250	Ameriprise Financial	1,608,820	0.92
46,800	Apollo Global Management LLC	861,590	0.49
92,900	Blackstone Group	2,387,873	1.37
153,863	Carlyle Group LP	2,231,277	1.28
25,200	Discover Financial Services	1,727,528	0.99
496,350	Fortress Investment Group LLC	2,293,896	1.32
155,600	KKR & Co	2,277,181	1.31
89,550	Legg Mason	2,547,015	1.46
25,125	MetLife	1,287,549	0.74
23,800	Oaktree Capital Group LLC	848,707	0.49
69,900	People's United Finance Preferred	1,718,253	0.99
17,225	Prudential Financial	1,704,482	0.98
44,700	Voya Financial	1,667,111	0.96
24,150	Wells Fargo & Co	1,265,601	0.73
	<b>Total Equity Securities</b>	<b>36,406,000</b>	<b>20.91</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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</b>		
	<b>France</b>	<b>12,105,672</b>	<b>6.95</b>
3,000,000	BNP Paribas Perpetual	3,018,172	1.73
700,000	BNP Paribas VAR Perpetual	674,389	0.39
2,000,000	Credit Agricole 7.875% Perpetual	1,926,731	1.10
2,000,000	Credit Agricole Perpetual	1,861,135	1.07
1,600,000	Societe Generale Perpetual	1,586,246	0.91
2,400,000	Societe Generale Perpetual (QZ4822180)	2,278,539	1.31
800,000	Societe Generale VAR Perpetual	760,460	0.44
	<b>Germany</b>	<b>2,598,921</b>	<b>1.49</b>
2,600,000	Aareal Bank 7.625% Perpetual	2,598,921	1.49
	<b>Italy</b>	<b>25,398,012</b>	<b>14.59</b>
7,000,000	Buoni Ordinari del Tesoro 0% 28/02/2017	7,006,020	4.02
8,100,000	Buoni Ordinari del Tesoro 0% 31/03/2017	8,109,720	4.66
800,000	Intesa Sanpaolo (144A) 5.017% 26/06/2024	705,591	0.40
2,800,000	Intesa Sanpaolo (144A) Perpetual	2,531,636	1.46
4,550,000	Intesa Sanpaolo Spa (144A) 5.71% 15/01/2026	4,140,041	2.38
1,100,000	Intesa Sanpaolo Spa Perpetual	1,090,084	0.63
1,700,000	Unicredit Perpetual (AL7554663 Corporation)	1,814,920	1.04
	<b>Mexico</b>	<b>1,714,998</b>	<b>0.99</b>
1,800,000	Grupo Finance Invermexico Perpetual	1,714,998	0.99
	<b>Netherlands</b>	<b>3,018,635</b>	<b>1.73</b>
400,000	Cooperatieve Rabobank Perpetual	429,216	0.24
1,800,000	ING Group (Series *) Perpetual	1,719,816	0.99
950,000	ING Group 6.5% Perpetual	869,603	0.50
	<b>Norway</b>	<b>194,388</b>	<b>0.11</b>
200,000	DNB Bank Perpetual	194,388	0.11
	<b>Spain</b>	<b>34,922,359</b>	<b>20.05</b>
4,000,000	Banco Bilbao Vizcaya ARG 7% Perpetual	3,847,880	2.21
3,200,000	Banco Bilbao Vizcaya ARG Perpetual	3,066,080	1.76
1,800,000	Banco Bilbao Vizcaya ARG VAR Perpetual	1,944,828	1.11

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Spain (continued)</b>		
5,000,000	Banco Popular Espanol Perpetual	4,428,125	2.54
800,000	Banco Popular Espanol VAR Perpetual	809,400	0.46
3,000,000	Banco Santander (Series) Perpetual	2,812,740	1.61
2,400,000	Banco Santander 11/09/2049	2,258,424	1.30
600,000	Bankinter VAR Perpetual	657,000	0.38
1,898,000	BBVA International Preferred Uniperson Perpetual	1,792,027	1.03
7,000,000	Spain Letras Del Tesoro 0% 17/02/2017	7,004,375	4.02
6,300,000	Spain Letras Del Tesoro 0% 20/01/2017	6,301,480	3.62
	<b>Switzerland</b>	<b>12,297,809</b>	<b>7.06</b>
4,100,000	Credit Suisse Group 7.5% Perpetual	4,091,208	2.35
1,600,000	UBS Group Perpetual	1,599,719	0.92
2,000,000	UBS Group Perpetual (JK4458820)	1,938,389	1.11
1,500,000	UBS Group Perpetual (EK7554505)	1,469,725	0.84
3,400,000	UBS Group Perpetual (UV4180070)	3,198,768	1.84
	<b>United Kingdom</b>	<b>23,118,025</b>	<b>13.28</b>
1,000,000	Bank of Scotland (Series B) Perpetual	1,399,531	0.80
1,800,000	Barclays Bank 8.25% Perpetual	1,786,854	1.03
2,200,000	Barclays Perpetual	1,961,747	1.13
1,100,000	Barclays Perpetual (QZ3177313)	1,062,014	0.61
1,800,000	Barclays Perpetual (UV4299359)	2,101,479	1.21
1,700,000	Barclays VAR 7% Perpetual	1,884,995	1.08
2,725,000	HSBC Holdings Perpetual	2,824,422	1.62
1,000,000	HSBC Holdings Perpetual (LW2088877)	1,002,625	0.58
750,000	HSBC Holdings VAR Perpetual	706,413	0.41
4,000,000	Lloyds Banking Group Perpetual	4,763,821	2.73
1,700,000	Royal Bank of Scotland Group VAR Perpetual	1,639,394	0.94
1,700,000	Santander UK Group Perpetual	1,984,730	1.14
	<b>United States</b>	<b>5,342,436</b>	<b>3.07</b>
1,000,000	Bank of America (Series AA) Perpetual	964,302	0.55
1,000,000	Citigroup (Series P) Perpetual	938,679	0.54
1,600,000	Citigroup (Series R) Perpetual	1,584,777	0.91
500,000	Citizens Financial Group Perpetual	469,489	0.27
1,500,000	Pennymac (144A) Convertible 5.375% 01/05/2020	1,385,189	0.80
	<b>Total Fixed Income Securities</b>	<b>120,711,255</b>	<b>69.32</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Contract For Difference*</b>		
163,100	AXA	532,801	0.31
221,800	Azimut Holding	27,289	0.02
720,500	Banca Popolare dell'Emilia Romagna SCRL	577,297	0.33
187,500	Banco Santander	222,562	0.13
30,750	BNP Paribas	147,389	0.08
572,000	Cathay Financial Holding	664	-
316,550	Credit Agricole	296,847	0.17
1,440,600	Intesa Sanpaolo	361,880	0.21
701,250	Natixis	494,274	0.28
98,950	Prudential	248,021	0.14
73,100	Societe Generale	1,023,595	0.59
530,300	UBI Banca - Unione di Banche Italiane	61,674	0.03
	<b>Total Contract For Difference</b>	<b>3,994,293</b>	<b>2.29</b>
	<b>Option</b>		
784	Dow Jones EURO STOXX 50 (Price) Index 3125 Put 20/01/2017	79,184	0.05
26,709	Dual Binary Option S&P 500 Index (1999.39) USD Swap Semi 30/360 10Y (1.559)	19,811	0.01
2,500	Financial Select Sector SPDR Fund 23 Put 20/01/2017	68,942	0.04
3,670	HSCEI Hang Seng China Enterprise Index 8961.3143 Put 15/03/2017	81,394	0.05
27,970	Nikkei 225 Index 18323.82 Put 15/03/2017	90,295	0.05
49	S&P 500 Index 2150 Put 20/01/2017	23,764	0.01
94	S&P 500 Index 2200 Put 20/01/2017	110,841	0.06
164	S&P 500 Index 2200 Put 31/01/2017	294,751	0.17
	<b>Total Option</b>	<b>768,982</b>	<b>0.44</b>
	<b>Forward Contracts*</b>		
	Buy EUR 76,038,127 Sell USD 79,486,000 23/01/2017	543,989	0.31
	Buy EUR 12,422,222 Sell GBP 10,480,000 23/01/2017	132,517	0.08

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Income Fund

Schedule of Investments (continued)

as at 31 December 2016

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Forward Contracts* (continued)</b>			
	Buy EUR 1,832,808 Sell CAD 2,550,000 23/01/2017	29,321	0.02
	Buy EUR 821,983 Sell TWD 27,460,000 23/01/2017	17,581	0.01
	Buy EUR 2,485,355 Sell JPY 303,570,000 23/01/2017	15,689	0.01
	Buy EUR 1,581,267 Sell USD 1,650,000 23/01/2017	14,132	0.01
	Buy EUR 947,057 Sell USD 990,000 23/01/2017	6,775	0.01
	Buy EUR 935,174 Sell USD 978,500 23/01/2017	5,815	-
	Buy EUR 793,671 Sell USD 830,000 23/01/2017	5,354	-
	Buy EUR 154,092 Sell GBP 130,000 23/01/2017	1,644	-
	Buy EUR 111,724 Sell USD 116,900 23/01/2017	695	-
	Buy EUR 57,821 Sell USD 60,500 23/01/2017	359	-
	Buy EUR 44,728 Sell USD 46,800 23/01/2017	278	-
	Buy GBP 80,000 Sell EUR 93,665 23/01/2017	149	-
	Buy EUR 18,637 Sell USD 19,500 23/01/2017	116	-
	Buy GBP 3,100 Sell EUR 3,604 23/01/2017	32	-
	Buy EUR 5,161 Sell USD 5,400 23/01/2017	32	-
	Buy EUR 3,823 Sell USD 4,000 23/01/2017	24	-
	Buy EUR 351 Sell GBP 300 23/01/2017	-	-
	Buy EUR 117 Sell GBP 100 23/01/2017	-	-
	<b>Total Forward Contracts</b>	<b>774,502</b>	<b>0.45</b>
	<b>Total Financial Assets at Fair Value Through Profit or Loss</b>	<b>162,655,032</b>	<b>93.41</b>
	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>		
	<b>Contracts For Difference*</b>		
138,000	AGNC Investment	(129,070)	(0.08)
212,950	Annaly Capital Management	(19,389)	(0.01)
77,000	Banca Generali	(17,846)	(0.01)
4,507,750	Lloyds Banking Group	(2,539)	-
	<b>Total Contracts For Difference</b>	<b>(168,844)</b>	<b>(0.10)</b>



