

**ALGEBRIS UCITS FUNDS PLC**  
**(an umbrella fund with segregated liability between sub-funds)**

**INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 1 JANUARY 2013 TO 30 JUNE 2013**

## ALGEBRIS UCITS FUNDS PLC

### Contents

---

|   |       |
|---|-------|
| Management and Administration   | 2     |
| Investment Manager's Report   | 3     |
| Unaudited Statement of Financial Position   | 4     |
| Unaudited Statement of Comprehensive Income   | 5     |
| Unaudited Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares | 6     |
| Unaudited Statement of Cash Flows   | 7     |
| Notes to the Unaudited Financial Statements   | 8-16  |
| Unaudited Schedule of Investments   | 17-21 |
| Unaudited Schedule of Significant Changes in Investments  | 22-23 |

## ALGEBRIS UCITS FUNDS PLC

### Management and Administration

---

|   |   |
|---|---|
| <b>Registered Office</b>                            | Arthur Cox Building<br>Earlsfort Terrace<br>Dublin 2<br>Ireland   |
| <b>Directors*</b>                                   | Alexander Lasagna<br>Patrick McGorrian**<br>Robert Hennessy   |
| <b>Investment Manager, Distributor and Promoter</b> | Algebris Investments (UK) LLP<br>7 Clifford Street<br>London<br>W1S 2FT<br>United Kingdom                                 |
| <b>Custodian</b>                                    | HSBC Institutional Trust Services (Ireland) Limited<br>1 Grand Canal Square<br>Grand Canal Harbour<br>Dublin 2<br>Ireland |
| <b>Administrator, Registrar and Transfer Agent</b>  | HSBC Securities Services (Ireland) Limited<br>1 Grand Canal Square<br>Grand Canal Harbour<br>Dublin 2<br>Ireland          |
| <b>Independent Auditor</b>                          | KPMG<br>1 Harbourmaster Place<br>IFSC<br>Dublin 1<br>Ireland  |
| <b>Legal Adviser</b>                                | Arthur Cox<br>Earlsfort Centre<br>Earlsfort Terrace<br>Dublin 2<br>Ireland  |
| <b>Company Secretary</b>                            | Bradwell Limited<br>Earlsfort Centre<br>Earlsfort Terrace<br>Dublin 2<br>Ireland  |

\* All directors are non-executive

\*\* Independent director

## ALGEBRIS UCITS FUNDS PLC

### Investment Manager's Report

for the period from 1 January 2013 to 30 June 2013

---

January opened with a strong rally continuing the momentum of last year. The second half of the month saw a reversal. There were several developments that led to the pullback. There was a substantial new issue calendar in January and two Asia private bank targeted insurance deals performed quite poorly.

Prudential UK issued a \$700m perpetual bond with a 5.25% coupon while AXA issued a \$850mm 5.5% bond with a similar structure. Despite the strong credit quality of these two issuers, the bonds struggled to stay near par and subsequently traded lower by approximately 6 points. A perpetual fixed rate bond carries substantial interest rate risk that makes these bonds unattractive.

The credit and rates markets responded to the prospect of the Federal Reserve's normalisation of monetary policy with a wide scale correction. The resulting global bond fund outflows exceeded \$58b, or 2% of total bond fund AUM, however we expect to see the bond market stabilize as the pace of bond outflows decrease.

Throughout the correction we faced in June, financial hybrid debt performed relatively well. The excess spreads on the portfolio have resulted in less rates-driven sensitivity than investment grade or high yield (beta adjusted) as the recent selloff remains focused on the intermediate and long end of the yield curve. The higher yields on offer will likely offer a wider array of investing opportunities for the fund.

August 2013

**ALGEBRIS UCITS FUNDS PLC**

**Unaudited Statement of Financial Position**

as at 30 June 2013

|  | Notes | Algebris Financial<br>Credit Fund<br>30 June 2013<br>EUR | Algebris Financial<br>Credit Fund<br>31 December 2012*<br>EUR |
|--|-------|--|---|
| <b>Assets</b>  |       |  |   |
| Cash and cash equivalents  |       | 11,735,852   | 8,162,031   |
| Financial assets at fair value through profit or loss  |       |  |   |
| - Transferable securities  |       | 96,685,406   | 40,735,434  |
| - Financial derivative instruments   |       | 171,839  | 50,923  |
| Due from members   |       | 553,203  | 161,599   |
| Accrued income and other receivables   |       | 2,303,143  | 788,160   |
| <b>Total assets</b>  |       | <b>111,449,443</b>                                       | <b>49,898,147</b>   |
| <b>Liabilities</b>   |       |  |   |
| Financial liabilities at fair value through profit or loss   |       |  |   |
| - Financial derivative instruments   |       | 1,300,811  | 33,939  |
| Due to brokers   |       | 2,463,030  | -   |
| Due to members   |       | 96,068   | -   |
| Performance fees payable   | 3     | 14,308   | 281,562   |
| Dividends payable  |       | -  | 54,139  |
| Investment management fees payable   | 3     | 67,468   | 45,671  |
| Audit fee payable  | 3     | 10,911   | 4,781   |
| Administration fees payable  | 3     | 7,204  | 9,456   |
| Custodian fees payable   | 3     | 4,010  | 1,992   |
| Director's fees payable  | 3     | 1,151  | 2,682   |
| Accrued expenses and other payables  |       | 97,196   | 38,164  |
| <b>Liabilities (excluding net assets attributable to holders of redeemable participating shares)</b> |       | <b>4,062,157</b>   | <b>472,386</b>  |
| <b>Net assets attributable to holders of redeemable participating shares</b>                         |       | <b>107,387,286</b>                                       | <b>49,425,761</b>   |

\*For the period from 17 February 2012 (date of incorporation) to 31 December 2012

