

BILLION DOLLAR CLUB (/NEWS/BILLION-DOLLAR-CLUB)**INDUSTRY ANALYSIS (/NEWS/INDUSTRY-ANALYSIS)**

Billion Dollar Club

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The largest 217 American hedge fund firms gain \$20 billion in the first half of 2010, for a total of \$1.202 trillion. The top three firms—Bridgewater Associates, JPMorgan Asset Management and Paulson & Co.—maintain their dominance.

By Katrina Dean Allen

With hedge funds struggling to make money in 2010, it's no surprise that the amount they manage has stagnated. The Billion Dollar Club survey—AR's biannual look at American hedge funds managing \$1 billion or more in assets—shows that the 217 hedge fund firms in that exclusive group managed a combined total of \$1.202 trillion as of July 2010.

That's barely more than they managed at the beginning of the year, when 213 firms held a combined total of \$1.182 trillion, and just 11% more than they managed one year ago, when only 205 firms managed \$1 billion or more and assets stood at \$1.084 trillion. Assets are still a long way from their peak in July 2008, when the biggest 268 American firms managed \$1.675 trillion.

And with the strength of the economic recovery looking increasingly uncertain, the picture isn't likely to change by the end of the year. The market malaise has spread to hedge funds, making it harder and harder for managers to earn big money. U.S. hedge funds had gained just 2.70% in 2010 through the end of August, owing to a tough second quarter, with 75% of hedge funds posting losses in the month of May alone. Some 46% of the \$1 billion-plus hedge funds in the United States either lost assets or stayed flat in the first half of the year, according to data collected by AR.

It is easy to see why veteran managers aren't having quite as much fun as they did in the precrisis era, when big money flowed in for day-one launches and investors were happy to trade transparency for performance. Now investors are scrutinizing funds far more closely,

and new regulations will force managers to deal with more government oversight than ever before.

One of the industry's best-known managers, Stanley Druckenmiller (<http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110185>) of Duquesne Capital Management (<http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110186>), declared in August that he is giving up managing money for outside investors. Though Druckenmiller had been running Duquesne for 30 years, he cited the difficulty of managing money since the market collapse as a factor in deciding to pack it in.

Nevertheless, even though many hedge funds lost money and suffered redemptions in the first half of the year, the biggest firms—particularly those managing \$5 billion or more—still managed to increase assets, if only by 1% to \$851 billion. That is a 11% increase over last year, when in the first half of 2009, firms managing \$5 billion in assets or more totaled \$765 billion. These firms now control 71% of the assets in the Club.

While the largest managers have posted double-digit asset gains on the year, firms managing between \$1 billion and \$5 billion have been less successful. The 145 firms in this group lost a total of \$800 million in the first half of 2010 and now manage a total of \$351.45 billion. That is still a 10% increase over last summer, when 136 firms managed between \$1 billion and \$5 billion and ran a combined total of \$320.11 billion.

Bridgewater Associates (<http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110183>) is the largest hedge fund firm in the United States.¹ It now manages \$50.9 billion and notched far and away the biggest gain in assets so far this year with a stunning \$7.3 billion increase from January. It has added \$13.9 billion in assets over last July. Of the top 10, Bridgewater grew the most in the first half of 2010 and during the past 12 months as well, largely on the back of strong performance. Bridgewater's Pure Alpha Fund II returned 24.9% net of fees through August. Last year Pure Alpha II returned just 1.93%.

By contrast, D.E. Shaw Group plummeted from fifth place to 13th place, having dropped \$5.03 billion, making it the biggest loser in dollars, not by percentage, in this year's survey—a distinction the firm held in the previous Billion Dollar Club survey of hedge fund assets from July 2009 through December. The firm now manages \$17.80 billion. D.E. Shaw has lost more than a third of its total hedge fund assets under management since last summer, with most of that loss happening in the second half of 2009, when the firm paid out redemptions after suspending them in 2008. This year the firm's D.E. Shaw Composite is down an estimated 3.5% through August; last year the fund returned 19.9%.