ALGEBRIS UCITS FUNDS PLC

Algebris Financial Income Fund

Schedule of Investments (continued)

as at 31 December 2016

Holdings	Financial Liabilities at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Option</b>			
(784)	Dow Jones EURO STOXX 50 (Price) Index 2950 Put 20/01/2017	(14,896)	(0.01)
(164)	S&P 500 Index 2100 Put 31/01/2017	(88,893)	(0.05)
<b>Total Option</b>		<b>(103,789)</b>	<b>(0.06)</b>
<b>Futures Contract</b>			
(37)	Euro-Bobl Future Mar 17 08/03/2017	(41,810)	(0.02)
(53)	Euro-Bund Future Mar 17 08/03/2017	(149,460)	(0.09)
<b>Total Futures Contract</b>		<b>(191,270)</b>	<b>(0.11)</b>
<b>Forward Contracts*</b>			
	Buy GBP 13,197,568 Sell EUR 15,643,427 23/01/2017	(166,880)	(0.10)
	Buy USD 20,755,002 Sell EUR 19,854,710 23/01/2017	(142,044)	(0.08)
	Buy USD 10,079,979 Sell EUR 9,642,739 23/01/2017	(68,986)	(0.04)
	Buy USD 8,012,482 Sell EUR 7,664,924 23/01/2017	(54,836)	(0.03)
	Buy USD 2,771,958 Sell EUR 2,651,718 23/01/2017	(18,971)	(0.01)
	Buy USD 835,277 Sell EUR 799,045 23/01/2017	(5,717)	(0.01)
	Buy USD 651,508 Sell EUR 623,247 23/01/2017	(4,459)	-
	Buy USD 360,000 Sell EUR 344,384 23/01/2017	(2,464)	-
	Buy USD 268,500 Sell EUR 256,448 23/01/2017	(1,432)	-
	Buy USD 80,000 Sell EUR 77,033 23/01/2017	(1,051)	-
	Buy GBP 55,863 Sell EUR 66,216 23/01/2017	(706)	-
	Buy GBP 40,000 Sell EUR 47,599 23/01/2017	(691)	-
	Buy GBP 45,398 Sell EUR 53,811 23/01/2017	(573)	-
	Buy GBP 20,832 Sell EUR 24,693 23/01/2017	(263)	-
	Buy EUR 133,122 Sell GBP 113,700 23/01/2017	(212)	-
	Buy GBP 26,900 Sell EUR 31,628 23/01/2017	(83)	-
	Buy EUR 21,660 Sell GBP 18,500 23/01/2017	(34)	-
	Buy EUR 13,113 Sell GBP 11,200 23/01/2017	(21)	-
	Buy CHF 318,846 Sell EUR 297,884 23/01/2017	(18)	-
	Buy CHF 317,062 Sell EUR 296,217 23/01/2017	(17)	-
	Buy EUR 2,456 Sell GBP 2,100 23/01/2017	(7)	-
	Buy EUR 2,054 Sell CHF 2,200 23/01/2017	(2)	-

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Income Fund

Schedule of Investments (continued)

as at 31 December 2016

Holdings	Financial Liabilities at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Forward Contracts* (continued)</b>			
	Buy EUR 2,240 Sell CHF 2,400 23/01/2017	(2)	-
	Buy EUR 468 Sell GBP 400 23/01/2017	(1)	-
	Buy EUR 351 Sell GBP 300 23/01/2017	(1)	-
	<b>Total Forward Contracts</b>	<b>(469,471)</b>	<b>(0.27)</b>
	<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>(933,374)</b>	<b>(0.54)</b>
	<b>Net Financial Assets and Liabilities at Fair Value Through Profit or Loss</b>	<b>161,721,658</b>	<b>92.87</b>
	<b>Other Net Assets</b>	<b>12,419,834</b>	<b>7.13</b>
	<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>174,141,492</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	157,117,255	89.09
	Over the counter financial derivatives	5,537,777	3.14
	Cash and other current assets	13,709,479	7.77
	<b>Total</b>	<b>176,364,511</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 2016

<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>France</b>	<b>127,548</b>	<b>1.06</b>
3,600	Accor	127,548	1.06
	<b>Germany</b>	<b>183,376</b>	<b>1.53</b>
1,570	Siemens	183,376	1.53
	<b>Hong Kong</b>	<b>388,798</b>	<b>3.24</b>
40,700	Dah Sing Banking Group	71,172	0.59
26,700	Dah Sing Financial Holdings	171,733	1.43
125,100	HKT Trust	145,893	1.22
	<b>Ireland</b>	<b>267,605</b>	<b>2.23</b>
1,340	Allergan	267,605	2.23
	<b>Italy</b>	<b>11,639</b>	<b>0.10</b>
159,000	Telecom Italia	11,639	0.10
	<b>Japan</b>	<b>68,591</b>	<b>0.57</b>
160	Invincible Investment	68,591	0.57
	<b>Netherlands</b>	<b>735,280</b>	<b>6.12</b>
5,800	ABN AMRO Group	122,090	1.02
2,400	Heineken	171,024	1.42
4,700	ING Group	62,839	0.52
134,800	Koninklijke	379,327	3.16
	<b>Norway</b>	<b>181,658</b>	<b>1.51</b>
10,600	Marine Harvest	181,658	1.51
	<b>Russian Federation</b>	<b>118,876</b>	<b>0.99</b>
10,800	Sberbank of Russia	118,876	0.99
	<b>Switzerland</b>	<b>224,739</b>	<b>1.87</b>
4,200	Credit Suisse Group	57,297	0.48
2,420	Novartis	167,442	1.39

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>816,002</b>	<b>6.79</b>
8,283	DB Cont Capital Trust III 7.6% Preferred Perpetual	196,599	1.63
6,850	DR Horton	178,024	1.48
24,680	Fortress Investment Group LLC	114,059	0.95
10,650	KKR & Co LP	155,861	1.30
4,200	Lennar	171,459	1.43
<b>Total Equity Securities</b>		<b>3,124,112</b>	<b>26.01</b>
<b>Fixed Income Securities</b>			
<b>France</b>		<b>190,115</b>	<b>1.58</b>
200,000	Societe Generale VAR Perpetual	190,115	1.58
<b>Italy</b>		<b>2,689,080</b>	<b>22.39</b>
600,000	Buoni Ordinari del Tes 0% 31/01/2017	600,294	5.00
1,600,000	Buoni Ordinari del Tes 0% 31/05/2017	1,602,296	13.34
300,000	Intesa Sanpaolo (144A) 5.71% 15/01/2026	272,970	2.27
200,000	Unicredit Perpetual (AL7554663 Corporation)	213,520	1.78
<b>Spain</b>		<b>2,154,398</b>	<b>17.94</b>
200,000	Banco Bilbao Vizcaya ARG Perpetual	191,630	1.60
200,000	Banco Bilbao Vizcaya ARG VAR Perpetual	216,092	1.80
200,000	Banco Popular Espanol Perpetual	177,125	1.47
200,000	Bankinter Perpetual	219,000	1.82
600,000	Spain Letras Del Tesoro 0% 17/02/2017	600,375	5.00
750,000	Spain Letras Del Tesoro 0% 20/01/2017	750,176	6.25
<b>Switzerland</b>		<b>584,281</b>	<b>4.86</b>
400,000	UBS Group Perpetual (JK4458820)	387,678	3.23
200,000	UBS Group Perpetual (QZ1261762)	196,603	1.63

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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 Kingdom</b>		<b>1,181,979</b>	<b>9.84</b>
200,000	Barclays Perpetual (UV4299359)	233,498	1.94
200,000	Barclays Perpetual (QZ3177313)	193,093	1.61
200,000	Barclays VAR 7% Perpetual	221,764	1.85
200,000	HSBC Holdings Perpetual	207,297	1.73
110,000	Jaguar Land Rover Automo 3.875% 01/03/2023	133,457	1.11
200,000	Royal Bank of Scotland Group VAR Perpetual	192,870	1.60
<b>United States</b>		<b>377,272</b>	<b>3.14</b>
100,000	Citigroup (Series R) Perpetual	99,049	0.83
140,000	MGIC Investment 5.75% 15/08/2023	139,704	1.16
150,000	Pennymac (144A) Conv 5.375% 01/05/2020	138,519	1.15
<b>Total Fixed Income Securities</b>		<b>7,177,125</b>	<b>59.75</b>
<b>Contract For Difference*</b>			
7,900	AXA	27,280	0.23
11,800	Azimut Holding	8,444	0.07
14,000	Banca Popolare dell'Emilia Romagna SCRL	8,107	0.07
42,000	Cathay Financial Holding	6,685	0.05
(64,000)	Geely Automobile Holdings	1,760	0.01
50,000	Intesa Sanpaolo	215	-
367,500	Land and Houses	8,056	0.07
25,000	Natixis	10,619	0.09
6,850	Prudential	22,712	0.19
170	Samsung Electronics	32,834	0.27
600	Samsung Life Insurance	2,509	0.02
1,700	Shinhan Financial Group	72	-
<b>Total Contracts For Difference</b>		<b>129,293</b>	<b>1.07</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Option</b>		
250	Consumer Staples Select Sector SPDR Fund 49 Put 20/01/2017	2,140	0.02
54	Dow Jones EURO STOXX 50 (Price) Index 3125 Put 20/01/2017	5,454	0.04
1,415	Dual Binary Option S&P 500 Index (1999.39) USD Swap Semi 30/360 10Y (1.559)	1,049	0.01
157	Financial Select Sector SPDR Fund 23 Put 17/02/2017	8,211	0.07
250	HSCEI Hang Seng China Enterprise Index 8961.3143 Put 15/03/2017	5,545	0.04
1,920	Nikkei 225 Index 18323.82 Put 15/03/2017	6,198	0.05
4	S&P 500 Index 2150 Put 20/01/2017	1,940	0.02
6	S&P 500 Index 2200 Put 20/01/2017	7,075	0.06
14	S&P 500 Index 2200 Put 31/01/2017	25,162	0.21
17	Skyworks Solutions 67.5 Put 20/01/2017	808	0.01
85	SPDR Gold 118 Call 20/01/2017	970	0.01
100	SPDR S&P Regional Banking ETF 53 Put 20/01/2017	3,804	0.03
105	Twitter 23 Call 20/01/2017	299	-
1,000,000	USD Call / JPY Put 115 01/31/2017	9,206	0.08
	<b>Total Option</b>	<b>77,861</b>	<b>0.65</b>
	<b>Forward Contracts**</b>		
	Buy EUR 604,517 Sell GBP 510,000 23/01/2017	6,449	0.05
	Buy EUR 73,111 Sell JPY 8,930,000 23/01/2017	462	-
	Buy EUR 177,558 Sell NOK 1,610,000 23/01/2017	525	0.01
	Buy EUR 2,984,663 Sell USD 3,120,000 23/01/2017	21,353	0.18
	Buy EUR 495,425 Sell KRW 615,120,000 23/01/2017	11,543	0.10
	Buy EUR 132,008 Sell TWD 4,410,000 23/01/2017	2,823	0.02
	<b>Total Forward Contracts</b>	<b>43,155</b>	<b>0.36</b>
	<b>Total Financial Asset at Fair Value Through Profit &amp; Loss</b>	<b>10,551,546</b>	<b>87.84</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>			
(2,000)	Airbus Group	(7,333)	(0.06)
5,300	Banca Generali	(1,224)	(0.01)
(1,800)	Canadian Imperial Bank of Commerce	(12,172)	(0.10)
(3,000)	Canadian National Railway	(4,827)	(0.04)
(10,000)	Canadian Western Bank	(16,449)	(0.14)
(4,231)	Home Capital Group	(766)	(0.01)
(7,900)	HY Debt Sensitivity	-	-
(860)	iShares Core S&P Mid-Cap 400 Index Fund	(19,727)	(0.16)
(4,550)	j2 Global	(58,867)	(0.49)
1,691	KIWOOM Securities	(6,924)	(0.06)
57,500	National Express Group	(3,823)	(0.03)
(15,200)	Siam Commercial Bank	(4,891)	(0.04)
(4,100)	SPDR S&P Regional Banking ETF	(11,704)	(0.10)
11,000	Taiwan Semiconductor Manufacturing	(1,590)	(0.01)
(2,400)	Webster Financial	(811)	(0.01)
(5,632)	Westpac Banking	(9,587)	(0.08)
<b>Total Contracts For Difference</b>		<b>(160,695)</b>	<b>(1.34)</b>
<b>Option*</b>			
(250)	Consumer Staples Select Sector SPDR Fund 48 Put 20/01/2017	(1,902)	(0.02)
(54)	Dow Jones EURO STOXX 50 (Price) Index 2950 Put 20/01/2017	(1,026)	(0.01)
(85)	SPDR Gold 123 Call 20/01/2017	(323)	-
(14)	S&P 500 Index 2100 Put 01/31/2017	(7,588)	(0.06)
(105)	Twitter 25 Call 20/01/2017	(200)	-
(1,000,000)	USD Call / JPY Put 112 01/31/2017	(3,536)	(0.03)
<b>Total Option</b>		<b>(14,575)</b>	<b>(0.12)</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Futures contract</b>			
(4)	Euro-Bobl Future Mar 17 08/03/2017	(4,316)	(0.04)
(2)	Euro-Oat Future Mar 17 08/03/2017	(3,620)	(0.03)
(1)	FTSE 100 Index Future Mar 17 17/03/2017	(2,452)	(0.02)
(6)	FTSE 250 Index Future Mar 17 17/03/2017	(5,273)	(0.04)
(2)	Long Gilt Fut Mar 17 29/03/2017	(5,397)	(0.05)
<b>Total Futures contract</b>		<b>(21,058)</b>	<b>(0.18)</b>
<b>Forward Contracts**</b>			
	Buy GBP 40,398 Sell EUR 47,885 23/01/2017	(511)	-
	Buy USD 4,256,700 Sell EUR 4,065,628 23/01/2017	(22,703)	(0.19)
	Buy USD 1,471,242 Sell EUR 1,407,424 23/01/2017	(10,069)	(0.08)
	Buy CAD 60,000 Sell EUR 43,125 23/01/2017	(690)	(0.01)
<b>Total Forward Contracts</b>		<b>(33,973)</b>	<b>(0.28)</b>
<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>		<b>(230,301)</b>	<b>(1.92)</b>
<b>Net Financial Assets and Liabilities at Fair Value Through Profit or Loss</b>		<b>10,321,245</b>	<b>85.92</b>
<b>Other Net Assets</b>		<b>1,690,345</b>	<b>14.08</b>
<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares</b>		<b>12,011,590</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		10,301,237	82.84
Over the counter financial derivatives		250,309	2.01
Cash and other current assets		1,883,297	15.15
<b>Total</b>		<b>12,434,843</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 2016