The accompanying notes form an integral part of these financial statements

**ALGEBRIS UCITS FUNDS PLC**

**Unaudited Statement of Comprehensive Income**  
for the period from 1 January 2013 to 30 June 2013

|  | <b>Notes</b> | <b>Algebris Financial<br/>Credit Fund<br/>30 June 2013<br/>EUR</b> |
|--|--------------|--|
| <hr/>  |              |  |
| <b>Investment income</b>   |              |  |
| Interest income  |              | 1,808,486  |
| Dividend income  |              | 157,474  |
| Other income   |              | 363,538  |
| Net (loss)/gain on financial assets and liabilities<br>at fair value through profit or loss  |              | (2,060,574)  |
| Net loss on foreign exchange   |              | (44,516)   |
| <b>Total investment income</b>   |              | <b>224,408</b>   |
| <hr/>  |              |  |
| <b>Operating expenses</b>  |              |  |
| Investment management fees   | 3            | 216,925  |
| Performance fees   | 3            | 55,849   |
| Administration fees  | 3            | 54,512   |
| Custodian fees   | 3            | 23,570   |
| Preliminary expense  |              | 22,899   |
| Directors' fees  | 3            | 15,453   |
| Audit fees   | 3            | 6,130  |
| Other expenses   |              | 96,602   |
| <b>Total operating expenses</b>  |              | <b>491,940</b>   |
| <hr/>  |              |  |
| <b>Net investment expenses</b>   |              | <b>(267,532)</b>   |
| <hr/>  |              |  |
| <b>Finance costs</b>   |              |  |
| Distributions to redeemable participating shareholders                                       | 6            | 315,913  |
| Interest expense   |              | 1,077  |
| <b>Total finance costs</b>   |              | <b>316,990</b>   |
| <hr/>  |              |  |
| <b>Loss before tax</b>   |              | <b>(584,522)</b>   |
| <hr/>  |              |  |
| Withholding tax on dividends   |              | 11,933   |
| <b>Decrease in net assets attributable to holders of<br/>redeemable participating shares</b> |              | <b>(596,455)</b>   |
| <hr/>  |              |  |

The accompanying notes form an integral part of these financial statements

**ALGEBRIS UCITS FUNDS PLC**

**Unaudited Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares**  
for the period from 1 January 2013 to 30 June 2013

---

|   | <b>Algebris Financial<br/>Credit Fund<br/>30 June 2013<br/>EUR</b> |
|---|--|
| <b>Net assets attributable to holders of redeemable participating shares at beginning of period</b> | 49,425,761   |
| Decrease in net assets attributable to holders of redeemable participating shares                   | (596,455)  |
| Proceeds from redeemable participating shares issued  | 68,738,880   |
| Payment on redemption of redeemable participating shares issued                                     | (10,180,900)   |
| <b>Net assets attributable to holders of redeemable participating shares at end of period</b>       | <b>107,387,286</b>   |

The accompanying notes form an integral part of these financial statements

**ALGEBRIS UCITS FUNDS PLC**

**Unaudited Statement of Cash Flows**  
for the period from 1 January 2013 to 30 June 2013

**Algebris Financial  
Credit Fund  
30 June 2013  
EUR**

**Cash flows from operating activities**

|   |                     |
|---|---------------------|
| Decrease in net assets attributable to holders of redeemable participating shares | (280,542)           |
| Purchase of financial assets and settlement of financial liabilities              | (70,463,906)        |
| Proceeds from sale of financial assets and of financial liabilities               | 14,945,273          |
| Realised and unrealised loss/(gain)   | 3,177,647           |
| Increase in interest receivable   | (1,514,983)         |
| Decrease in dividend payable  | (54,139)            |
| Decrease in other payables  | (182,060)           |
| <b>Net cash used in operating activities</b>                                      | <b>(54,372,710)</b> |

**Cash flows from financing activities**

|  |                   |
|--|-------------------|
| Proceeds from redeemable participating shares issued     | 68,347,276        |
| Payment on redemption of redeemable participating shares | (10,084,832)      |
| Distributions to redeemable participating shareholders   | (315,913)         |
| <b>Net cash provided by financing activities</b>         | <b>57,946,531</b> |

|   |                   |
|---|-------------------|
| Net increase in cash and cash equivalents             | 3,573,821         |
| Cash and cash equivalents at beginning of the period  | 8,162,031         |
| <b>Cash and cash equivalents at end of the period</b> | <b>11,735,852</b> |

**Supplemental disclosures of cash flow information**

|                    |         |
|--------------------|---------|
| Interest received  | 293,503 |
| Interest paid      | (1,077) |
| Dividends received | 157,474 |

The accompanying notes form an integral part of these financial statements



# ALGEBRIS UCITS FUNDS PLC

## Notes to the Unaudited Financial Statements for the period from 1 January 2013 to 30 June 2013

---

### 1. Principal accounting policies

These condensed financial statements of Algebris UCITS Funds Plc (the “Company”) are prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted for use in the European Union, Irish statute comprising the Companies Acts, 1963 to 2012 and the UCITS Regulations and interpretations adopted by the International Accounting Standards Board (“IASB”). Specifically these financial statements have been prepared in accordance with IAS (International Accounting Standard) 34: Interim Financial Reporting.

The Company is authorised by the Central Bank of Ireland pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

The comparative figures included for the Statement of Financial Position relate to the period ended 31 December 2012. There are no comparative figures included for the Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and Statement of Cash Flows as these are the first interim financial statements.

The accounting policies used in the preparation of these condensed financial statements are consistent with those used in the Company’s most recent annual financial statements for the period ended 31 December 2012. Except for the adoption of IFRS 13, there have been no changes to the Company’s accounting policies since the date of the Company’s last annual financial statements, for the period ended 31 December 2012. The format of these condensed financial statements differs in some respects from that of the most recent annual financial statements, in that the notes to the condensed financial statements are presented in summary form.

#### Changes to the accounting policies

IFRS 13, ‘Fair value measurement’, effective for annual periods beginning on or after 1 January 2013. The standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS.

The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. If an asset or a liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread. On adoption of the standard the Company changed its valuation inputs for listed financial assets and liabilities to last traded prices to be consistent with the inputs prescribed in the Company's prospectus for the calculation of its Net Asset Value for subscriptions and redemptions. The use of last traded prices is recognised as a standard pricing convention within the industry. In the prior period the Company utilised bid and ask prices for the listed financial assets and liabilities in accordance with IAS 39. The change in valuation inputs is considered to be a change in an estimate in accordance with IAS 8. It also replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7 Financial Instruments: Disclosures.

