



2010 Quarter 3 – Investment Letter

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1 General Overview

Tuesday, 5 October 2010

Dear Partners:

The Fund finished the third quarter of 2010 3,36% in the plus. The year to date performance is 12,21%. The Fund is up 73,57% since the start of the Fund versus 16,42% for the MSCI World Index (in €). The Net Asset Value of the Fund is 173,57.

Below are the results of the Tartaros Global Value Fund since its inception on the 21st of October 2008 (cf. part two for the fund overview); also shown is the return of a major market index (we would like to stress that there is no specific benchmark for the Fund; the comparison to the market index is only provided as an indication to the broader market context):

Returns % (in € - net of all fees)*

2008	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	ytd
<i>Fund</i>										5,36	-3,82	4,89	6,30
<i>Msci world</i>										1,11	-6,50	-5,75	-10,90
2009	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	ytd
<i>Fund</i>	8,54	-2,06	2,80	10,62	9,59	-3,94	4,45	0,27	2,60	-0,50	4,53	2,32	45,52
<i>Msci world</i>	-1,05	-9,25	1,91	11,18	2,28	-0,87	8,34	2,93	1,27	-2,97	2,33	6,05	22,67
2010	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	ytd
<i>Fund</i>	-3,21	5,62	1,96	5,19	-0,68	-0,32	-3,89	4,8	2,63				12,21
<i>Msci world</i>	-1,17	4,19	6,64	1,07	-2,47	-3,34	1,74	-1,29	1,37				6,52

*The MSCI World is a stock market index of "world" stocks. It is maintained by M.S.C.I., formerly Morgan Stanley Capital International. The index includes equities from 23 countries, and has been calculated since 1969.

*Please note that individual investor net returns will vary due to the timing of one's investment. The 2010 results reported above are unaudited estimates and may be subject to change.

Boring

I've been investing in boring things, and boring has been pretty good.

- Jeffrey Saut

We would like to re-iterate what we previously mentioned: it is important to keep emphasizing the focus on the long term. So it should be noted – once again – that we expect our first negative quarterly return sooner rather than later. Moreover, the Fund portfolio is a fairly concentrated one, and significant volatility is to be expected. We fully expect and recommend that partners in this investment vehicle judge the performance over a period of four years or greater. This should prove to be the most fruitful way to participate in and evaluate the Fund. Short term performance (monthly, quarterly or yearly) has become the fabric of the investment industry and your support allows us to have an important edge in that regard. The Fund is not managed on a quarterly or even yearly basis, nor do we know how one would do that. So



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very little predictive value can be conveyed in simple quarterly performance numbers. Our focus – with your support – will always be on the long term.

Successful (value) investing is not exciting. It is not glamorous. It is somewhere just above the excitement level of watching a plant grow. When it comes to growing your wealth, your biggest enemies are likely to be the conflicting forces of emotion, i.e. our worst enemies, the infamous greed and fear. In that respect, don't expect us to make grand statements or to have exciting things to tell every single quarter. We are focused on planting seeds in fertile ground and watching them grow. The investment community goes out everyday and stares at the dark, muddy ground, expecting a bright flower to pop up overnight. Of course, it doesn't work that way. Nor does the weather help them. So bored or distraught, too focused on the short term, they give up... It can be very boring out there, but we are waiting...

Housekeeping and next update

We would like to note that we working on setting up the process of issuing year-end statements. We hope we have this up and running by the end of January, so we can provide all of you with year-end statements.

Somebody recently asked us why we don't market the Fund. In all honesty, we don't do dog-and-pony shows. We don't want the Fund to be marketed or promoted to anybody. What we prefer is that investors examine all Fund-related material (prospectus, Q&A, etc.) and read all the quarterly investment letters, to understand our investment strategy before making an investment.

You should receive the next investment letter at the beginning of January.

As always, please feel free to email or call us with any questions or comments you have.

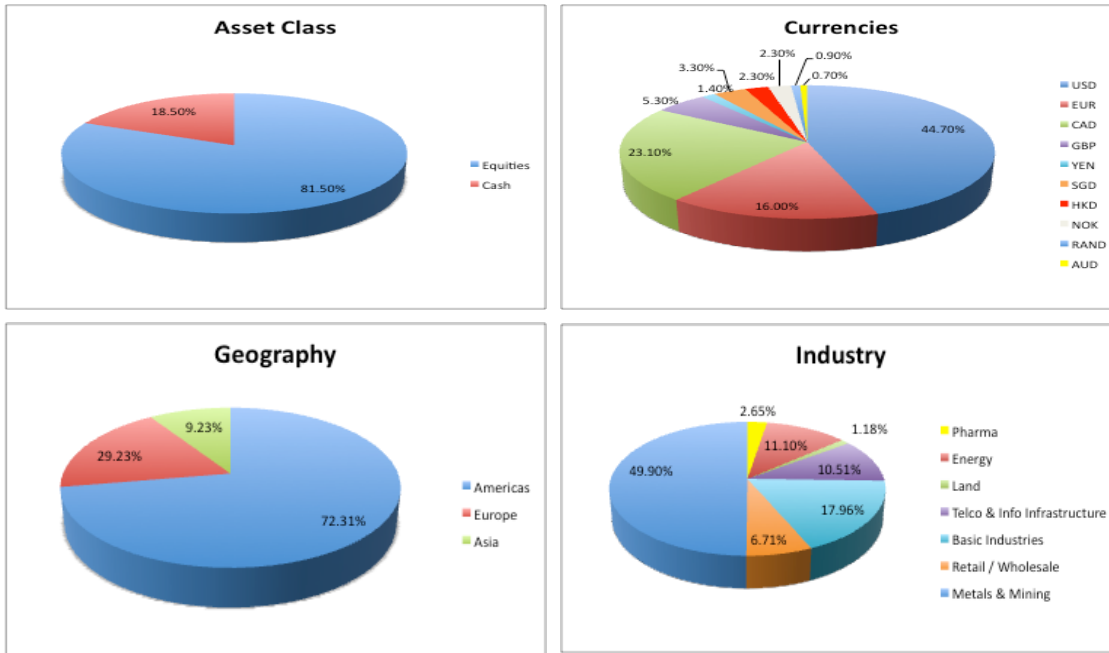
Finally, we would like to welcome 5 new partners to the Fund and would like to thank the current partners for their continued interest and added support!

Best Regards,

The Tartaros Team

2 Fund Overview

2.1 General Overview (end of Q3 2010)



2.2 Fund Positions

We currently have no short positions and no leverage. We are invested long across 31 investment positions. The portfolio is invested in companies across a range of market capitalizations:

Market Capitalizations in USD	% of equities invested
> 5 Billion	10%
1 < 5 Billion	16%
0,5 < 1 Billion	23%
< 0,5 Billion	51%

Position	% of portfolio
Cash	18,52%
Investment 1	10,04%
Investment 2	8,75%
Investment 3	4,78%

We sold out our position in Alapis (0,75% of the Fund at the time of disinvestment) at a 50% loss. And we are in the process of closing out our positions in Vianini Lavori (0,75% of the Fund at the time of disinvestment) at a 14% loss, and our position in Macquarie Atlas Roads (0,58% of the Fund at the time of disinvestment) at a 88% return or a 65,35% annualized return.

It should be noted that all numbers are approximations.

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