<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>Austria</b>	<b>915,442</b>	<b>3.64</b>
32,900	Erste Group Bank	915,442	3.64
	<b>Hong Kong</b>	<b>518,982</b>	<b>2.06</b>
88,600	Dah Sing Banking Group	154,935	0.61
56,600	Dah Sing Financial Holdings	364,047	1.45
	<b>Japan</b>	<b>386,540</b>	<b>1.54</b>
450	Invincible Investment	192,911	0.77
13,050	ORIX Corporation	193,629	0.77
	<b>Netherlands</b>	<b>1,054,300</b>	<b>4.19</b>
37,700	ABN AMRO Group	793,585	3.15
19,500	ING Group	260,715	1.04
	<b>Russian Federation</b>	<b>1,255,903</b>	<b>4.99</b>
114,100	Sberbank of Russia	1,255,903	4.99
	<b>Switzerland</b>	<b>732,581</b>	<b>2.91</b>
53,700	Credit Suisse Group	732,581	2.91
	<b>United States</b>	<b>5,250,825</b>	<b>20.88</b>
13,100	Ally Financial	236,936	0.94
3,400	Ameriprise Financial	358,688	1.43
13,200	Apollo Global Management LLC	243,013	0.97
14,400	Astoria Financial Corp	255,382	1.01
12,500	Bank of America	262,695	1.04
10,000	Blackstone Group	257,037	1.02
17,100	Carlyle Group LP	247,979	0.99
5,500	Citigroup	310,826	1.24
26,207	CNO Financial Group	477,239	1.90
11,500	Cohen & Steers	367,440	1.46
75,994	Fortress Investment Group LLC	351,208	1.40
20,950	Legg Mason	595,868	2.37
7,000	Oaktree Capital Group LLC	249,620	0.99

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Equity Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>			
18,800	Santander Consumer USA Holdings	241,346	0.96
12,900	Voya Financial	481,113	1.91
6,000	Wells Fargo & Co	314,435	1.25
<b>Total Equity Securities</b>		<b>10,114,573</b>	<b>40.21</b>
<b>Fixed Income Securities</b>			
<b>Italy</b>		<b>9,401,308</b>	<b>37.38</b>
2,000,000	Buoni Ordinari Del Tesoro 0% 28/02/2017	2,001,720	7.96
2,650,000	Buoni Ordinari Del Tesoro 0% 31/01/2017	2,651,298	10.54
1,900,000	Buoni Ordinari Del Tesoro 0% 31/03/2017	1,902,280	7.56
1,200,000	Intesa Sanpaolo (144A) Perpetual	1,084,987	4.32
1,400,000	Unicredit Perpetual	1,227,223	4.88
500,000	Unicredit Perpetual (AL7554663 Corporation)	533,800	2.12
<b>Mexico</b>		<b>285,833</b>	<b>1.13</b>
300,000	Grupo Finance Invermexico Perpetual	285,833	1.13
<b>Spain</b>		<b>4,501,526</b>	<b>17.90</b>
1,200,000	Spain Letras Del Tesoro 0% 17/02/2017	1,200,750	4.78
3,300,000	Spain Letras Del Tesoro 0% 20/01/2017	3,300,776	13.12
<b>Total Fixed Income Securities</b>		<b>14,188,667</b>	<b>56.41</b>
<b>Contracts For Difference*</b>			
82,900	Anima Holding	48,695	0.19
16,800	AXA	39,055	0.16
80,400	Azimut Holding	32,093	0.13
51,300	Banca Generali	13,403	0.05
82,000	Banca Mediolanum	20,057	0.08
334,600	Banca Popolare dell'Emilia Romagna SCRL	223,282	0.89
(4,771)	Banco Santander Brasil	625	-
4,400	BNP Paribas	21,105	0.08

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Equity Fund

Schedule of Investments (continued)

as at 31 December 2016

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Contracts For Difference* (continued)</b>			
143,200	Cathay Financial Holding	22,792	0.09
71,400	Credit Agricole	66,638	0.27
(36,100)	DnB	8,757	0.03
(3,156)	Glacier Bancorp	2,185	0.01
523,350	Intesa Sanpaolo	114,240	0.45
723,100	Land and Houses	15,896	0.06
735,900	Lloyds Banking Group	10,131	0.04
(37)	M&T Bank	47	-
(8,200)	Morgan Stanley	1,734	0.01
(4,000)	MSAGNETI Index	5,009	0.02
155,950	Natixis	97,216	0.39
(1,700)	PNC Financial Services Group	241	-
35,400	Porto Seguro	14,101	0.06
13,465	Prudential	27,332	0.11
2,100	Samsung Life Insurance	8,781	0.03
3,300	Shinhan Financial Group	139	-
14,000	Societe Generale	186,412	0.74
(800)	SVB Financial Group	1,939	0.01
(6,000)	TD Ameritrade Holding	1,544	0.01
265,100	UBI Banca - Unione di Banche Italiane	51,650	0.21
(3,800)	US Bancorp	2,474	0.01
<b>Total Contracts For Difference</b>		<b>1,037,573</b>	<b>4.13</b>
<b>Option</b>			
200	Banc of California 10 Put 21/04/2017	1,902	0.01
380	Bank of America 23 Call 20/01/2017	11,202	0.04
400	Blackstone Group32 Call 20/01/2017	380	-
240	Canadian Imperial Bank of Commerce/Canada 107 Put 20/01/2017	8,495	0.03
120	Comerica 60 Put 20/01/2017	2,282	0.01
117	Dow Jones EURO STOXX 50 (Price) Index 3125 Put 20/01/2017	11,817	0.05
2,298	Dual Binary Option S&P 500 Index (1999.39) USD Swap Semi 30/360 10Y (1.559)	1,705	0.01
300	Financial Select Sector Spdr Fund 22 Put 17/02/2017	7,132	0.03
326	Financial Select Sector SPDR Fund 23 Put 17/02/2017	17,050	0.07

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Equity Fund

Schedule of Investments (continued)

as at 31 December 2016

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Option (continued)</b>			
720	Financial Select Sector SPDR Fund 23 Put 20/01/2017	19,855	0.08
55	FTSE MIB Index 18000 Put 20/01/2017	11,275	0.04
40	Goldman Sachs Group 235 Put 20/01/2017	16,736	0.07
550	HSCEI Hang Seng China Enterprise Index 8961.3143 Put 15/03/2017	12,198	0.05
4,170	Nikkei 225 Index 18323.82 Put 15/03/2017	13,462	0.05
14	S&P 500 Index 2200 Put 20/01/2017	16,508	0.07
30	S&P 500 Index 2200 Put 31/01/2017	53,918	0.21
282	SPDR S&P Regional Banking ETF 53 Put 20/01/2017	10,727	0.04
2,333,333	USD Call / JPY Put 115 31/01/2017	21,481	0.09
<b>Total Option</b>		<b>238,125</b>	<b>0.95</b>
<b>Futures Contract</b>			
(6)	Russell 2000 Mini Future 17/03/2017	713	-
<b>Total Futures Contract</b>		<b>713</b>	<b>-</b>
<b>Forward Contracts**</b>			
	Buy EUR 7,126,841 Sell USD 7,450,000 23/01/2017	50,987	0.20
	Buy BRL 1,810,000 Sell EUR 509,470 23/01/2017	15,340	0.06
	Buy EUR 493,098 Sell KRW 612,230,000 23/01/2017	11,489	0.05
	Buy EUR 285,569 Sell TWD 9,540,000 23/01/2017	6,108	0.03
	Buy EUR 584,590 Sell USD 610,000 23/01/2017	5,224	0.02
	Buy EUR 468,745 Sell USD 490,000 23/01/2017	3,353	0.01
	Buy EUR 382,864 Sell USD 400,000 23/01/2017	2,952	0.01
	Buy EUR 179,687 Sell CAD 250,000 23/01/2017	2,875	0.01
	Buy EUR 404,197 Sell JPY 49,370,000 23/01/2017	2,551	0.01
	Buy EUR 85,760 Sell KRW 106,480,000 23/01/2017	1,998	0.01
	Buy EUR 152,997 Sell USD 160,000 23/01/2017	1,032	0.01
	Buy EUR 55,078 Sell USD 57,200 23/01/2017	751	-
	Buy EUR 67,474 Sell USD 70,600 23/01/2017	420	-
	Buy EUR 35,560 Sell GBP 30,000 23/01/2017	379	-