Another top-five firm, JPMorgan Asset Management, grew its assets by only \$2.7 billion since the beginning of the year, from \$38.4 billion to \$41.1 billion. That growth comes from the JPMorgan side, which increased from \$20.5 billion in January to \$24.64 billion in July, primarily due to inflows across its funds.

Highbridge Capital Management lost money, falling to \$16.46 billion from the \$17.90 billion it managed in January and from \$17.40 billion last summer.

Paulson & Co. and Soros Fund Management held on to third and fourth place, respectively. Paulson's total assets fell \$1 billion from January, when the firm managed \$32 billion. Poor performance in some of its funds in May and June contributed to the decline.

Och-Ziff Capital Management Group knocked D.E. Shaw off its fifth-place perch. Och-Ziff now manages \$25.30 billion. BlackRock moved into sixth place, with a small gain of \$630 million, bringing its total to \$22.83 billion.

One of the best-performing strategies in 2009, distressed investing, continues to be among the top performers of 2010, with the AR Distressed Index returning 6.44% through August, though those gains are far more subdued than last year's, when the index gained 27.07%.

Angelo, Gordon & Co. benefited enormously from this trend in 2009, catapulting to eighth place earlier this year, up from 12th place last summer. This time around the firm has managed to move up another notch to seventh place—edging out Seth Klarman's Baupost Group—with \$22.68 billion in assets, an increase of 9.04% since January and 33.41% since July 2009.

Baupost dropped to eighth place with \$22 billion, while Farallon Capital Management climbed up one spot to ninth place with \$20 billion in hedge fund assets.

King Street Capital Management entered the top 10 for the first time despite losing money in May and June. The firm managed \$19.30 billion as of July 1, a 20.63% increase over its July 2009 assets. The firm's event-driven fund is up 2.58% through August.

The top 10 Billion Dollar Club members have continued to grow assets since the beginning of the year. These firms managed a total of \$282.11 billion as of July 1, up from the combined \$268.93 billion under management they controlled in January and around a 28% increase from July 2009. The number of firms managing \$20 billion or more has fallen to nine, from 11 earlier this year, as both D.E. Shaw and Avenue Capital Group fell below that threshold. Avenue also fell five places to 26th place in AR's recent Hedge Fund Report Card, which evaluates the top

hedge funds based on alignment of interests, alpha generation, independent oversight, infrastructure, transparency and liquidity terms. Yet the number of firms managing \$20 billion or more is still greater than last July, when only seven firms made the cut.

Newer hedge fund firms recorded the biggest gains in assets by percentage over the last year, which suggests that although the bulk of new money has gone into the more established names, there is still room for new funds.

Randall Smith's Alden Global Capital, which he launched in October 2008, amassed a 421.74% increase to \$3 billion, despite losing money in May and June. The Alden Global Distressed Opportunities Fund is up 3.6% through July, a far cry from its 186.9% return for 2009. Smith helped train some of the industry's most notable names—including Avenue chairman Marc Lasry, Jim Bennett of James Bennett Management and Smith's son-in-law, Doug Teitelbaum of Bay Harbour Management.

Alex Klabin and Doug Silverman's Senator Investment Group, which began trading in July 2008, gained a hefty 353.40% in assets since last summer, climbing to \$2.27 billion by July 1. The York Capital Management alums manage the Senator Global Opportunity Fund, which invests in distressed debt as well as equities, using value and event-driven analysis. That fund is up 2.97% through August. Former Lehman Brothers executive Robert Millard launched Realm Partners, a multistrategy, event-driven fund last summer, growing assets by \$1 billion over the past year, a 292.57% increase, to \$1.37 billion by July 1.

Only 54% of Billion Dollar Club members added to their assets between January and July of this year.