### 2. 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.

**Notes to the Unaudited Financial Statements**  
for the period from 1 January 2013 to 30 June 2013

---

**2. Derivative financial instruments (continued)**

*Forward foreign exchange contracts (continued)*

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. The Sub-Fund, the Algebris Financial Credit Fund, uses the forward foreign exchange contracts to hedge the currency exposure of the portfolio of the Sub-Fund and to hedge the currency exposure of the non-Euro share classes.

**3. Fees and expenses**

**Investment management fees**

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 1.20% 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 Class I Shares and Class R 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 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 period ended 30 June 2013 amounted to EUR 216,925 of which EUR 67,468 (31 December 2012: EUR 45,671) was payable at period end.

**Performance fees**

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 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 that 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, respectively.

"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 Shares and Class R 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.

**Notes to the Unaudited Financial Statements**  
for the period from 1 January 2013 to 30 June 2013

---

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

**Performance fees (continued)**

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.

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

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

Performance fees for the period ended 30 June 2013 amounted to EUR 55,849 of which EUR 14,308 (31 December 2012: EUR 281,562) was payable at period 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 0.10 % per annum of a Sub-Fund's Net Asset Value for the first EUR 100 million, 0.08 % per annum of a Sub-Fund's Net Asset Value between EUR 100 million and EUR 250 million, 0.06 % per annum of a Sub-Fund's Net Asset Value between EUR 250 million and EUR 500 million and 0.04 % per annum of a Sub-Fund's Net Asset Value above EUR 500 million subject to a minimum monthly fee of up to EUR 5,000 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 the 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 period ended 30 June 2013 amounted to EUR 54,512 of which EUR 7,204 (31 December 2012: EUR 9,456) was payable at period end.

**Custodian fees**

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

The Custodian shall also be entitled to receive transaction charges and all sub-custodian charges will be recovered by the Custodian from the Company out of the assets of the Sub-Fund as they are incurred by the relevant sub-custodians. All such charges shall be charged at normal commercial rates. The Custodian is also entitled to reimbursement of its reasonable vouched out-of-pocket expenses. Custodian fees for the period ended 30 June 2013 amounted to EUR 23,570 of which EUR 4,010 (31 December 2012: EUR 1,992) was payable at period 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 year shall not exceed EUR 75,000 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.

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Unaudited Financial Statements for the period from 1 January 2013 to 30 June 2013

---

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

##### Directors' fees and expenses (continued)

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 period ended 30 June 2013 amounted to EUR 15,453 of which EUR 1,151 (31 December 2012: EUR 2,682) was payable at period end.

##### Auditors' fees

Fees accrued for the statutory auditors, KPMG, in respect of the period ended 30 June 2013, 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 period ended 30 June 2013 amounted to EUR 6,130 of which EUR 10,911 (31 December 2012: EUR 4,781) was payable at period end.

##### Company secretarial fees

The Company has appointed Bradwell Limited as Company Secretary. Company secretarial fees for the period ended 30 June 2013 amounted to EUR 5,885 of which EUR 10,475 (31 December 2012: EUR 4,590) was payable at period end.

#### 4. Financial assets and liabilities at fair value through profit and loss

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

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

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

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Unaudited Financial Statements for the period from 1 January 2013 to 30 June 2013

#### 4. Financial assets and liabilities at fair value through profit and loss (continued)

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy at 30 June 2013:

| <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   | 7,703,634         | -                  | -              | 7,703,634          |
| - Fixed income  | 88,981,772        | -                  | -              | 88,981,772         |
| - Forward foreign exchange contracts                                    | -                 | 171,839            | -              | 171,839            |
| <b>Total financial assets at fair value through profit or loss</b>      | <b>96,685,406</b> | <b>171,839</b>     | <b>-</b>       | <b>96,857,245</b>  |
| <b>Financial liabilities at fair value through profit or loss</b>       |                   |                    |                |                    |
| <i>Held for trading:</i>  |                   |                    |                |                    |
| - Forward foreign exchange contracts                                    | -                 | (1,300,811)        | -              | (1,300,811)        |
| <b>Total financial liabilities at fair value through profit or loss</b> | <b>-</b>          | <b>(1,300,811)</b> | <b>-</b>       | <b>(1,300,811)</b> |

Hierarchy level disclosures of financial assets and liabilities at fair value through profit or loss are in line with the last audited financial statements.

#### *Investments*

Investments whose values are based on quoted market prices in active markets are classified within level 1. These include active listed equities. 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 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

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Unaudited Financial Statements for the period from 1 January 2013 to 30 June 2013

#### 5. Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table analyses within fair value hierarchy the Company's assets and liabilities not measured at fair value at 30 June 2013 but for which fair value disclosed:

| 30 June 2013  | Level 1<br>EUR    | Level 2<br>EUR     | Level 3<br>EUR | Total<br>EUR       |
|---|-------------------|--------------------|----------------|--------------------|
| <b>Assets</b>   |                   |                    |                |                    |
| Cash and cash equivalents   | 11,735,852        | -                  | -              | 11,735,852         |
| Due from members  | -                 | 553,203            | -              | 553,203            |
| Accrued income and other receivables                                  | -                 | 2,303,143          | -              | 2,303,143          |
|   | <b>11,735,852</b> | <b>2,856,346</b>   | -              | <b>14,592,198</b>  |
| <b>Liabilities</b>  |                   |                    |                |                    |
| Due to brokers  | 2,463,030         | -                  | -              | 2,463,030          |
| Due to members  | -                 | 96,068             | -              | 96,068             |
| Performance fees payable  | -                 | 14,308             | -              | 14,308             |
| Investment management fees payable                                    | -                 | 67,468             | -              | 67,468             |
| Audit fee payable   | -                 | 10,911             | -              | 10,911             |
| Administration fees payable   | -                 | 7,204              | -              | 7,204              |
| Custodian fees payable  | -                 | 4,010              | -              | 4,010              |
| Director's fees payable   | -                 | 1,151              | -              | 1,151              |
| Accrued expenses and other payables                                   | -                 | 97,196             | -              | 97,196             |
| Net assets attributable to holders of redeemable participating shares | -                 | 107,387,286        | -              | 107,387,286        |
|   | <b>2,463,030</b>  | <b>107,685,602</b> | -              | <b>110,148,632</b> |