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Equity Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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 21,762 Sell USD 22,600 23/01/2017	297	-
	Buy EUR 59,176 Sell THB 2,220,000 23/01/2017	273	-
	Buy EUR 12,138 Sell GBP 10,200 23/01/2017	176	-
	Buy EUR 16,534 Sell USD 17,300 23/01/2017	103	-
	Buy EUR 1,830 Sell USD 1,900 23/01/2017	25	-
	Buy EUR 1,733 Sell USD 1,800 23/01/2017	24	-
	Buy EUR 1,338 Sell USD 1,400 23/01/2017	8	-
	Buy EUR 1,242 Sell USD 1,300 23/01/2017	8	-
	Buy EUR 119 Sell GBP 100 23/01/2017	2	-
	Buy EUR 187 Sell CHF 200 23/01/2017	-	-
	Buy EUR 93 Sell CHF 100 23/01/2017	-	-
	Buy CHF 100 Sell EUR 94 23/01/2017	-	-
	Buy EUR 234 Sell GBP 200 23/01/2017	-	-
	Buy EUR 94 Sell CHF 100 23/01/2017	-	-
	Buy EUR 187 Sell CHF 200 23/01/2017	-	-
	Buy CHF 100 Sell EUR 94 23/01/2017	-	-
	<b>Total Forward Contracts</b>	<b>106,375</b>	<b>0.42</b>
	<b>Total Financial Assets at Fair Value Through Profit or Loss</b>	<b>25,686,026</b>	<b>102.12</b>
	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>		
	<b>Contract For Difference*</b>		
(25,000)	ASR Nederland	(40,811)	(0.16)
(21,150)	Canadian Western Bank	(81,260)	(0.32)
(6,700)	Charles Schwab	(552)	-
(3,100)	Comerica	(5,960)	(0.02)
(2,300)	Community Bank System	(10,050)	(0.04)
(7,200)	Fulton Financial	(6,568)	(0.03)
(5,700)	Home Capital Group	(11,182)	(0.04)
4,730	KIWOOM Securities	(13,974)	(0.06)
(6,900)	People's United Financial	(2,803)	(0.01)
(286,400)	Royal Bank of Scotland Group	(96,868)	(0.39)
(30,500)	Siam Commercial Bank	(9,815)	(0.04)

ALGEBRIS UCITS FUNDS PLC

Algebris Financial Equity Fund

Schedule of Investments (continued)

as at 31 December 2016

Holdings	Financial Liabilities at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Contract For Difference* (continued)</b>			
(16,200)	SPDR S&P Regional Banking ETF	(28,444)	(0.11)
89,000	UniCredit	(11,471)	(0.05)
(6,206)	Webster Financial	(13,753)	(0.05)
(11,867)	Westpac Banking	(19,221)	(0.08)
<b>Total Contract For Difference</b>		<b>(352,732)</b>	<b>(1.40)</b>
<b>Option</b>			
(500)	Bank of America 24 Call 20/01/2017	(5,230)	(0.02)
(400)	Blackstone Group 34 Call 20/01/2017	(1,141)	(0.01)
(240)	Canadian Imperial Bank of Commerce/Canada 100 Put 20/01/2017	(2,888)	(0.01)
(120)	Comerica 55 Put 20/01/2017	(2,282)	(0.01)
(117)	Dow Jones EURO STOXX 50 (Price) Index 2950 Put 20/01/2017	(2,223)	(0.01)
(55)	FTSE MIB Index 17000 Put 20/01/2017	(3,162)	(0.01)
(20)	Goldman Sachs Group 220 Put 20/01/2017	(2,073)	(0.01)
(30)	S&P 500 Index 2100 Put 31/01/2017	(16,261)	(0.07)
(200)	SPDR S&P Regional Banking ETF 46 Put 20/01/2017	(951)	-
(2,333,333)	USD Call / JPY Put 112 31/01/2017	(8,251)	(0.03)
<b>Total Option</b>		<b>(44,462)</b>	<b>(0.18)</b>
<b>Forward Contracts**</b>			
	Buy USD 6,515,654 Sell EUR 6,233,024 23/01/2017	(44,592)	(0.18)
	Buy USD 4,664,300 Sell EUR 4,465,056 23/01/2017	(35,001)	(0.14)
	Buy EUR 715,024 Sell BRL 2,550,000 23/01/2017	(24,350)	(0.10)
	Buy USD 2,374,517 Sell EUR 2,271,517 23/01/2017	(16,251)	(0.06)
	Buy GBP 1,165,748 Sell EUR 1,381,792 23/01/2017	(14,741)	(0.06)
	Buy CAD 370,000 Sell EUR 265,160 23/01/2017	(3,478)	(0.01)
	Buy USD 130,000 Sell EUR 125,178 23/01/2017	(1,707)	(0.01)
	Buy TWD 2,410,000 Sell EUR 72,141 23/01/2017	(1,543)	(0.01)
	Buy USD 198,271 Sell EUR 189,671 23/01/2017	(1,357)	(0.01)
	Buy USD 195,349 Sell EUR 186,875 23/01/2017	(1,337)	-
	Buy USD 130,000 Sell EUR 124,244 23/01/2017	(773)	-

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Equity Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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 142,137 Sell USD 150,000 23/01/2017		(330)	-
Buy USD 60,000 Sell EUR 57,268 23/01/2017		(282)	-
Buy USD 36,500 Sell EUR 34,936 23/01/2017		(269)	-
Buy GBP 20,218 Sell EUR 23,965 23/01/2017		(256)	-
Buy USD 14,700 Sell EUR 14,070 23/01/2017		(108)	-
Buy GBP 6,300 Sell EUR 7,473 23/01/2017		(85)	-
Buy EUR 9,367 Sell GBP 8,000 23/01/2017		(15)	-
Buy USD 1,200 Sell EUR 1,149 23/01/2017		(9)	-
Buy USD 1,100 Sell EUR 1,053 23/01/2017		(8)	-
Buy CHF 20,198 Sell EUR 18,870 23/01/2017		(1)	-
Buy GBP 100 Sell EUR 119 23/01/2017		(1)	-
Buy CHF 14,492 Sell EUR 13,539 23/01/2017		(1)	-
<b>Total Forward Contracts</b>		<b>(146,495)</b>	<b>(0.58)</b>
<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>		<b>(543,689)</b>	<b>(2.16)</b>
<b>Net Financial Assets and Liabilities at Fair Value Through Profit or Loss</b>		<b>25,142,337</b>	<b>99.96</b>
<b>Other Net Assets</b>		<b>9,559</b>	<b>0.04</b>
<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares</b>		<b>25,151,896</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		24,303,240	90.38
Over the counter financial derivatives		1,382,786	5.14
Cash and other current assets		1,202,936	4.48
<b>Total</b>		<b>26,888,962</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 Macro Credit Fund**

**Schedule of Investments**

as at 31 December 2016

<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>Japan</b>		<b>3,788,172</b>	<b>1.32</b>
81,400	Chiba Bank	474,765	0.16
81,000	Daiwa Securities Group	474,606	0.16
110,500	Fukuoka Financial Group	466,514	0.16
280,000	Mizuho Financial Group	477,857	0.17
59,600	Shizuoka Bank	476,094	0.17
32,600	Sony Financial Holdings	483,701	0.17
13,100	Sumitomo Mitsui Financial Group	475,271	0.17
13,500	Sumitomo Mitsui Trust Holdings	459,364	0.16
<b>Netherlands</b>		<b>1,043,118</b>	<b>0.36</b>
32,400	NN Group	1,043,118	0.36
<b>Spain</b>		<b>1,789,711</b>	<b>0.63</b>
278,000	Banco Bilbao Vizcaya Argentaria	1,789,711	0.63
<b>United States</b>		<b>4,608,607</b>	<b>1.61</b>
3,662	Aflac	242,369	0.08
2,181	Ameriprise Financial	230,088	0.08
5,491	BB&T	245,518	0.09
2,933	Capital One Financial	243,320	0.09
4,365	Citigroup	246,683	0.09
9,582	Fifth Third Bancorp	245,746	0.09
1,094	Goldman Sachs Group	249,104	0.09
14,125	Keycorp	245,401	0.09
3,846	Lincoln National	242,368	0.09
1,697	M&T Bank	252,436	0.09
4,491	MetLife	230,145	0.08
5,939	Morgan Stanley	238,610	0.08
2,434	Prudential Financial	240,854	0.08
17,832	Regions Financial	243,503	0.08
3,158	State Street Corp	233,396	0.08
5,831	Unum Group	243,587	0.08
4,958	US Bancorp	242,195	0.08
4,598	Wells Fargo & Co	240,962	0.08
6,165	Zions Bancorporation	252,322	0.09
<b>Total Equity Securities</b>		<b>11,229,608</b>	<b>3.92</b>



**ALGEBRIS UCITS FUNDS PLC**

**Algebris Macro Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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</b>			
	<b>Argentina</b>	<b>19,813,722</b>	<b>6.91</b>
5,000,000	Banco Macro 6.75% 04/11/2026	4,510,983	1.57
4,500,000	Provincia De Buenos Aire 15/05/2035	3,251,173	1.14
2,250,000	Provincia De Buenos Aire 2% 15/05/2035	1,554,774	0.54
1,376,104	Republic of Argentina (Series Dis Eur) 7.82% 31/12/2033	1,343,710	0.47
8,944,674	Republic of Argentina (Series Dsc Eur) 7.82% 31/12/2033	8,662,917	3.02
500,000	YPF Sociedad Anonima 8.5% 28/07/2025	490,165	0.17
	<b>Barbados</b>	<b>845,982</b>	<b>0.30</b>
934,000	Govt Of Barbados 7.25% 15/12/2021	845,982	0.30
	<b>Brazil</b>	<b>933,822</b>	<b>0.33</b>
1,000,000	Cent Elet Brasileiras 5.75% 27/10/2021	933,822	0.33
	<b>Canada</b>	<b>2,190,075</b>	<b>0.76</b>
3,000,000	Valeant Pharmaceuticals 4.5% 15/05/2023	2,190,075	0.76
	<b>Cayman Islands</b>	<b>2,070,628</b>	<b>0.72</b>
1,000,000	Kaisa Group Holdings (Series WI) 0% 31/12/2019	890,046	0.31
1,300,000	Usiminas Commercial 7.25% 18/01/2018	1,180,582	0.41
	<b>Costa Rica</b>	<b>2,576,431</b>	<b>0.90</b>
1,000,000	Bank Nal Costa Rica 6.25% 01/11/2023	955,092	0.33
1,000,000	Costa Rica Government 4.25% 26/01/2023	874,857	0.31
1,000,000	Instituto Costarricense 6.375% 15/05/2043	746,482	0.26
	<b>Dominican Republic</b>	<b>994,318</b>	<b>0.35</b>
1,000,000	Aeropuertos Dominicanos 9.75% 13/11/2019	994,318	0.35
	<b>Ecuador</b>	<b>6,837,129</b>	<b>2.39</b>
4,000,000	Republic of Ecuador 10.5% 24/03/2020	4,107,360	1.44
3,000,000	Republic of Ecuador 7.95% 20/06/2024	2,729,769	0.95
	<b>Ethiopia</b>	<b>1,581,773</b>	<b>0.55</b>
1,800,000	Federal Republic of Ethiopia 6.625% 11/12/2024	1,581,773	0.55

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Macro Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>France</b>		<b>4,599,260</b>	<b>1.60</b>
2,500,000	Credit Agricole Perpetual	2,324,622	0.81
500,000	Financiere Quick 15/04/2019	378,955	0.13
2,000,000	Societe Generale VAR Perpetual	1,895,683	0.66
<b>Germany</b>		<b>2,152,640</b>	<b>0.75</b>
2,000,000	Deutsche Bank 5% 24/06/2020	2,152,640	0.75
<b>Greece</b>		<b>24,346,425</b>	<b>8.49</b>
7,000,000	Hellenic Republic 3.375% 17/07/2017	6,891,675	2.40
18,500,000	Hellenic Republic 4.75% 17/04/2019	17,454,750	6.09
<b>Italy</b>		<b>22,207,337</b>	<b>7.75</b>
1,000,000	Intesa Sanpaolo (144A) 5.017% 26/06/2024	882,044	0.31
3,000,000	Intesa Sanpaolo (144A) Perpetual	2,710,869	0.95
4,000,000	Intesa Sanpaolo (144A) 5.71% 15/01/2026	3,664,987	1.28
4,000,000	Intesa Sanpaolo VAR Perpetual	3,963,940	1.38
600,000	Officine Maccaferri 5.75% 01/06/2021	516,858	0.18
1,500,000	Unicredit 02/05/2023	1,445,369	0.51
500,000	Unicredit 30/07/2023	310,289	0.11
2,200,000	Unicredit Perpetual	1,929,944	0.67
3,600,000	Unicredit Perpetual (AL7554663 Corporation)	3,845,052	1.34
2,000,000	Unione Di Banche Italian 05/05/2026	1,985,820	0.69
1,000,000	Unipolsai Perpetual	952,165	0.33
<b>Jersey</b>		<b>2,116,660</b>	<b>0.74</b>
2,000,000	Mercury Bondco 8.25% 30/05/2021	2,116,660	0.74
<b>Luxembourg</b>		<b>14,638,254</b>	<b>5.11</b>
500,000	Codere Finance 2 Luxembourg (144A) 7.625% 01/11/2021	463,778	0.16
1,500,000	Codere Finance 2 Luxembourg 6.75% 01/11/2021	1,526,250	0.54
4,750,000	Crystal Almond Sarl 10% 01/11/2021	4,955,817	1.73
1,500,000	Minerva Luxembourg 6.5% 20/09/2026	1,382,714	0.48
1,000,000	Swissport Investments 6.75% 15/12/2021	1,093,020	0.38
5,000,000	Wind Aquisition Finance 7% 23/04/2021	5,216,675	1.82