Following Bridgewater, which secured the highest asset gain since January, AQR Capital Management added \$2.90 billion to its total. JPMorgan has also added \$2.70 billion since January, while Davidson Kempner Advisers gained \$2 billion between January and July of this year (see chart, "Biggest Winners").

The biggest losers by asset decline between January and July after D.E. Shaw were ESL Investments and Avenue Capital Group, which lost \$3.44 billion and \$2 billion, respectively. Stark Investments fell \$1.70 billion to \$4.30 billion by July 1. Stark's flagship fund is up 0.74% through August (see chart, "Biggest Losers").

Each year several funds leave the Billion Dollar Club because assets fall below the \$1 billion mark. So far this year, only nine firms have left the list, compared with the first half of 2009, when 13 firms departed.

Most of these firms missed the mark by only a small amount. They include Analytic Investors, Fox Point Capital Management, Galtere Investments, Palo Alto Investors, Pardus Capital Management, Fidelity's Pyramis Global Advisors, Standard Pacific Capital, Sunrise Capital Partners and Suttonbrook Capital Management.

This year two new firms navigated the choppy spring markets to become members of the Club. Both firms, Realm Partners and Saba Capital Management, launched in 2009. Boaz Weinstein, the ex-head of Deutsche Bank's proprietary trading group, rolled out Saba's long/short credit opportunity funds last August and has since grown assets to \$1.1 billion.

American hedge funds still control the bulk of assets worldwide. New York remains the hub for American hedge funds, accounting for \$714.77 billion, or 59%, of assets managed by the biggest 217 firms.

Hedge Fund Intelligence

Firm Name	City	State	AUM 7/1/10	Est.	% change 6- month	% change 12- month
Bridgewater Associates (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110377)	Westport	CT	50.90		16.74%	37.57%
JPMorgan »JPMorgan Asset Management (\$24.64 billion) »Highbridge Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110378) (\$16.46 billion)	New York	NY	41.10		7.03%	14.17%
Paulson & Co.	New York	NY	31.00		-3.13%	13.97%
Soros Fund Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110380)	New York	NY	27.00		0.00%	12.50%
Och-Ziff Capital Management Group	New York	NY	25.30		7.66%	22.22%
BlackRock (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110381)	New York	NY	22.83		2.84%	286.95%
Angelo, Gordon & Co.	New York	NY	22.68		9.04%	33.41%

Baupost Group (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110382)	Boston	MA	22.00		0.92%	15.79%
Farallon Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110383)	San Francisco	CA	20.00	**	-3.19%	11.11%
King Street Capital Management	New York	NY	19.30		1.76%	20.63%
Goldman Sachs Asset Management	New York	NY	19.10	*	7.30%	-8.17%
Avenue Capital Group (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110386)	New York	NY	18.00		-10.00%	5.88%
D.E. Shaw Group	New York	NY	17.80		-24.58%	-33.33%
Elliott Management Corporation	New York	NY	16.90		5.62%	19.86%
Renaissance Technologies (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110387)	East Setauket	NY	15.00		0.00%	-11.76%
Moore Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110388)	New York	NY	15.00		7.14%	7.14%
Appaloosa Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110389)	Chatham	NJ	13.10		9.17%	63.75%
Eton Park Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110390)	New York	NY	13.00		0.00%	8.33%
Davidson Kempner Advisers	New York	NY	13.00	**	18.18%	35.42%
Fortress Investment Group (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110391)	New York	NY	12.91	*	-9.80%	-10.89%
SAC Capital Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110392)	Stamford	CT	12.00		0.00%	0.00%