#### 6. Distributions

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

| Share Class  | 30 June 2013       |                     | 31 December 2012   |                     |
|--------------|--------------------|---------------------|--------------------|---------------------|
|              | Dividend per share | Gross Amount<br>EUR | Dividend per share | Gross Amount<br>EUR |
| EUR Class ID | EUR 1.111702       | 258,227             | EUR 0.069665       | 16,163              |
| EUR Class MD | EUR 1.040810       | 31,223              | EUR 0.672741       | 14,118              |
| GBP Class MD | GBP 1.374000       | 1,618               | GBP 0.792553       | 976                 |
| CHF Class MD | CHF 1.335411       | 24,845              | CHF 1.220847       | 22,882              |
|              |                    | <b>315,913</b>      |                    | <b>54,139</b>       |

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Unaudited Financial Statements for the period from 1 January 2013 to 30 June 2013

---

#### 7. 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.

#### 8. Soft commissions

There were no soft commission arrangements affecting the Company during the period 30 June 2013.

#### 9. Net asset value table

The following tables disclose the dealing Net Asset Value, the shares in issue and Net Asset Value per Share for each Share Class of the Algebris Financial Credit Fund as at 30 June 2013 and as at 31 December 2012.

| <b>30 June 2013</b>     | <b>Net Asset Value</b> | <b>Shares in Issue</b> | <b>Net Asset Value per Share</b> |
|-------------------------|------------------------|------------------------|----------------------------------|
| CHF Class I Shares      | CHF 107,266            | 1,000                  | 107.27                           |
| CHF Class MD Shares     | CHF 2,422,083          | 22,649                 | 106.94                           |
| EUR Class I Shares      | EUR 21,482,301         | 196,482                | 109.33                           |
| EUR Class ID Shares     | EUR 26,157,616         | 246,264                | 106.22                           |
| EUR Class M Shares      | EUR 2,165,861          | 20,369                 | 106.33                           |
| EUR Class R Shares      | EUR 35,369,052         | 355,593                | 99.47                            |
| EUR Class RD Shares     | EUR 20,068,580         | 203,556                | 98.59                            |
| GBP Class ID Shares     | GBP 35,130             | 360                    | 97.58                            |
| GBP Class MD Shares     | GBP 110,410            | 1,000                  | 110.41                           |
| <br>                    |                        |                        |                                  |
| <b>31 December 2012</b> | <b>Net Asset Value</b> | <b>Shares in Issue</b> | <b>Net Asset Value per Share</b> |
| CHF Class I Shares      | CHF 105,617            | 1,000                  | CHF 105.62                       |
| CHF Class MD Shares     | CHF 2,406,874          | 22,649                 | CHF 106.27                       |
| EUR Class I Shares      | EUR 18,397,975         | 170,903                | EUR 107.65                       |
| EUR Class ID Shares     | EUR 24,507,184         | 232,015                | EUR 105.63                       |
| EUR Class M Shares      | EUR 2,085,297          | 20,000                 | EUR 104.26                       |
| EUR Class MD Shares     | EUR 2,271,106          | 20,986                 | EUR 108.22                       |
| GBP Class I Shares      | GBP 160,183            | 1,500                  | GBP 106.79                       |
| GBP Class M Shares      | GBP 14,520             | 142                    | GBP 102.45                       |
| GBP Class MD Shares     | GBP 109,345            | 1,000                  | GBP 109.35                       |

## ALGEBRIS UCITS FUNDS PLC

### Notes to the Unaudited Financial Statements for the period from 1 January 2013 to 30 June 2013

#### 10. Reconciliation of net asset value

The Net Asset Value of each share of each class is determined by dividing the net assets of each class of the Sub-Fund by the total number of shares in issue for the relevant Class. In accordance with the provisions of the Company's prospectus the published Net Asset Value at 30 June 2013 valued quoted investments at the closing mid-market prices at the valuation point. The Directors consider this policy to be appropriate for the purpose of determining the Net Asset Value per share for share subscriptions and redemptions. In the financial statements the quoted investments as at 30 June 2013 have been valued using mid prices in accordance with IFRS 13 which has become applicable from 1 January 2013. Hence no reconciliation is required and not presented. The establishment expenses incurred by the Company are amortised over 5 years in line with the prospectus and were written off in the financial statements in accordance with IFRS.

|                     | NAV calculated<br>in accordance with<br>the prospectus<br>EUR | Preliminary<br>expense<br>EUR | Financial<br>Statements<br>NAV<br>EUR |
|---------------------|---|-------------------------------|---------------------------------------|
| CHF Class I Shares  | 87,266  | (68)                          | 87,198                                |
| CHF Class MD Shares | 1,970,479   | (1,541)                       | 1,968,938                             |
| EUR Class I Shares  | 21,482,301  | (16,801)                      | 21,465,500                            |
| EUR Class ID Shares | 26,157,616  | (20,458)                      | 26,137,158                            |
| EUR Class M Shares  | 2,165,861   | (1,694)                       | 2,164,167                             |
| EUR Class R Shares  | 35,369,052  | (27,662)                      | 35,341,390                            |
| EUR Class RD Shares | 20,068,580  | (15,696)                      | 20,052,884                            |
| GBP Class ID Shares | 41,079  | (32)                          | 41,047                                |
| GBP Class MD Shares | 129,105   | (101)                         | 129,004                               |
| <b>Total</b>        | <b>107,471,339</b>  | <b>(84,053)</b>               | <b>107,387,286</b>                    |