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Macro Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Fixed Income Securities (continued)</b>			
<b>Mexico</b>		<b>8,485,800</b>	<b>2.96</b>
2,500,000	Grupo Finance Invermexico Perpetual	2,381,942	0.83
1,600,000	Grupo Posadas Sab 7.875% 30/06/2022	1,518,638	0.53
40,000,000	Mex Bonos Desarr Fixed Rate (Series M) 5% 11/12/2019	1,740,330	0.61
2,000,000	Petroleos Mexicanos 2.75% 21/04/2027	1,763,010	0.61
1,000,000	Petroleos Mexicanos 5.125% 15/03/2023	1,081,880	0.38
<b>Netherlands</b>		<b>16,917,529</b>	<b>5.90</b>
2,000,000	Generali Finance Perpetual	1,957,600	0.68
825,000	Petrobras Global Finance 5.375% 01/10/2029	806,916	0.28
6,750,000	Petrobras Global Finance 6.25% 14/12/2026	7,413,819	2.59
4,000,000	Petrobras Global Finance 6.625% 16/01/2034	4,132,579	1.44
1,000,000	Telefonica Europe Perpetual	979,175	0.34
1,602,000	Ziggo Secured Finance 3.75% 15/01/2025	1,627,440	0.57
<b>Pakistan</b>		<b>2,017,687</b>	<b>0.70</b>
2,000,000	Pakistan (Islamic Republic of) 7.25% 15/04/2019	2,017,687	0.70
<b>Senegal</b>		<b>531,822</b>	<b>0.19</b>
500,000	Republic of Senegal 8.75% 13/05/2021	531,822	0.19
<b>Serbia &amp; Montenegro</b>		<b>968,824</b>	<b>0.34</b>
1,000,000	Republic of Serbia 4.875% 25/02/2020	968,824	0.34
<b>Spain</b>		<b>40,672,606</b>	<b>14.19</b>
4,000,000	Banco Bilbao Vizcaya ARG 7% Perpetual	3,847,880	1.34
2,000,000	Banco Bilbao Vizcaya ARG Perpetual	1,916,300	0.67
4,100,000	Banco De Sabadell 5.625% 06/05/2026	4,406,208	1.54
550,000	Banco Popular Espanol 22/12/2019	524,150	0.18
5,200,000	Banco Popular Espanol VAR Perpetual	4,907,950	1.71
2,100,000	Banco Santander (Series) Perpetual	1,968,918	0.69
18,000,000	Bonos Y Oblig Del Estado 5.4% 31/01/2023	23,101,200	8.06

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Macro Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Sri Lanka</b>	<b>2,425,177</b>	<b>0.85</b>
2,000,000	Republic of Sri Lanka 6% 14/01/2019	1,954,220	0.68
500,000	Republic of Sri Lanka 6.85% 03/11/2025	470,957	0.17
	<b>Switzerland</b>	<b>957,747</b>	<b>0.33</b>
600,000	UBS Group Perpetual (UV4180070)	564,169	0.19
400,000	UBS Group Perpetual (QZ1261762)	393,578	0.14
	<b>Tunisia</b>	<b>2,669,401</b>	<b>0.93</b>
3,000,000	BNQ CEN Tunisia Interest Bond 5.75% 30/01/2025	2,669,401	0.93
	<b>Turkey</b>	<b>300,613</b>	<b>0.10</b>
300,000	Turkiye Vakiflar Bankasi 3.5% 17/06/2019	300,613	0.10
	<b>United Kingdom</b>	<b>16,831,274</b>	<b>5.87</b>
600,000	Barclays Perpetual (QZ3177313)	579,831	0.20
1,500,000	Elli Finance UK 8.75% 15/06/2019	1,723,424	0.60
600,000	Iceland Bondco 6.25% 15/07/2021	717,286	0.25
2,500,000	Iceland Bondco 6.75% 15/07/2024	2,880,052	1.00
1,000,000	IDH Finance 6.25% 15/08/2022	1,142,065	0.40
500,000	International Game Tech 5.625% 15/02/2020	505,893	0.18
1,200,000	Matalan Finance 6.875% 01/06/2019	1,181,862	0.41
3,000,000	New Look Secured Issuer 6.5% 01/07/2022	3,368,994	1.18
1,000,000	Royal Bank of Scotland Group VAR Perpetual	971,734	0.34
3,136,000	Voyage Care Bondco 6.5% 01/08/2018	3,760,133	1.31
	<b>United States</b>	<b>7,152,143</b>	<b>2.50</b>
500,000	Avaya 9% 01/04/2019	421,679	0.15
1,000,000	Gamestop 6.75% 15/03/2021	960,838	0.33
250,000	JC Penney 5.65% 01/06/2020	235,653	0.08
1,000,000	JC Penney 7.4% 01/04/2037	852,867	0.30
2,000,000	Scientific Games International 10% 01/12/2022	1,884,429	0.66
985,000	Toys R US 7.375% 15/10/2018	922,033	0.32
1,000,000	Tru Taj LLC / Finance In (144A) 12% 15/08/2021	939,640	0.33
1,000,000	Yum! Brands 6.875% 15/11/2037	935,004	0.33

ALGEBRIS UCITS FUNDS PLC

Algebris Macro Credit Fund

Schedule of Investments (continued)

as at 31 December 2016

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Fixed Income Securities (continued)</b>			
	<b>Venezuela</b>	<b>6,972,032</b>	<b>2.43</b>
2,000,000	Petroleos De Venezuela 5.25% 12/04/2017	1,724,753	0.60
5,333,333	Petroleos De Venezuela 8.5% 02/11/2017	4,067,874	1.42
3,170,000	Petroleos De Venezuela S 6% 16/05/2024	1,179,405	0.41
	<b>Zambia</b>	<b>1,081,850</b>	<b>0.38</b>
1,250,000	Republic of Zambia 5.375% 20/09/2022	1,081,850	0.38
	<b>Total Fixed Income Securities</b>	<b>215,888,961</b>	<b>75.32</b>
<b>Contracts For Difference*</b>			
6,600	Allianz	40,787	0.01
47,000	AXA	81,038	0.03
212,900	Banco Santander	43,917	0.02
1,075,300	Bankia	27,205	0.01
87,700	Credit Agricole	29,809	0.01
70,000	Prudential	95,556	0.03
22,200	Societe Generale	31,868	0.01
340,000	Unipol Gruppo Finanziario	162,384	0.06
	<b>Total Contracts For Difference</b>	<b>512,564</b>	<b>0.18</b>
<b>Option</b>			
10,000,000	DBAMCF Put SWPO (Pay Fix 1.2% Rec Flt GBP-LIBOR-ICE 6M 04/26/2027) 04/26/2017 (JPM)	238,191	0.08
20,000,000	DBAMCF Put SWPO (Pay Fix 1.5% Rec Flt GBP-LIBOR-ICE 6M 02/20/2027) 02/20/2017 (JPM)	312,112	0.11
1,600	DJ Euro Stoxx Bank (Price) Index - SX7E 122.5 Call 20/01/2017	101,600	0.04
50,000,000	Dow Jones EURO STOXX 50 (Price) Index 85 Put 15/03/2017	90,000	0.03
200	Euro-Bobl Future Mar 17 132 Put 27/01/2017	4,000	-
50	Euro-Bund Future Mar 17 158.5 Put 24/02/2017	11,500	-
70	Euro-Bund Future Mar 17 159 Put 24/02/2017	19,600	0.01
100	Euro-Bund Future Mar 17 159.5 Put 24/02/2017	33,000	0.01

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Macro Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Option (continued)</b>			
100	Euro-Bund Future Mar 17 161 Put 24/02/2017	55,000	0.02
50,000,000	France (Government of) 92 Put 20/04/2017	691,000	0.24
15,000,000	GBP Call / USD Put 1.3 19/01/2017	5,337	-
15,000,000	GBP Put / USD Call 1.2 19/01/2017	33,370	0.01
1,700	iShares MSCI Emerging Markets Index ETF 32.5 Put 20/01/2017	17,782	0.01
50,000,000	iTraxx Europe Crossover Index Series 26 Ver 1 5 Yr Credit Default Swap Index 5% 20/12/2021 3.375% Call 15/03/2017	282,544	0.10
10,000,000	USD Call / CNH Put 7 10/02/2017	137,201	0.05
<b>Total Option</b>		<b>2,032,237</b>	<b>0.71</b>
<b>Futures Contract</b>			
500	US 10YR Note (CBT) Future Mar 17 22/03/2017	82,779	0.03
<b>Total Futures Contract</b>		<b>82,779</b>	<b>0.03</b>
<b>Swaps</b>			
65,000,000	CDX NA HY Series 27 5 Yr Credit Default Swap Index 5% 20/12/2021	3,863,470	1.35
(35,000,000)	CDX NA HY Series 27 5 Yr Credit Default Swap Index 5% 20/12/2021	2,080,330	0.72
1,100,000,000	DBAMCF Interest Rate Swap Pay Fix 0.76375% Rec Flt JPY- LIBOR-ICE 6M 22/11/2046	83,870	0.03
30,000,000	DBAMCF IISW Pay Fix 1.125% Rec Flt Euro Area MUICP All Items Ex Tobacco 07/12/2021	132,000	0.05
20,000,000	DBAMCF IISW Pay Fix 13.911094% Rec Flt Euro Area MUICP All Items Ex Tobacco 15/11/2026	320,000	0.11
2,000,000	Fiat Chrysler Automobile Credit Default Swap Rec Fix 5% 12/20/2021	169,498	0.06
2,000,000	Fiat Finance North America Credit Default Swap Rec Fix 5% 20/06/2021	177,812	0.06
(2,000,000)	Iceland Bondco Credit Default Swap Rec Fix 5% 20/12/2021	39,918	0.01
4,000,000	J Sainsbury Credit Default Swap Pay Fix 1% 20/12/2021	137,904	0.05
120,000,000	JP Morgan Interest Rate Swap Rec Fix 0.525% Pay Flt JPY- LIBOR-ICE 6M 07/10/2046	74,488	0.03
2,000,000	Marks & Spencer Credit Default Swap Pay Fix 1% 20/12/2021	51,602	0.02