AQR Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110393)	Greenwich	CT	12.00		31.87%	53.85%
Wellington Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110394)	Boston	MA	11.60		0.87%	16.00%
Viking Global Investors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110395)	New York	NY	11.50		-2.54%	8.49%
York Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110396)	New York	NY	11.46		3.24%	43.25%
Citadel	Chicago	IL	11.00		-4.35%	-8.33%
Canyon Capital Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110397)	Beverly Hills	CA	11.00	**	-1.79%	10.00%
Maverick Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110398)	New York	NY	11.00	**	0.00%	8.91%
Tudor Investment Corp.	Greenwich	CT	11.00	**	10.00%	6.33%
Bain Capital/Brookside Capital Partners	Boston	MA	10.40		-7.14%	1.96%
Duquesne Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110399)	Pittsburgh	PA	10.00	**	0.00%	0.00%
GoldenTree Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110400)	New York	NY	10.00		4.17%	8.70%
Highfields Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110401)	Boston	MA	9.90		-1.00%	6.45%
Grantham, Mayo, Van Otterloo	Boston	MA	9.00	*	5.39%	12.50%
Caxton Associates (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110402)	New York	NY	9.00		12.50%	35.05%

Taconic Capital Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110403)	New York	NY	8.90		9.88%	32.84%
INVESCO	Atlanta	GA	8.70	*	12.99%	6.10%
Marathon Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110404)	New York	NY	8.55	*	10.27%	22.09%
TPG-Axon Capital	New York	NY	8.50	*	-11.46%	-15.00%
Convexity Capital Management	Boston	MA	8.50		6.25%	-0.70%
Shumway Capital Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110405)	Greenwich	CT	8.50		6.25%	54.55%
Adage Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110406)	Boston	MA	8.00	**	0.00%	-16.67%
Anchorage Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110407)	New York	NY	8.00		0.00%	33.33%
Greenlight Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110408)	New York	NY	8.00	**	17.65%	33.75%
Credit Suisse Hedging-Griffo	Sao Paulo	Brazil	7.92		1.49%	8.44%
Perry Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110409)	New York	NY	7.70		8.45%	10.00%
ESL Investments	Greenwich	CT	7.56	**	-31.26%	-22.12%
Cerberus Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110410)	New York	NY	7.45	**	0.40%	-4.19%
Millennium Management	New York	NY	7.10		-4.05%	-34.01%
Magnetar Capital	Evanston	IL	7.10		4.41%	16.58%
Harbinger Capital Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110412)	New York	NY	7.07	**	-11.69%	-5.80%

FrontPoint Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110413) (Morgan Stanley Investment Mgt.)	Greenwich	CT	7.00		7.69%	16.28%
FX Concepts (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110414)	New York	NY	6.90		0.75%	-10.40%
QVT Financial (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110415)	New York	NY	6.70		-9.09%	-21.18%
Lone Pine Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110416)	Greenwich	CT	6.70		-4.29%	-1.47%
UBS O'Connor	New York	NY	6.50		-12.16%	1.56%
Blue Ridge Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110417)	New York	NY	6.50		0.00%	-7.14%
Silver Point Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110418)	Greenwich	CT	6.50		0.00%	8.33%
Mariner Investment Group (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110419)	Harrison	NY	6.45		13.21%	9.37%
Owl Creek Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110420)	New York	NY	6.41		23.00%	67.07%
Pershing Square Capital Management	New York	NY	6.40		15.70%	41.83%
Graham Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110422)	Rowayton	CT	6.33		6.12%	21.69%
Kynikos Associates (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110423)	New York	NY	6.00		0.00%	0.00%
Icahn Capital	New York	NY	5.80		0.00%	13.73%
Chilton Investment Company (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110424)	Stamford	CT	5.70		5.56%	26.67%
Varde Partners	Minneapolis	MN	5.54	**	35.12%	25.91%