#### 11. Exchange rates

The following exchange rates were used to translate assets and liabilities into the functional currency Euro at 30 June 2013 and 31 December 2012 for the Fund:

|                      | 30 June 2013 | 31 December 2012 |
|----------------------|--------------|------------------|
| Swiss francs         | 0.8135       | 0.8275           |
| Euro                 | 1.0000       | 1.0000           |
| Pound Sterling       | 1.1693       | 1.2319           |
| United States Dollar | 0.7686       | 0.7577           |

#### 12. Related parties

The below table provides an analysis of related party transactions for the period ended 30 June 2013.

|                               | Relationship                    | Transaction type                  | Fees paid  |
|-------------------------------|---------------------------------|-----------------------------------|------------|
| Algebris Investments (UK) LLP | Investment Manager,<br>Promoter | Investment management<br>services | See note 3 |

Robert Hennessy is a director of the Company and an employee of KB Associates, who provide operational and compliance monitoring services to the company. KB Associates fees for the period ended 30 June 2013 amounted to EUR11,340 of which EUR18,543 (31 December 2012: EUR5,853) was payable at period end.

Fees paid to the Directors and the Company Secretary for the period ended 30 June 2013 is included in note 3 of these financial statements.



## ALGEBRIS UCITS FUNDS PLC

### Notes to the Unaudited Financial Statements for the period from 1 January 2013 to 30 June 2013

---

#### **13. Significant events during the period**

A revised prospectus for the Company, providing for the new R Share Classes, was issued on 21 January 2013.

#### **14. Significant events subsequent to the period end**

A new Sub-Fund called the Algebris Financial Income Fund was launched on 13 August 2013.

#### **15. Approval of financial statements**

The financial statements were approved and authorised for issue by the Board of Directors on 20 August 2013.

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (Unaudited)**

As at 30 June 2013

| <b>Holdings</b>                | <b>Financial Assets at Fair Value Through Profit or Loss</b> | <b>Fair Value<br/>EUR</b>     | <b>% of Net<br/>Asset Value</b> |
|--------------------------------|--|-------------------------------|---------------------------------|
| <b>Equity Securities</b>       |  |                               |                                 |
| <b>Netherlands</b>             |  |                               |                                 |
| 47,000                         | ING Groep 8.5% (Preferred) Perpetual                         | <b>914,351</b><br>914,351     | <b>0.85</b><br>0.85             |
| <b>United Kingdom</b>          |  |                               |                                 |
| 21,000                         | Royal Bank of Scotland (Series S) 6.6% (Preferred) Perpetual | <b>922,860</b><br>351,722     | <b>0.86</b><br>0.33             |
| 35,000                         | Royal Bank of Scotland (Series M) (Preferred)                | 571,138                       | 0.53                            |
| <b>United States</b>           |  |                               |                                 |
| 177,759                        | Countrywide Capital 7% (Preferred)                           | <b>5,866,423</b><br>3,437,676 | <b>5.46</b><br>3.20             |
| 70,000                         | Goldman Sachs Group (Series J)                               | 1,298,847                     | 1.21                            |
| 60,000                         | Regions Financial (Series A) 6.375% (Preferred) Perpetual    | 1,129,900                     | 1.05                            |
| <b>Total Equity Securities</b> |  | <b>7,703,634</b>              | <b>7.17</b>                     |
| <b>Fixed Income Securities</b> |  |                               |                                 |
| <b>Austria</b>                 |  |                               |                                 |
| 1,250,000                      | Erste Group Bank 6.375% 28/03/2023                           | <b>1,654,759</b><br>989,662   | <b>1.54</b><br>0.92             |
| 600,000                        | Erste Group Bank 7.125% 10/10/2022                           | 665,097                       | 0.62                            |
| <b>Belgium</b>                 |  |                               |                                 |
| 2,400,000                      | AG Insurance Perpetual                                       | <b>1,873,974</b><br>1,873,974 | <b>1.75</b><br>1.75             |
| <b>France</b>                  |  |                               |                                 |
| 600,000                        | CNP Assurances 30/09/2041                                    | <b>3,692,848</b><br>673,316   | <b>3.44</b><br>0.63             |
| 3,900,000                      | Societe Generale Perpetual                                   | 3,019,532                     | 2.81                            |
| <b>Germany</b>                 |  |                               |                                 |
| 300,000                        | Allianz 17/10/2042   | <b>5,681,946</b><br>326,493   | <b>5.29</b><br>0.30             |
| 5,000,000                      | Deutsche Bank 24/05/2028                                     | 3,564,566                     | 3.32                            |
| 500,000                        | HSH Nordbank 14/02/2017                                      | 312,500                       | 0.29                            |
| 2,381,000                      | HSH Nordbank 14/02/2017                                      | 1,478,387                     | 1.38                            |
| <b>Guernsey</b>                |  |                               |                                 |
| 3,950,000                      | Credit Suisse Group Guernsey 24/02/2041                      | <b>3,190,331</b><br>3,190,331 | <b>2.97</b><br>2.97             |
| <b>Ireland</b>                 |  |                               |                                 |
| 1,075,000                      | Swiss Reinsurance Perpetual                                  | <b>5,953,539</b><br>885,846   | <b>5.54</b><br>0.82             |
| 1,500,000                      | Bank of Ireland 10% 30/07/2016                               | 1,530,818                     | 1.42                            |
| 250,000                        | Governor & Co of the Bank of Ireland 10% 19/12/2022          | 264,375                       | 0.25                            |
| 2,750,000                      | UT2 Funding 30/06/2016                                       | 3,272,500                     | 3.05                            |