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Macro Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Swaps (continued)</b>		
2,000,000	Obrigacoes Do Tesouro Credit Default Swap Pay Fix 1% 20/06/2021	129,117	0.04
2,000,000	Safeway Credit Default Swap Pay Fix 1% 20/12/2021	3,146	-
-	Tesco Credit Default Swap Pay Fix 1% 20/12/2021	187,192	0.06
4,000,000	Wind Aquisition Finance Credit Default Swap Rec Fix 5% 20/12/2021	362,724	0.13
	<b>Total Swaps</b>	<b>7,813,071</b>	<b>2.72</b>
	<b>Forward Contracts*</b>		
	Buy EUR 78,999,832 Sell USD 82,582,000 23/01/2017	565,179	0.20
	Buy EUR 27,105,573 Sell GBP 22,867,600 23/01/2017	289,156	0.10
	Buy USD 14,872,740 Sell GBP 12,000,000 23/01/2017	53,636	0.02
	Buy EUR 2,549,194 Sell USD 2,660,000 23/01/2017	22,782	0.01
	Buy USD 6,000,000 Sell CNH 42,045,000 23/01/2017	19,541	0.01
	Buy EUR 3,981,245 Sell JPY 487,200,000 23/01/2017	17,674	0.01
	Buy EUR 2,458,521 Sell USD 2,570,000 23/01/2017	17,589	-
	Buy USD 4,000,000 Sell CNH 28,030,000 23/01/2017	13,027	-
	Buy USD 4,960,000 Sell EUR 4,699,983 23/01/2017	10,921	-
	Buy EUR 557,103 Sell GBP 470,000 23/01/2017	5,943	-
	Buy EUR 372,930 Sell USD 390,000 23/01/2017	2,516	-
	Buy EUR 169,391 Sell JPY 20,690,000 23/01/2017	1,069	-
	Buy EUR 89,252 Sell JPY 10,930,000 23/01/2017	332	-
	<b>Total Forward Contracts</b>	<b>1,019,365</b>	<b>0.35</b>
	<b>Total Financial Assets at Fair Value Through Profit or Loss</b>	<b>238,578,585</b>	<b>83.23</b>
	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>		
	<b>Contracts For Difference*</b>		
4,237,300	Bank of Ireland	(18,475)	(0.01)
318,500	CaixaBank	(2,421)	-
408,000	Intesa Sanpaolo	(20,155)	(0.01)
	<b>Total Contracts For Difference</b>	<b>(41,051)</b>	<b>(0.02)</b>

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Macro Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

Holdings	Financial Liabilities at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
	<b>Option</b>		
(10,000,000)	CNH Call / USD Put 6.7 10/02/2017	(2,767)	-
(10,000,000)	DBAMCF Call SWPO (Pay Fix 0.92% Rec Flt GBP-LIBOR-ICE 6M 26/04/2027) 26/04/2017	(61,014)	(0.02)
(20,000,000)	DBAMCF Call SWPO (Pay Fix 1.1% Rec Flt GBP-LIBOR-ICE 6M 20/02/2027) 20/02/2017	(279,258)	(0.10)
(10,000,000)	DBAMCF Put SWPO (Rec Fix 1.45% Pay Flt GBP-LIBOR-ICE 6M 26/04/2027) 26/04/2017	(120,856)	(0.04)
(20,000,000)	DBAMCF Put SWPO (Rec Fix 1.8% Pay Flt GBP-LIBOR-ICE 6M 20/02/2027) 20/02/2017	(91,522)	(0.03)
(800)	DJ Euro Stoxx Bank (Price) Index - SX7E 112.5 Put 20/01/2017	(62,800)	(0.02)
(800)	DJ Euro Stoxx Bank (Price) Index - SX7E 117.5 Put 20/01/2017	(136,800)	(0.05)
(50,000,000)	Dow Jones EURO STOXX 50 (Price) Index 100 Call 15/03/2017	(40,000)	(0.01)
(50,000,000)	Dow Jones EURO STOXX 50 (Price) Index 67.5 Call 15/03/2017	(50,000)	(0.02)
(200)	Euro-Bobl Future Mar 17 133 Call 27/01/2017	(147,000)	(0.05)
(100)	Euro-Bund Future Mar 17 158.5 Put 27/02/2017	(4,000)	-
(300)	Euro-Bund Future Mar 17 164 Call 24/02/2017	(468,000)	(0.16)
(100)	Euro-Bund Future Mar 17 164.5 Call 24/02/2017	(128,000)	(0.05)
(50,000,000)	France (Government of) 88 Put 20/04/2017	(220,300)	(0.08)
(50,000,000)	France (Government of) 98 Call 20/04/2017	(417,650)	(0.15)
(15,000,000)	GBP Call / USD Put 1.25 19/01/2017	(78,677)	(0.03)
(15,000,000)	GBP Put / USD Call 1.15 19/01/2017	(3,373)	-
(1,700)	Ishares Msci Emerging Markets ETF 30 Put 20/01/2017	(4,850)	-
5,900	Ishares Msci Emerging Markets ETF 41 Call 20/01/2017	-	-
(50,000,000)	iTraxx Europe Crossover Index Series 26 Ver 1 5 Yr Credit Default Swap Index 5% 20/12/2021 3.625% Call 15/03/2017	(191,412)	(0.07)
(50,000,000)	iTraxx Europe Crossover Index Series 26 Ver Put 15/03/2017	(98,456)	(0.03)
(10,000,000)	USD Call / CNH Put 7.4 10/02/2017	(10,125)	-
	<b>Total Option</b>	<b>(2,616,860)</b>	<b>(0.91)</b>



**ALGEBRIS UCITS FUNDS PLC**

**Algebris Macro Credit Fund**

**Schedule of Investments (continued)**

as at 31 December 2016

<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>Futures Contract</b>			
(900)	Euro-Bobl Future Mar 17 08/03/2017	(1,106,170)	(0.39)
(200)	Euro-Bund Future Mar 17 08/03/2017	(541,820)	(0.19)
(300)	Euro-Oat Future Mar 17 08/03/2017	(663,000)	(0.23)
<b>Total Futures Contract</b>		<b>(2,310,990)</b>	<b>(0.81)</b>
<b>Swaps</b>			
768,000	Banco De Sabadell Equity Swap	(1,244)	-
1,100,000,000	DBAMCF Interest Rate Swap Rec Fix 0.20375% Pay Flt JPY-LIBOR-ICE 6M 22/11/2026	(9,253)	-
(5,000,000)	Deutsche Bank Credit Default Swap Rec Fix 1% 20/12/2021	(155,865)	(0.05)
(2,000,000)	GKN Holdings Credit Default Swap Rec Fix 1% 20/12/2021	(30,092)	(0.01)
5,000,000	Hellenic Republic Credit Default Swap Rec Fix 1% 20/12/2017	(426,493)	(0.15)
5,000,000	Hellenic Republic Credit Default Swap Rec Fix 1% 20/12/2019	(997,052)	(0.35)
20,000,000	iTraxx Europe Sub Financials Series 26 Ver 1 5 Yr Credit Default Swap Index 1% 20/12/2021	(1,151,000)	(0.40)
2,000,000	Obrigacoes Do Tesouro Credit Default Swap Pay Fix 1% 20/12/2021	(153,061)	(0.05)
5,000,000	Petroleos de Venezuela Credit Default Swap Rec Fix 5% 20/03/2017	(591,912)	(0.21)
8,000,000	Venezuela (Republic of) Credit Default Swap Rec Fix 5% 20/03/2017	(708,721)	(0.25)
<b>Total Swaps</b>		<b>(4,224,693)</b>	<b>(1.47)</b>
<b>Forward Contracts*</b>			
	Buy GBP 2,595,300 Sell EUR 3,076,278 23/01/2017	(32,818)	(0.01)
	Buy USD 2,074,600 Sell EUR 1,984,610 23/01/2017	(14,198)	-
	Buy USD 2,041,800 Sell EUR 1,953,233 23/01/2017	(13,974)	(0.01)
	Buy USD 1,450,000 Sell EUR 1,383,984 23/01/2017	(6,804)	-
	Buy USD 880,100 Sell EUR 841,924 23/01/2017	(6,023)	-
	Buy JPY 38,200,000 Sell EUR 312,747 23/01/2017	(1,974)	-
	Buy GBP 50,000 Sell EUR 59,498 23/01/2017	(864)	-
	Buy USD 100,000 Sell EUR 95,662 23/01/2017	(684)	-

ALGEBRIS UCITS FUNDS PLC

Algebris Macro Credit Fund

Schedule of Investments (continued)

as at 31 December 2016

Holdings	Financial Liabilities at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Asset Value
<b>Forward Contracts* (continued)</b>			
	Buy CHF 301,100 Sell EUR 281,305 23/01/2017	(17)	-
	Buy CHF 112,500 Sell EUR 105,104 23/01/2017	(6)	-
	<b>Total Forward Contracts</b>	<b>(77,362)</b>	<b>(0.02)</b>
	<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>(9,270,956)</b>	<b>(3.23)</b>
	<b>Net Financial Assets and Liabilities at Fair Value Through Profit or Loss</b>	<b>229,307,629</b>	<b>80.00</b>
	<b>Other Net Assets</b>	<b>57,330,932</b>	<b>20.00</b>
	<b>Total Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>286,638,561</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	227,118,569	76.33
	Over the counter financial derivatives	11,460,016	3.85
	Cash and other current assets	58,984,634	19.82
	<b>Total</b>	<b>297,563,219</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 Financial Credit Fund**

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

Significant purchases and sales for the year ended 31 December 2016

	<b>Cost EUR</b>	<b>Proceeds EUR</b>
ABN Amro Bank 4.8% 18/04/2026	-	7,384,819
ABN Amro Bank Perpetual	34,925,397	38,996,905
Assicurazioni Generali 08/06/2048	-	15,244,433
Australia & New Zealand Banking Group Perpetual	-	6,054,690
Baggot Securities Ltd 10.24% Perpetual	-	16,850,000
Banco Bilbao Vizcaya ARG Perpetual	166,807,891	6,222,855
Banco Popular Espanol Perpetual	79,218,077	-
Banco Santander 11/09/2049	37,730,994	-
Banco Santander Perpetual	-	6,999,173
Bank of America (Series DD) Perpetual	-	4,768,217
Barclays Bank 7.75% 10/04/2023	-	4,322,496
Barclays Perpetual (QZ3177313)	51,539,854	-
Barclays Perpetual	62,355,289	-
Barclays 7% Perpetual (QZ3177313)	-	8,785,549
BNP Paribas Perpetual	82,997,497	8,554,990
Bouni Ordinari Del Tesoro 0% 14/07/2016	-	10,004,800
BPCE 4.875% 01/04/2026	-	13,739,009
Buoni Ordinari Del Tesoro 0% 31/05/2017	30,039,600	-
Capital One Financial (Series E) Perpetual	-	6,625,076
Citigroup (Series O) Perpetual	-	4,253,295
Commerzbank 4% 23/03/2026	-	5,232,482
Cooperatieve Rabobank Perpetual	39,013,483	-
Countrywide Capital 7% (Preferred)	-	9,906,722
Credit Agricole (144A) Perpetual	-	11,230,811
Credit Agricole 7.875% Perpetual	71,177,593	-
Credit Suisse Group 7.5% Perpetual	63,692,986	-
CSG Guernsey I 24/02/2041	-	16,861,388
DB Cont Capital Trust III 7.6% Preferred Perpetual	-	12,530,162
Demeter (Swiss Reinsurance) 15/08/2050	-	7,028,435
Deutsche Bank 24/05/2028	35,814,156	5,633,512
Deutsche Bank 4.5% 19/05/2026	26,174,901	19,133,933
Deutsche Bank Perpetual	-	11,333,402
Dresdner Fndg Trust I Preferred (144A) 8.151% 30/06/2031	-	5,162,106
Goldman Sachs Group (Series J)	-	4,391,176
HSBC Global Liquidity Funds - Euro Liquidity Fund	150,000,000	-
HSBC Holdings Perpetual (LW2088877)	56,084,234	-
ING Group (Series *) Perpetual	36,804,125	-
Intesa Sanpaolo (144A) 5.71% 15/01/2026	81,678,681	-
Intesa Sanpaolo (144A) Perpetual	97,615,501	-