Mason Capital Management	New York	NY	5.40		20.00%	54.29%
Diamondback Capital Management	Stamford	CT	5.30	**	17.78%	23.26%
Two Sigma Investments (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110425)	New York	NY	5.30		43.24%	55.88%
Beach Point Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110426)	Los Angeles	CA	5.20	*	-0.76%	20.93%
Carlson Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110427)	Dallas	TX	5.20		8.33%	20.93%
Fir Tree Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110428)	New York	NY	5.18		5.71%	23.33%
Centaurus Advisors	Houston	TX	4.99	**	0.00%	-0.20%
Blenheim Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110429)	Somerset	NJ	4.99	**	66.33%	38.61%
Black River Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110430)	Minnetonka	MN	4.80		2.13%	4.35%
Omega Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110431)	New York	NY	4.80		6.67%	26.32%
HBK Capital Management	Dallas	TX	4.80	*	-5.98%	-21.39%
Eminence Capital	New York	NY	4.75		-0.63%	50.79%
Orbis Investment Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110432)	Hamilton	Bermuda	4.72		2.14%	29.12%
Quantitative Investment Management	Charlottesville	VA	4.65		-17.07%	13.78%
Lazard Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110434)	New York	NY	4.44	*	10.53%	48.00%

Stark Investments (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110435)	St. Francis	WI	4.30	*	-28.33%	-50.89%
Kingdon Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110436)	New York	NY	4.30		4.37%	19.44%
ValueAct Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110437)	San Francisco	CA	4.30		19.44%	19.44%
Glenview Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110438)	New York	NY	4.25		2.16%	7.87%
Brigade Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110439)	New York	NY	4.25		7.03%	-5.56%
Regiment Capital Management	Boston	MA	4.14		-2.13%	7.81%
Partner Fund Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110440)	San Francisco	CA	4.10		2.50%	36.67%
Tiger Global Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110441)	New York	NY	4.00	**	0.00%	0.00%
Tiger Asia Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110442)	New York	NY	3.90	**	-9.30%	-11.36%
Wexford Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110443)	Greenwich	CT	3.83		1.86%	16.06%
BlueMountain Capital Management	New York	NY	3.80		-5.00%	-9.52%
Columbia Management Investment Advisers/J & W Seligman	New York	NY	3.80		12.16%	46.15%
Level Global Investors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110445)	New York	NY	3.78		-6.67%	2.44%

Ivory Investment Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110446)	Los Angeles	CA	3.75		10.24%	27.88%
Crabel Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110447)	Milwaukee	WI	3.70		-22.92%	-36.64%
Redwood Capital Management	Englewood Cliffs	NJ	3.63	**	13.44%	39.62%
Indus Capital Partners	New York	NY	3.60		12.50%	28.57%
MKP Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110448)	New York	NY	3.44		26.01%	78.24%
Oaktree Capital Management	Los Angeles	CA	3.40	*	-6.95%	6.58%
Blackstone Group/GSO Capital Partners	New York	NY	3.40		6.25%	-8.11%
Discovery Capital Management	South Norwalk	CT	3.35	*	26.28%	39.54%
Third Point	New York	NY	3.30		32.00%	83.33%
Neuberger Berman Group	New York	NY	3.20		-3.03%	26.98%
Woodbine Capital Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110449)	New York	NY	3.20		10.34%	#DIV/0!
Halcyon Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110450)	New York	NY	3.20		18.52%	45.45%
GMT Capital	Atlanta	GA	3.14		3.16%	43.35%
Karsch Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110451)	New York	NY	3.10	**	-4.62%	5.08%
Joho Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110452)	New York	NY	3.10		10.71%	19.23%
Ramius LLC	New York	NY	3.02		-6.91%	-19.87%