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (Unaudited) (continued)**

As at 30 June 2013

| <b>Holdings</b>                            | <b>Financial Assets at Fair Value Through Profit or Loss</b> | <b>Fair Value<br/>EUR</b> | <b>% of Net<br/>Asset Value</b> |
|--|--|---------------------------|---------------------------------|
| <b>Fixed Income Securities (continued)</b> |  |                           |                                 |
| <b>Italy</b>                               |  | <b>7,126,318</b>          | <b>6.64</b>                     |
| 605,000                                    | Intesa Sanpaolo 18/03/2024                                   | 569,451                   | 0.53                            |
| 200,000                                    | Intesa Sanpaolo 4.125% 19/09/2016                            | 206,702                   | 0.19                            |
| 2,000,000                                  | Intesa Sanpaolo Perpetual                                    | 2,048,540                 | 1.91                            |
| 3,500,000                                  | Unicredit 02/05/2023   | 2,627,515                 | 2.45                            |
| 500,000                                    | Unicredit 5% 01/02/2016                                      | 569,967                   | 0.53                            |
| 1,075,000                                  | Unicredit 6.95% 31/10/2022                                   | 1,104,143                 | 1.03                            |
| <b>Jersey</b>                              |  | <b>3,392,233</b>          | <b>3.16</b>                     |
| 50,000                                     | HBOS Capital Funding Perpetual                               | 54,082                    | 0.05                            |
| 2,887,000                                  | HBOS Sterling Finance Jersey Perpetual                       | 3,338,151                 | 3.11                            |
| <b>Luxembourg</b>                          |  | <b>895,932</b>            | <b>0.83</b>                     |
| 800,000                                    | Unicredit International Bank Perpetual                       | 895,932                   | 0.83                            |
| <b>Netherlands</b>                         |  | <b>6,513,405</b>          | <b>6.07</b>                     |
| 3,100,000                                  | ABN Amro Bank 7.125% 06/07/2022                              | 3,521,616                 | 3.28                            |
| 2,700,000                                  | Delta Lloyd Levensverzek 29/08/2042                          | 2,991,789                 | 2.79                            |
| <b>Spain</b>                               |  | <b>8,848,441</b>          | <b>8.24</b>                     |
| 4,800,000                                  | Banco Bilbao Vizcaya ARG Perpetual                           | 3,543,514                 | 3.30                            |
| 1,000,000                                  | BBVA International Preferred Uniperson Perpetual             | 680,246                   | 0.63                            |
| 2,600,000                                  | Santander Finance Preferred Uniper (Series 8) Perpetual      | 3,124,142                 | 2.91                            |
| 1,000,000                                  | Santander Issuances (Series 24) 27/07/2019                   | 1,198,565                 | 1.12                            |
| 300,000                                    | Santander International Debt 4% 24/01/2020                   | 301,974                   | 0.28                            |
| <b>Switzerland</b>                         |  | <b>7,113,842</b>          | <b>6.62</b>                     |
| 1,500,000                                  | UBS 22/05/2023   | 1,093,570                 | 1.02                            |
| 1,000,000                                  | UBS Jersey Branch 22/02/2022                                 | 817,852                   | 0.76                            |
| 6,150,000                                  | UBS Stamford 7.625% 17/08/2022                               | 5,202,420                 | 4.84                            |
| <b>Turkey</b>                              |  | <b>347,237</b>            | <b>0.32</b>                     |
| 500,000                                    | Yapi Ve Kredi Bankasi 5.5% 06/12/2022                        | 347,237                   | 0.32                            |
| <b>United Kingdom</b>                      |  | <b>15,610,359</b>         | <b>14.54</b>                    |
| 1,500,000                                  | Bank of Scotland (Series B) Perpetual                        | 1,746,104                 | 1.63                            |
| 1,000,000                                  | Barclays Bank 6.625% 30/03/2022                              | 1,123,485                 | 1.05                            |
| 3,110,000                                  | Barclays Bank 7.625% 21/11/2022                              | 2,362,531                 | 2.20                            |
| 1,850,000                                  | Direct Line Insurance 27/04/2042                             | 2,552,261                 | 2.38                            |
| 800,000                                    | LBG Capital No 1 6.439% 23/05/2020                           | 795,372                   | 0.74                            |
| 1,000,000                                  | LBG Capital No 2 (Series 21) 15% 21/12/2019                  | 1,668,051                 | 1.55                            |
| 194,000                                    | LBG Capital No 2 (Series 23) 15% 22/01/2029                  | 356,457                   | 0.33                            |
| 50,000                                     | LBG Capital No 2 (Series 50) 8.5% 07/06/2032                 | 60,542                    | 0.06                            |
| 500,000                                    | LBG Capital No.1 (Series 8) 7.869% 25/08/2020                | 600,159                   | 0.56                            |

