

Eschler Recovery Fund SP

JANUARY 2013 NAV

OVERVIEW

Eschler Asset Management LLP is an independent asset management company headquartered in London, UK specializing in equity investing. Eschler Recovery Fund SP invests in a concentrated portfolio of securities with strong recovery potential. Recovery Fund SP is a segregated portfolio of Eschler Global Fund SPC and commenced trading on 8 October 2012.

PERFORMANCE

USD B Share Class		Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sept	Oct	Nov	Dec	YTD
	2012										1.20%	-0.18%	6.96%	8.05%
	2013	9.71%												9.71%

RISK-RETURN ANALYSIS (fund information accurate as of January 31, 2013)

Fund Value (USD millions)			2.9
January 2013 Return (USD)*			9.71%
Net NAV and ITD Return (October 8 2012)	USD B	118.54	18.54%
Predicted Volatility (daily, annualized, % of NAV)			11%
% Days up			64%
% Days down			36%

DELTA-ADJUSTED PORTFOLIO EXPOSURE

Long equity	91%
Short equity	0%
Gross	91%
Net	91%
Beta Adjusted Net	65%

REGIONAL EXPOSURE (January 31, 2013, as % of NAV, before delta-adjustment)

	Long	Short	Gross	Net
Europe	27%	0%	27%	27%
Americas	62%	0%	62%	62%
Asia	2%	0%	2%	2%
Index Options	0.0%	0.0%	0.0%	0.0%
Total	91%	0%	91%	91%

SECTOR EXPOSURE (January 31, 2013, as % of NAV, before delta-adjustment)

	Long	Short	Gross	Net
Financial/Property/HoldCo	51%	0%	51%	51%
Healthcare	12%	0%	12%	12%
Materials	9%	0%	9%	9%
Energy	9%	0%	9%	9%
TMT	6%	0%	6%	6%
Industrials	2%	0%	2%	2%
Consumer Staples	2%	0%	2%	2%
Index Options	0%	0%	0%	0%
Consumer Discretionary	0%	0%	0%	0%
Utilities	0.0%	0.0%	0.0%	0.0%
Country	0%	0%	0%	0%

TOP TEN EQUITY POSITIONS (ranked by % of NAV)

Position	% NAV
Dolphin Capital Investors	10.8
Chesapeake Energy	9.2
Greenlight Re	9.2
Small Cap Gold Stock Basket	9.1
TVC Holdings Plc	8.6
Fairfax Financial	8.1
Delta Lloyd NV	7.9
Level 3 Communications	5.6
Infusystem Holdings	5.2
First Bank of Delaware Liquidation trust	3.2

CONTACT INFORMATION

Theron de Ris
 Founding Partner
 Eschler Asset Management LLP
 Heathcoat House, 5th Floor, 20 Savile Row
 London W1S 3PR
 Tel: + 44 20 7659 4007
theron@eschlerasset.com
www.aschelerasset.com

PORTFOLIO CHARACTERISTICS

Number of Long Equity Positions	14
Number of Short Equity Positions	0
Top 10 Longs as % Equity	77%
Top 10 Shorts as % Equity	0%

DELTA-ADJUSTED MARKET CAP EXPOSURE

	Long	Short	Gross	Net
Large (>\$5 Bil)	26%	0%	26%	26%
Mid (\$1Bil - \$5 Bil)	7%	0%	7%	7%
Small (<\$1 Bil)	58%	0%	58%	58%
Total	91%	0%	91%	91%

REGIONAL ATTRIBUTION (bp contribution to monthly total return)

	Long	Short	Net
Americas	246	24	270
Europe	476	0	476
Asia	210	0	210
Index Options	0	0	0
FX	15	0	15
Total	947	24	971

SECTOR ATTRIBUTION (Ranked contribution to monthly total return)

	Best to Worst
Financial/Property/HoldCo	1
Industrials	2
Energy	3
TMT	4
Healthcare	5
Consumer Staples	6
Materials	7
Utilities	NA
Consumer Discretionary	NA

STOCK ATTRIBUTION: TOP & BOTTOM 5 (ranked contribution to monthly total return)

	Best
+Dolphin Capital Investors (UK)	1
+Daihatsu Diesel (Japan)	2
+Chesapeake Energy (USA)	3
+Delta Lloyd NV (Netherlands)	4
+Greenlight Re (Bermuda)	5
	Worst
-Small Cap Gold Basket (North America)	1
-Fairfax Financial (Canada)	2
-Microcap Bank Basket (USA)	3
-Armanino Foods of Distinction (USA)	4
-IC Potash (USA)	5

TERMS

Management/Incentive Fees	0% / 25% over 6%
Liquidity	Annual / Monthly Subscriptions
Prime Broker	Morgan Stanley
Custodian	Morgan Stanley
Administrator	Trinity (Cayman)
Auditor	Baker Tilley (Cayman)
Domicile	Cayman Islands
Legal Counsel	Ogier

*Past performance is not necessarily indicative of future results. Certain performance information presented herein contains unaudited estimates which will be adjusted when final. The foregoing should not be deemed an offer to sell or a solicitation of an offer to buy an interest in Eschler Recovery Fund SP.

This document is issued by Eschler Asset Management LLP, which is authorised and regulated by the Financial Services Authority (the "FSA"). This document refers to the Eschler Global Fund SPC (the "Fund") which is Cayman domiciled. This information contained in this document is strictly confidential. Eschler Asset Management LLP is not registered as an investment advisor with the SEC and therefore this website is neither directed at nor intended for US investors. The information contained on this website is strictly confidential. The information contained herein does constitute and offer to sell or the solicitation of any offer to buy or sell securities and or any derivatives and may not be reproduced, further distributed or published by any recipient without prior permission from Eschler Asset Management LLP. The information contained in this document is for background purposes only and does not purport to be full or complete. Nor does this document constitute investment advice. No representation, warranty, or undertaking, express or limited is given as to the accuracy or completeness of the information or opinions contained in this document by any of Eschler Asset Management LLP its partners or employees and no liability is accepted by such persons for the accuracy or completeness of any information or opinions. As such, no reliance may be placed on the information and opinions contained in this document. Some of the funds referred to herein are Unregulated Collective Investment Schemes ("UCIS") for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom (the "Act") and as a consequence their promotion is restricted by law. In addition investors may not have the benefit of the Financial Services Compensation Scheme and other protections afforded by the Act or any of the rules and regulations made thereunder.

Authorized and regulated by the Financial Services Authority