Contrarian Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110453)	New York	NY	3.00		-3.23%	0.00%
AllianceBernstein (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110454)	New York	NY	3.00		0.00%	0.00%
Monarch Alternative Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110455)	New York	NY	3.00		15.38%	25.00%
Passport Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110456)	San Francisco	CA	3.00		26.64%	36.36%
Alden Global Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110457)	New York	NY	3.00		30.43%	421.74%
Campbell & Co.	Towson	MD	2.90		-19.44%	-25.64%
The Rohatyn Group	New York	NY	2.90		12.20%	22.49%
Perella Weinberg Partners Capital Management	New York	NY	2.88		24.84%	92.38%
Citi Capital Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110459)	New York	NY	2.87		18.20%	49.09%
Ellington Management Group (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110460)	Old Greenwich	CT	2.80		-6.67%	0.00%
Tewksbury Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110461)	Hamilton	Bermuda	2.80	**	0.00%	-9.68%
Conatus Capital Management	Greenwich	CT	2.80		0.00%	40.00%
Ascend Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110462)	San Francisco	CA	2.80		12.00%	55.56%
Zweig-DiMenna Associates	New York	NY	2.70		-12.90%	-20.59%
Solus Alternative Asset Management	New York	NY	2.70		-10.00%	-18.18%
Alydar Partners	Boston	MA	2.70	**	12.50%	22.73%

Plainfield Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110463)	Greenwich	CT	2.60		-21.21%	-33.77%
Ionic Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110464)	New York	NY	2.60		-3.70%	13.04%
Select Equity Group	New York	NY	2.60		8.33%	19.82%
Coatue Capital	New York	NY	2.60		8.33%	30.00%
Whitebox Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110465)	Minneapolis	MN	2.50		-16.53%	-21.75%
Q Investments	Fort Worth	TX	2.50		0.00%	0.00%
BBT Asset Management	Fort Worth	TX	2.50		0.00%	8.70%
Aurelius Capital Management	New York	NY	2.50		42.61%	118.91%
Miura Global	New York	NY	2.40		-11.11%	-4.00%
Touradji Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110466)	New York	NY	2.40		-4.00%	-7.69%
Strategic Value Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110467)	Greenwich	CT	2.40		0.00%	0.00%
Tarpon Investimentos	Sao Paulo	Brazil	2.39		12.16%	81.30%
Artis Capital Management	San Francisco	CA	2.34	**	17.00%	46.25%
Gruss & Co.	New York	NY	2.27		12.05%	40.93%
Senator Investment Group	New York	NY	2.27		53.07%	353.40%
Alyeska Investment Group	Chicago	IL	2.25		12.50%	25.00%
Aristeia Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110468)	New York	NY	2.21		-9.45%	2.69%
JANA Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110469)	New York	NY	2.20		4.76%	17.68%

Kayne Anderson Capital Advisors	Los Angeles	CA	2.20		29.41%	120.00%
Elm Ridge Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110471)	Irvington	NY	2.17		6.90%	66.92%
HighSide Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110472)	Dallas	TX	2.13		-14.72%	-18.00%
Camden Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110473)	Los Angeles	CA	2.13	*	-10.65%	12.22%
One William Street Capital Management	New York	NY	2.13		16.39%	71.77%
EOS Partners	New York	NY	2.10		0.00%	53.85%
Pine River Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110474)	Minnetonka	MN	2.10	*	56.83%	133.59%
M.D. Sass	New York	NY	2.05		49.85%	42.25%
Oak Hill Advisors	New York	NY	2.00		5.26%	0.00%
Visium Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110476)	New York	NY	2.00		35.14%	97.63%
Valiant Capital Partners	San Francisco	CA	2.00	**	42.86%	81.82%
Cyrus Capital Management	New York	NY	1.98	**	16.47%	41.43%
Everest Capital Limited	Hamilton	Bermuda	1.90		-5.00%	11.76%
Scout Capital	New York	NY	1.90	*	5.56%	18.75%
Highline Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110477)	New York	NY	1.86		0.54%	16.25%
Pennant Management	Milwaukee	WI	1.85		5.71%	2.78%
Nephila Capital	Hamilton	Bermuda	1.80		-30.23%	-21.40%