# ALGEBRIS UCITS FUNDS PLC

## Algebris Financial Credit Fund

### Schedule of Investments (Unaudited) (continued)

As at 30 June 2013

| Holdings                                   | Financial Assets at Fair Value Through Profit or Loss | Fair Value<br>EUR | % of Net<br>Asset Value |
|--|---|-------------------|-------------------------|
| <b>Fixed Income Securities (continued)</b> |   |                   |                         |
| <b>United Kingdom (continued)</b>          |   |                   |                         |
| 250,000                                    | Lloyds TSB Bank 12/02/2024                            | 304,625           | 0.28                    |
| 500,000                                    | Lloyds TSB Bank 19/12/2021                            | 415,173           | 0.39                    |
| 50,000                                     | Lloyds TSB Bank 13% Perpetual                         | 68,750            | 0.06                    |
| 2,050,000                                  | Royal Bank of Scotland 16/03/2022                     | 2,043,256         | 1.90                    |
| 1,300,000                                  | Royal Bank of Scotland 6.125% 15/12/2022              | 953,898           | 0.89                    |
| 500,000                                    | Scottish Widows 5.5% 16/06/2023                       | 559,695           | 0.52                    |
| <b>United States</b>                       |   | <b>17,086,608</b> | <b>15.91</b>            |
| 1,250,000                                  | Abbey National Capital Trust I Perpetual              | 1,155,361         | 1.08                    |
| 1,200,000                                  | Bank of America (Series U) Perpetual                  | 867,025           | 0.81                    |
| 2,800,000                                  | Citigroup Perpetual                                   | 2,149,500         | 2.00                    |
| 4,000,000                                  | Deutsche Bank Capital Trust III Perpetual             | 2,646,118         | 2.46                    |
| 864,000                                    | Deutsche Capital Trust IV (Series *) Perpetual        | 571,130           | 0.53                    |
| 1,750,000                                  | Dresdner Funding Trust I 8.151% 30/06/2031            | 1,372,398         | 1.28                    |
| 100,000                                    | Dresdner Funding Trust I (Preferred) (144A) 8.151%    | 78,457            | 0.07                    |
| 325,000                                    | HVB Funding Trust I (144A) 8.741% 30/06/2031          | 243,563           | 0.23                    |
| 1,630,000                                  | HVB Funding Trust III (144A) 9% 22/10/2031            | 1,234,089         | 1.15                    |
| 1,115,000                                  | ING Capital Funding Trust III (Series 9) Perpetual    | 829,179           | 0.77                    |
| 1,000,000                                  | Pennymac (144A) Conv 5.375% 01/05/2020                | 736,099           | 0.68                    |
| 1,500,000                                  | Prudential Financial 15/03/2044                       | 1,095,311         | 1.02                    |
| 1,000,000                                  | Synovus Financial 5.125% 15/06/2017                   | 760,953           | 0.71                    |
| 500,000                                    | Synovus Financial 7.875% 15/02/2019                   | 430,438           | 0.40                    |
| 4,000,000                                  | Zions Perpetual                                       | 2,916,987         | 2.72                    |
| <b>Total Fixed Income Securities</b>       |   | <b>88,981,772</b> | <b>82.86</b>            |
| <b>Forward Contracts*</b>                  |   |                   |                         |
| Buy EUR 16,232,757                         | Sell GBP 13,820,000 18/09/2013                        | 87,170            | 0.08                    |
| Buy USD 1,740,000                          | Sell EUR 1,299,889 18/09/2013                         | 37,060            | 0.03                    |
| Buy USD 3,490,000                          | Sell EUR 2,663,744 18/09/2013                         | 17,838            | 0.02                    |
| Buy CHF 2,486,300                          | Sell EUR 2,006,841 02/07/2013                         | 15,900            | 0.02                    |
| Buy EUR 430,083                            | Sell AUD 600,000 18/09/2013                           | 11,306            | 0.01                    |
| Buy CHF 2,406,900                          | Sell EUR 1,957,275 18/09/2013                         | 1,575             | -                       |
| Buy CHF 109,800                            | Sell EUR 88,626 02/07/2013                            | 702               | -                       |
| Buy CHF 106,600                            | Sell EUR 86,686 18/09/2013                            | 70                | -                       |
| Buy EUR 28,931                             | Sell CHF 35,500 02/07/2013                            | 50                | -                       |
| Buy CHF 25,500                             | Sell EUR 20,707 02/07/2013                            | 39                | -                       |
| Buy EUR 24,931                             | Sell CHF 30,600 02/07/2013                            | 37                | -                       |
| Buy GBP 109,700                            | Sell EUR 128,124 18/09/2013                           | 36                | -                       |
| Buy EUR 2,005                              | Sell GBP 1,700 02/07/2013                             | 17                | -                       |
| Buy GBP 34,910                             | Sell EUR 40,773 18/09/2013                            | 12                | -                       |
| Buy EUR 1,294                              | Sell GBP 1,100 02/07/2013                             | 8                 | -                       |
| Buy EUR 602                                | Sell GBP 510 02/07/2013                               | 5                 | -                       |

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (Unaudited) (continued)**

As at 30 June 2013

| <b>Holdings</b>   | <b>Financial Assets at Fair Value Through Profit or Loss</b> | <b>Fair Value<br/>EUR</b> | <b>% of Net<br/>Asset Value</b> |
|---|--|---------------------------|---------------------------------|
| <b>Forward Contracts*(continued)</b>  |  |                           |                                 |
| Buy EUR 823 Sell GBP 700 02/07/2013   |  | 4                         | -                               |
| Buy EUR 1,141 Sell CHF 1,400 02/07/2013                                     |  | 2                         | -                               |
| Buy EUR 1,141 Sell CHF 1,400 02/07/2013                                     |  | 2                         | -                               |
| Buy CHF 1,100 Sell EUR 893 02/07/2013                                       |  | 2                         | -                               |
| Buy EUR 388 Sell GBP 330 02/07/2013   |  | 2                         | -                               |
| Buy EUR 247 Sell GBP 210 02/07/2013   |  | 1                         | -                               |
| Buy EUR 1,521 Sell GBP 1,300 02/07/2013                                     |  | 1                         | -                               |
| Buy GBP 370 Sell EUR 433 02/07/2013   |  | -                         | -                               |
| Buy EUR 515 Sell GBP 440 02/07/2013   |  | -                         | -                               |
| <b>Total Forward Contracts</b>  |  | <b>171,839</b>            | <b>0.16</b>                     |
| <b>Total Financial Assets at Fair Value<br/>Through Profit or Loss</b>      |  | <b>96,857,245</b>         | <b>90.19</b>                    |
| <b>Forward Contracts*</b>   |  |                           |                                 |
| Buy EUR 51,541,705 Sell USD 68,595,000 18/09/2013                           |  | (1,164,055)               | (1.08)                          |
| Buy EUR 4,073,582 Sell USD 5,380,000 18/09/2013                             |  | (60,203)                  | (0.06)                          |
| Buy EUR 1,842,381 Sell USD 2,460,000 18/09/2013                             |  | (47,789)                  | (0.04)                          |
| Buy GBP 2,380,000 Sell EUR 2,804,649 18/09/2013                             |  | (24,150)                  | (0.02)                          |
| Buy EUR 1,586,955 Sell GBP 1,360,000 18/09/2013                             |  | (1,901)                   | -                               |
| Buy EUR 1,956,511 Sell CHF 2,406,900 02/07/2013                             |  | (1,634)                   | -                               |
| Buy EUR 882,965 Sell USD 1,150,000 18/09/2013                               |  | (651)                     | -                               |
| Buy GBP 113,300 Sell EUR 132,612 02/07/2013                                 |  | (130)                     | -                               |
| Buy EUR 20,007 Sell CHF 24,700 02/07/2013                                   |  | (88)                      | -                               |
| Buy EUR 86,653 Sell CHF 106,600 02/07/2013                                  |  | (72)                      | -                               |
| Buy EUR 128,229 Sell GBP 109,700 02/07/2013                                 |  | (44)                      | -                               |
| Buy GBP 36,030 Sell EUR 42,171 02/07/2013                                   |  | (41)                      | -                               |
| Buy EUR 11,438 Sell CHF 14,100 02/07/2013                                   |  | (33)                      | -                               |
| Buy EUR 40,807 Sell GBP 34,910 02/07/2013                                   |  | (14)                      | -                               |
| Buy EUR 810 Sell CHF 1,000 02/07/2013                                       |  | (4)                       | (0.01)                          |
| Buy EUR 406 Sell CHF 500 02/07/2013   |  | (1)                       | -                               |
| Buy GBP 1,200 Sell EUR 1,405 02/07/2013                                     |  | (1)                       | -                               |
| <b>Total Forward Contracts</b>  |  | <b>(1,300,811)</b>        | <b>(1.21)</b>                   |
| <b>Total Financial Liabilities at Fair Value<br/>Through Profit or Loss</b> |  | <b>(1,300,811)</b>        | <b>(1.21)</b>                   |