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

Significant purchases and sales for the year ended 31 December 2016

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	<b>Cost</b>	<b>Proceeds</b>
	<b>EUR</b>	<b>EUR</b>
Intesa Sanpaolo Spa Perpetual	48,532,634	-
JPMorgan Chase & Co 29/08/2049	-	4,762,599
KBC Group Perpetual	27,514,001	-
Lloyds Banking Group Perpetual	160,882,150	-
Nationwide Building Society Perpetual	43,182,510	9,740,551
Royal Bank of Scotland Group 4.8% 05/04/2026	-	15,869,400
Royal Bank of Scotland Group Perpetual	62,926,625	-
Santander Issuances 5.179% 19/11/2025	-	7,699,795
Societe Generale 7.875% Perpetual	46,197,984	-
Societe Generale Perpetual	37,207,853	-
Spain Letras Del Tesoro 0% 05/12/2017	30,045,036	-
Standard Chartered Perpetual	-	7,120,861
UBS 5.125% 15/05/2024	-	7,342,410
UBS Group Perpetual (JK4458820)	120,361,625	-
Unicredit Perpetual	63,348,314	-
Unicredit Perpetual (AL7554663 Corporation)	56,200,000	-

The Schedule of Significant Changes in Investments (Unaudited) reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the year and aggregate sales of a security exceeding one percent of the total sales for the year.

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Income Fund**

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

Significant purchases and sales for the year ended 31 December 2016

	<b>Cost EUR</b>	<b>Proceeds EUR</b>
ABN AMRO Group	8,643,448	6,098,412
Aegon	-	5,609,860
Allianz	3,087,227	3,355,030
Ameriprise Financial	4,526,775	3,714,897
Bank of America	4,104,261	4,861,805
Blackstone Group	3,903,089	-
BNP Paribas	-	4,930,544
BNP Paribas Perpetual	2,682,403	3,652,916
Bouni Ordinari Del Tesoro 0% 14/03/2016	-	9,452,396
Buoni Ordinari Del Tesoro 0% 28/02/2017	7,006,135	-
Buoni Ordinari Del Tesoro 0% 31/03/2017	8,108,986	-
Buoni Ordinari Del Tesoro 30/11/2016	6,406,858	6,400,000
Carlyle Group LP	-	3,927,900
Citigroup	3,275,545	4,435,450
Dai-Ichi Life Insurance	-	4,842,662
Danske Bank	-	3,533,406
Discover Financial Services	2,389,836	3,698,999
Erste Group Bank	5,909,714	4,944,180
Fifth Third Bancorp	-	3,812,391
French Discount Treasury Bill 0% 18/08/2016	6,405,706	6,400,000
ING Group	7,439,556	11,811,502
Intesa Sanpaolo	4,131,354	4,195,301
Intesa Sanpaolo (144A) 5.71% 15/01/2026	4,123,546	-
JPMorgan Chase & Co	3,259,346	3,339,368
KBC Group	3,258,227	3,655,828
Keycorp	3,285,365	3,746,082
Legg Mason	2,809,348	-
Manulife Financial	3,494,768	-
Mitsubishi UFJ Financial Group	4,206,159	8,354,165
Natixis	-	4,749,142
NN Group	3,166,428	3,427,188
Nordea Bank	-	4,670,749
Prudential Financial	-	3,248,246
Royal Bank of Scotland Group Perpetual	-	3,126,744
Skandinaviska Enskilda Banken	-	3,862,521
Societe Generale	-	4,928,316
Spain Letras Del Tesoro 0% 12/09/2016	8,107,480	8,100,000
Spain Letras Del Tesoro 0% 20/01/2017	6,308,058	-
Spain Letras Del Tesoro 0% 17/02/2017	7,006,118	-

## ALGEBRIS UCITS FUNDS PLC

### Algebris Financial Income Fund

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

Significant purchases and sales for the year ended 31 December 2016

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	<b>Cost EUR</b>	<b>Proceeds EUR</b>
Standard Chartered Perpetual	-	3,390,220
Starwood Property Trust	-	3,145,682
Sumitomo Mitsui Financial Group	-	4,632,078
Swedbank	-	3,922,346
T&D Holdings	-	4,681,197
US Bancorp	-	4,267,849
Voya Financial	4,659,114	3,946,546
Wells Fargo & Co	2,797,772	4,413,470

The Schedule of Significant Changes in Investments (Unaudited) reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the year and aggregate sales of a security exceeding one percent of the total sales for the year.

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Asset Allocation Fund**

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

Significant purchases and sales for the year ended 31 December 2016

	<b>Cost</b>	<b>Proceeds</b>
	<b>EUR</b>	<b>EUR</b>
ABN AMRO Group	695,562	612,443
Aegon	-	782,196
BNP Paribas	549,590	604,746
Bouni Ordinari Del Tesoro 0% 14/03/2016	-	1,655,151
Bouni Ordinari Del Tesoro 0% 14/07/2016	1,800,809	1,800,130
Buoni Ordinari Del Tesoro 0% 14/09/2016	1,400,772	1,400,210
Buoni Ordinari Del Tesoro 0% 30/12/2016	2,102,121	2,100,945
Buoni Ordinari Del Tesoro 0% 31/01/2017	600,499	-
Buoni Ordinari Del Tesoro 0% 31/05/2017	1,602,541	-
Carlyle Group LP	-	482,208
Citigroup	476,733	558,525
Dai-ichi Life Holdings	-	530,783
French Discount Treasury Bill 0% 17/02/2016	-	1,460,133
French Discount Treasury Bill 0% 15/06/2016	900,830	900,138
French Discount Treasury Bill 0% 24/08/2016	532,491	532,314
French Discount Treasury Bill 0% 31/08/2016	751,279	750,015
ING Group	1,522,307	1,857,135
KBC Group	492,860	528,384
Koninklijke	952,224	573,765
Mitsubishi UFJ Financial Group	-	596,940
Natixis	449,917	811,423
Poste Italiane	470,063	430,562
Rabobank Nederland 31/12/2049	459,106	455,042
Siemens	505,248	-
Spain Letras Del Tesoro 0% 20/01/2017	750,962	-
Spain Letras Del Tesoro 0% 17/02/2017	600,583	-
T&D Holdings	-	544,322
Twitter	-	434,225

The Schedule of Significant Changes in Investments (Unaudited) reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the year and aggregate sales of a security exceeding one percent of the total sales for the year.

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Equity Fund**

**Schedule of Significant Changes in Investments (Unaudited) (continued)**  
Significant purchases and sales for the year ended 31 December 2016

	<b>Cost</b>	<b>Proceeds</b>
	<b>EUR</b>	<b>EUR</b>
ABN AMRO Group	3,421,677	2,941,297
Aegon	2,808,038	3,727,960
Allianz	1,230,668	1,317,571
Ameriprise Financial	1,317,394	-
Banco Popular Espanol Perpetual	1,784,200	1,697,200
Bank of America	1,762,401	1,871,820
Blackstone Group	1,904,948	1,813,659
BNP Paribas	1,701,823	1,626,484
Bouni Ordinari Del Tesoro 0% 14/07/2016	2,684,099	2,684,056
Buoni Ordinari Del Tesoro (Series 184D) 0% 31/08/2016		1,150,161
Buoni Ordinari Del Tesoro 0% 30/09/2016	1,376,073	1,376,059
Buoni Ordinari Del Tesoro 0% 31/10/2016	2,651,956	2,650,145
Buoni Ordinari Del Tesoro 30/11/2016	1,801,763	1,800,000
Buoni Ordinari Del Tesoro 0% 30/12/2016	3,353,473	3,350,776
Buoni Ordinari Del Tesoro 0% 31/01/2017	2,652,443	-
Buoni Ordinari Del Tesoro 0% 28/02/2017	2,001,506	-
Buoni Ordinari Del Tesoro 0% 31/03/2017	1,902,108	-
Carlyle Group LP	-	1,517,181
Citigroup	1,476,346	1,644,090
Commerzbank	-	1,728,451
Credit Agricole	1,712,120	1,474,689
Erste Group Bank	3,106,468	2,241,605
French Discount Treasury Bill 0% 22/06/2016	1,266,584	1,394,360
French Discount Treasury Bill 0% 18/08/2016	2,602,334	2,601,883
French Discount Treasury Bill 0% 31/08/2016	1,853,388	1,851,396
ING Group	4,413,868	4,516,325
KBC Group	2,642,632	3,448,604
Keycorp	1,221,855	1,289,994
KKR & Co LP	-	1,477,022
Natixis	1,479,211	1,542,103
Nordea Bank	-	1,381,635
Sberbank of Russia	1,405,805	-
Societe Generale	1,926,275	2,207,068
Spain Letras Del Tesoro 0% 09/12/2016	1,901,731	1,900,000
Spain Letras Del Tesoro 0% 20/01/2017	3,303,573	-
Spain Letras Del Tesoro 0% 17/02/2017	1,201,336	-
Voya Financial	2,212,530	1,871,423
Wells Fargo & Co	2,400,504	2,252,601

The Schedule of Significant Changes in Investments (Unaudited) reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the year and aggregate sales of a security exceeding one percent of the total sales for the year.



**ALGEBRIS UCITS FUNDS PLC**

**Algebris Macro Credit Fund**

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

Significant purchases and sales for the year ended 31 December 2016

	<b>Cost EUR</b>	<b>Proceeds EUR</b>
Australian Government (Series 147) 3.25% 24/06/2039	-	2,282,672
Banco De Sabadell 5.625% 06/05/2026	6,667,232	2,200,959
Banco Macro 6.75% 04/11/2026	4,522,431	-
Bonos Y Oblig Del Estado 0.75% 30/07/2021	10,124,068	10,150,901
Bonos Y Oblig Del Estado 3.8% 30/04/2024	-	2,491,737
Bonos Y Oblig Del Estado 5.4% 31/01/2023	23,973,810	-
Buoni Poliennali Del Tesoro 1.25% 01/12/2026	3,993,200	4,002,076
Codere Finance 2 Luxembo 9% 30/06/2021	4,297,712	-
Codere Finance 2 Luxembourg 9% 30/06/2021	-	4,456,628
Crystal Almond Sarl 10% 01/11/2021	4,655,000	-
Deutsche Bank 5% 24/06/2020	11,620,738	9,561,817
Fiat Chrysler Automobile 3.75% 29/03/2024	-	2,343,221
Generalitat De Catalunya 4.75% 06/04/2018	-	2,118,479
Generalitat De Catalunya 4.95% 11/02/2020	-	2,213,951
Hellenic Republic 3.375% 17/07/2017	6,950,776	-
Hellenic Republic 4.75% 17/04/2019	17,764,434	-
Intesa Sanpaolo Spa Perpetual	9,210,585	5,253,913
Limited Brands 6.95% 01/03/2033	-	2,361,552
New Look Secured Issuer 6.5% 01/07/2022	4,418,153	-
New Zealand Government (Series 427) 4.5% 15/04/2027	-	2,546,619
New Zealand Government (Series 433) 3.5% 14/04/2033	-	2,347,063
Petrobras Global Finance 6.25% 14/12/2026	7,718,205	-
Petrobras Global Finance 6.625% 16/01/2034	4,324,337	-
Petroleos De Venezuela 5.25% 12/04/2017	5,164,840	3,580,332
Petroleos De Venezuela 8.5% 02/11/2017	4,471,778	-
Petroleos De Venezuela S 8.5% 27/10/2020	-	3,318,215
Republic of Argentina 7.82% 31/12/2033	10,078,737	-
Republic of Argentina 3.875% 15/01/2022	-	1,994,964
Unicredit Perpetual	3,901,556	2,210,541
Unione Di Banche Italian 05/05/2026	4,055,456	2,049,140
Wind Aquisition Finance 7% 23/04/2021	8,220,281	2,850,147

The Schedule of Significant Changes in Investments (Unaudited) reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the year and aggregate sales of a security exceeding one percent of the total sales for the year.