**ALGEBRIS UCITS FUNDS PLC**

**Algebris Financial Credit Fund**

**Schedule of Investments (Unaudited) (continued)**

As at 30 June 2013

| <b>Holdings</b> | <b>Financial Assets at Fair Value Through Profit or Loss</b>  | <b>Fair Value<br/>EUR</b> | <b>% of Net<br/>Asset Value</b> |
|-----------------|---|---------------------------|---------------------------------|
|                 | <b>Net Financial Assets and Liabilities at Fair Value<br/>Through Profit or Loss</b>                      | <b>95,556,434</b>         | <b>88.98</b>                    |
|                 | <b>Other Net Assets</b>   | <b>11,830,852</b>         | <b>11.02</b>                    |
|                 | <b>Total Net Assets Attributable to Holders of<br/>Redeemable Participating Shares</b>                    | <b>107,387,286</b>        | <b>100.00</b>                   |
|                 |   |                           | <b>% of total assets</b>        |
|                 | Transferable securities admitted to an official stock<br>exchange listing or traded in a regulated market | 96,685,406                | 86.75                           |
|                 | Over the counter financial derivatives  | 171,839                   | 0.16                            |
|                 | Cash and other current assets   | 14,592,198                | 13.09                           |
|                 | <b>Total</b>  | <b>111,449,443</b>        | <b>100.00</b>                   |

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

# ALGEBRIS UCITS FUNDS PLC

## Algebris Financial Credit Fund

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

Top 20 Purchases as at 30 June 2013

---

| <b>Purchases</b>                            | <b>Cost<br/>EUR</b> |
|---|---------------------|
| Deutsche Bank 24/05/2028                    | 3,800,800           |
| ABN Amro Bank 7.125% 06/07/2022             | 3,794,686           |
| Banco Bilbao Vizcaya ARG Perpetual          | 3,570,991           |
| HBOS Sterling Finance Jersey Perpetual      | 3,491,064           |
| Zions Perpetual                             | 3,107,941           |
| UBS Stamford 7.625% 17/08/2022              | 2,979,431           |
| Unicredit 02/05/2023                        | 2,688,792           |
| Deutsche Bank Capital Trust III Perpetual   | 2,637,359           |
| Direct Line Insurance 27/04/2042            | 2,463,030           |
| UT2 Funding 30/06/2016                      | 2,445,000           |
| Delta Lloyd Levensverzek 29/08/2042         | 2,382,038           |
| Countrywide Capital 7% (Preferred)          | 2,333,976           |
| Intesa Sanpaolo Perpetual                   | 2,230,075           |
| Bank of Ireland 10% 30/07/2016              | 1,927,389           |
| Bank of Scotland (Series B) Perpetual       | 1,874,263           |
| AG Insurance Perpetual                      | 1,865,679           |
| Regions Financing 15/05/2047                | 1,765,988           |
| LBG Capital No 2 (Series 21) 15% 21/12/2019 | 1,704,988           |
| Barclays Bank 7.625% 21/11/2022             | 1,641,009           |
| Societe Generale Perpetual                  | 1,573,628           |

# ALGEBRIS UCITS FUNDS PLC

## Algebris Financial Credit Fund

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

Top 20 Sales as at 30 June 2013

---

| <b>Sales</b>  | <b>Proceeds<br/>EUR</b> |
|---|-------------------------|
| BBVA International Preferred Uniperson (Series F) Perpetual | 2,621,930               |
| Regions Financing 15/05/2047                                | 1,923,225               |
| BBVA US Senior Uniper 4.664% 09/10/2015                     | 1,580,143               |
| Man Strategic Holdings Limited 11% Perpetual                | 1,378,156               |
| Banco Espirito Santo 5.875% 09/11/2015                      | 1,259,118               |
| Allianz 17/10/2042  | 1,129,128               |
| Barclays Bank (Series RCI) Perpetual                        | 1,001,007               |
| Santander International Debt 4% 24/01/2020                  | 994,261                 |
| Societe Generale Perpetual                                  | 640,360                 |
| Lloyds TSB Bank 29/05/2020                                  | 583,007                 |
| Nationwide Building Society 4.125% 20/03/2023               | 394,822                 |
| Bank of Ireland 10% 30/07/2016                              | 328,687                 |
| SRLEV 15/04/2041  | 247,371                 |
| VTB Bank Perpetual  | 215,152                 |
| BNP Paribas Perpetual                                       | 214,968                 |
| BBVA Senior Finance (Series GMTN) 4.375% 21/09/2015         | 209,751                 |
| Unicredit Luxembourg Finance 6% 31/10/2017                  | 198,060                 |
| Intesa Sanpaolo 3.625% 12/08/2015                           | 119,399                 |
| Unicredit 4.375% 11/09/2015                                 | 107,239                 |
| RZB Finance Jersey IV Perpetual                             | 80,572                  |