## Other Additional Disclosures (Unaudited)

Algebris UCITS Funds Plc (the “Company”) is an investment company with variable capital incorporated with limited liability in Ireland and established 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”).

### IMPORTANT NOTICE TO INVESTORS IN GERMANY

The information agent in Germany is ACOLIN Europe GmbH, with registered office at Weißfrauenstraße 16, 60311 Frankfurt, Germany.

The basic documents of the Company and the sub-funds, such as the prospectus (in English) and the key investor information documents (in German), may be obtained free of charge at the registered office of the German information agent.

### IMPORTANT NOTICE TO INVESTORS IN SWITZERLAND

The representative in Switzerland is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, whilst the Paying Agent is Bank Vontobel Ltd., Gotthardstrasse 43, CH-8022 Zurich.

In respect of the shares in the sub-funds of the Company distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Swiss representative. The basic documents of the Company and the sub-funds, such as the prospectus and the key investor information documents (KIIDs), the articles of association, the semi-annual report and the annual report may be obtained free of charge at the registered office of the Swiss representative. A list of the purchases and sales of each sub-fund’s investments for the financial year ending 31 December 2016 may also be obtained free of charge at the registered office of the Swiss representative.

### Total Expense Ratio

The Total Expense Ratio (“TER”) is calculated according to the following formula:  $(\text{total expenses} / \text{AF}) * 100$ ;  
AF (= average fund assets)

Sub-fund	Share class	TER
Algebris Financial Credit Fund	CHF Class I	1.66%
	CHF Class M	0.18%
	CHF Class Md	0.18%
	CHF Class R	2.21%
	CHF Class Z	0.97%
	EUR Class I	1.60%
	EUR Class Id	1.43%
	EUR Class M	0.18%
	EUR Class Md	0.18%
	EUR Class R	2.19%
	EUR Class Rd	2.22%
	EUR Class W	1.68%
	EUR Class Wd	1.68%
	EUR Class XXL	0.68%
	EUR Class XXLd	0.68%
	EUR Class Z	0.97%
	GBP Class I	1.81%
	GBP Class Id	1.95%
	GBP Class M	0.18%
	GBP Class R	1.67%
	GBP Class Rd	2.89%
	GBP Class Z	0.97%
	GBP Class Zd	0.97%
SGD Class Wd	1.68%	
USD Class I	1.71%	
USD Class Id	1.63%	

## Other Additional Disclosures (Unaudited)

### Total Expense Ratio (continued)

Sub-fund	Share class	TER*
Algebris Financial Credit Fund	USD Class M	0.18%
	USD Class Md	0.18%
	USD Class R	2.42%
	USD Class Rd	2.41%
	USD Class W	1.68%
	USD Class Wd	1.68%
	USD Class XXL	0.68%
	USD Class Z	0.97%
	USD Class Zd	0.97%

Sub-fund	Share class	TER*
Algebris Financial Income fund	CHF Class B	0.97%
	CHF Class R	2.27%
	EUR Class B	0.97%
	EUR Class Bd	0.97%
	EUR Class I	1.37%
	EUR Class Id	1.37%
	EUR Class M	0.47%
	EUR Class Md	0.47%
	EUR Class R	2.27%
	EUR Class Rd	2.27%
	GBP Class Bd	0.97%
	GBP Class Id	1.37%
	GBP Class M	0.47%
	GBP Class R	2.27%
	USD Class Bd	0.97%
	USD Class Id	1.37%
	USD Class M	0.47%
	USD Class Md	0.47%
	USD Class R	2.27%
	USD Class Rd	2.27%

\* As at 31 December 2016, no performance fees are paid.

Sub-fund	Share class	TER*
Algebris Asset Allocation Fund	EUR Class B	1.35%
	EUR Class I	1.80%
	EUR Class M	0.65%
	GBP Class B	1.48%
	USD Class M	0.65%

## Other Additional Disclosures (Unaudited)

### Total Expense Ratio (continued)

Sub-fund	Share class	TER*
Algebris Financial Equity Fund	CHF Class B	4.59%
	CHF Class R	7.97%
	EUR Class B	2.98%
	EUR Class Bm	4.36%
	EUR Class I	4.66%
	EUR Class Im	7.31%
	EUR Class M	0.55%
	EUR Class R	2.55%
	EUR Class Rm	7.75%
	GBP Class B	1.55%
	GBP Class M	0.55%
	GBP Class Mm	0.55%
	USD Class B	2.58%
	USD Class Bm	4.41%
	USD Class Im	7.10%
	USD Class M	0.55%
USD Class Mm	0.55%	

Sub-fund	Share class	TER*
Algebris Macro Credit Fund	EUR Class B	1.33%
	EUR Class Bd	1.31%
	EUR Class I	1.99%
	EUR Class M	0.25%
	EUR Class R	2.38%
	EUR Class Rd	2.38%
	GBP Class B	1.42%
	CHF Class B	1.14%
	CHF Class Bd	1.44%
	USD Class B	1.39%
	USD Class Bd	1.38%
	USD Class Md	0.25%
	USD Class R	1.76%

## Other Additional Disclosures (Unaudited)

### Securities Financing Transaction

The Fund is subject to the Regulation (EU) 2015/2365 on Transparency of Securities Financing Transactions and of Reuse and Amending Regulation (EU) No 648/2012 of the European Parliament (“SFTR”). The regulation was issued on November 25, 2015 effective for all alternative investment Funds from January 12, 2016. The disclosure requirements accompanying this regulation are effective for annual reports published after January 13, 2017. This regulation has therefore been adopted for these financial statements dated December 31, 2016 due to the date the financial statements are available to be issued falling after this effective date.

A Securities Financing Transaction (“SFT”) is defined per Article 3(11) of the SFTR as;

- a repurchase transaction or a reverse repurchase transaction;
- a securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction;
- a margin lending transaction.

The amount of securities and commodities on loan as a proportion of total lendable assets (excluding cash and cash equivalents) was 0% as at December 31, 2016.

The regulation also covers transactions that are commonly referred to as total return swaps (“Swaps”). The Fund held contract for difference positions (“CFDs”) as at December 31, 2016 which the Directors have included in the definition of Swaps.

As at December 31, 2016 the Fund engaged in the only one type of SFT’s: Total Return Swaps

### Algebris Financial Income fund

#### Global data

	<b>Absolute amount</b>	
	<b>US\$</b>	<b>% of Net assets</b>
Total Return Swaps	4,163,928	2.40%
<b>Total</b>	<b>4,163,928</b>	<b>2.40%</b>

#### Concentration data

The following table reflects the counter parties across all Total Return Swaps contracts as at December 31, 2016, is as follows:

<b>Counterparty</b>	<b>Swaps US\$</b>
HSBC BANK PLC	4,163,928
<b>Total</b>	<b>4,163,928</b>

#### Safekeeping

<b>Custodian</b>	<b>Collateral assets safe-kept</b>
	<b>US\$</b>
HSBC Bank PLC	6,663,964
<b>Total</b>	<b>6,663,964</b>

## Other Additional Disclosures (Unaudited)

### Securities Financing Transaction (continued)

#### Algebris Financial Income fund (continued)

#### Data on return and cost for Swap

The following table reflects the return and cost for Swaps broken down between the Fund, the Investment Manager and third parties for the year ended December 31, 2016. The returns presented are isolated to the financing transactions themselves and therefore do not include investment returns on the underlying collateral positions:

	Fund US\$	Manager US\$	Third parties US\$
Total return Swaps	-	-	14,360
<b>Total</b>	-	-	14,360

#### Algebris Asset Allocation Fund

#### Global data

	Absolute amount US\$	% of Net assets
Total Return Swaps	301,927	2.50%
<b>Total</b>	301,927	2.50%

#### Concentration data

The following table reflects the counter parties across all Total Return Swaps contracts as at December 31, 2016, is as follows:

Counterparty	Swap US\$
HSBC BANK PLC	301,927
<b>Total</b>	301,927

#### Safekeeping

Custodian	Collateral assets safe-kept US\$
HSBC Bank PLC	318,522
<b>Total</b>	318,522

## Other Additional Disclosures (Unaudited)

### Securities Financing Transaction (continued)

#### Algebris Asset Allocation Fund (continued)

##### Data on return and cost for Swap

The following table reflects the return and cost for Swaps broken down between the Fund, the Investment Manager and third parties for the year ended December 31, 2016. The returns presented are isolated to the financing transactions themselves and therefore do not include investment returns on the underlying collateral positions:

	Fund US\$	Manager US\$	Third parties US\$
Total return Swaps	-	-	2,604
<b>Total</b>	-	-	2,604

#### Algebris Financial Equity Fund

##### Global data

	Absolute amount US\$	% of Net assets
Total Return Swaps	1,385,800	5.50%
<b>Total</b>	1,385,800	5.50%

##### Concentration data

The following table reflects the counter parties across all Total Return Swaps contracts as at December 31, 2016, is as follows:

Counterparty	Swaps US\$
HSBC BANK PLC	1,385,800
<b>Total</b>	1,385,800

##### Safekeeping

Custodian	Collateral assets safe-kept US\$
HSBC Bank PLC	1,768,498
<b>Total</b>	1,768,498

## Other Additional Disclosures (Unaudited)

### Securities Financing Transaction (continued)

#### Algebris Financial Equity Fund (continued)

#### Data on return and cost for Swap

The following table reflects the return and cost for Swaps broken down between the Fund, the Investment Manager and third parties for the year ended December 31, 2016. The returns presented are isolated to the financing transactions themselves and therefore do not include investment returns on the underlying collateral positions:

	Fund US\$	Manager US\$	Third parties US\$
Total return Swaps	-	-	25,455
<b>Total</b>	-	-	25,455

#### Algebris Macro Credit Fund

#### Global data

	Absolute amount US\$	% of Net assets
Total Return Swaps	554,844	0.20%
<b>Total</b>	554,844	0.20%

#### Concentration data

The following table reflects the counter parties across all Total Return Swaps contracts as at December 31, 2016, is as follows:

Counterparty	Swaps US\$
HSBC BANK PLC	554,844
<b>Total</b>	554,844

#### Safekeeping

Custodian	Collateral assets safe-kept US\$
HSBC Bank PLC	2,040,385
<b>Total</b>	2,040,385



## Other Additional Disclosures (Unaudited)

### Securities Financing Transaction (continued)

#### Algebris Macro Credit Fund (continued)

#### Data on return and cost for Swap

The following table reflects the return and cost for Swaps broken down between the Fund, the Investment Manager and third parties for the year ended December 31, 2016. The returns presented are isolated to the financing transactions themselves and therefore do not include investment returns on the underlying collateral positions:

	<b>Fund US\$</b>	<b>Manager US\$</b>	<b>Third parties US\$</b>
Total return Swaps	-	-	9,580
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,580</b>