Alpine Associates (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110478)	Cresskill	NJ	1.80		0.00%	12.50%
Kleinheinz Capital Partners	Fort Worth	TX	1.80	**	9.09%	18.27%
Gávea Investimentos (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110479)	Rio de Janeiro	Brazil	1.80		12.93%	23.64%
Mount Lucas Management	Newtown	PA	1.79		15.01%	31.73%
Numeric Investors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110480)	Cambridge	MA	1.78	*	-2.09%	-5.66%
Structured Portfolio Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110481)	Stamford	CT	1.73	*	-4.06%	23.36%
JGP Global Gestao De Recursos	Rio de Janeiro	Brazil	1.71		13.81%	67.91%
Balyasny Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110482)	Chicago	IL	1.70		-5.56%	-10.53%
Tremblant Capital Group (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110483)	New York	NY	1.70		-5.56%	0.00%
Sprott Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110484)	Toronto	Canada	1.69		-1.81%	-2.43%
Millburn Ridgefield	Greenwich	CT	1.68	*	-20.78%	-22.36%
AAA Capital Management Advisors	Houston	TX	1.67	*	-12.86%	-11.47%
Fore Research & Management	New York	NY	1.67		19.29%	28.46%
P. Schoenfeld Asset Management	New York	NY	1.65		13.79%	47.32%
GAP Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110485)	Rio de Janeiro	Brazil	1.62		-16.74%	19.44%
NWI Management	New York	NY	1.60		-15.79%	-40.74%

Tradex Capital Markets (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110487)	Greenwich	CT	1.60		-15.79%	-15.79%
Clovix Capital Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110488)	New York	NY	1.60		-5.88%	-5.88%
Watershed Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110489)	San Francisco	CA	1.60		-5.88%	0.00%
Paloma Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110490)	Greenwich	CT	1.60		6.67%	0.00%
Waterstone Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110491)	Plymouth	MN	1.59		12.77%	32.50%
TIG Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110492)	New York	NY	1.54		-12.41%	4.77%
Gramercy Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110493)	Greenwich	CT	1.50		-21.05%	31.58%
Scoggin Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110494)	New York	NY	1.50		3.45%	-16.67%
Impala Asset Management	New Canaan	CT	1.50	**	7.14%	25.00%
Atlantic Investment Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110495)	New York	NY	1.40		-7.28%	-5.85%
Southpoint Capital Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110496)	New York	NY	1.40		0.00%	0.00%
Vermillion Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110497)	New York	NY	1.40		21.42%	11.64%
Oppenheimer Asset Management	New York	NY	1.38		-1.43%	6.15%

Realm Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110498)	New York	NY	1.37		115.70%	292.57%
Moon Capital Management	New York	NY	1.36		0.97%	8.80%
Balestra Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110499)	New York	NY	1.34		28.85%	25.82%
P/E Investments	Weston	MA	1.33		21.34%	55.29%
Emerging Sovereign Group	New York	NY	1.30		22.18%	99.39%
Seminole Management Company (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110500)	New York	NY	1.25		9.06%	17.12%
Polar Securities (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110501)	Toronto	Canada	1.25		22.02%	97.75%
Avesta Capital Advisors	New York	NY	1.23		-2.00%	45.55%
QFS Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110502)	Greenwich	CT	1.22		0.16%	15.04%
Tiedemann Investment Group (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110503)	New York	NY	1.20		-37.82%	-25.00%
Royal Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110504)	New York	NY	1.20		-22.58%	-20.00%
Spring Point Capital	San Francisco	CA	1.20	**	-7.69%	-12.66%
Mapleridge Capital Corporation	Toronto	Canada	1.20		2.83%	38.41%
Asian Century Quest	New York	NY	1.20	**	9.09%	20.00%
Millgate Capital (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110506)	New York	NY	1.18		-3.52%	6.04%
Steel Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110507)	New York	NY	1.15		-11.54%	-48.89%
Hunter Global Investors	New York	NY	1.10		0.00%	16.40%

OrbiMed Advisors (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110508)	New York	NY	1.10		5.77%	19.57%
Roc Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110509)	New York	NY	1.10		10.00%	#VALUE!
Saba Capital Management	New York	NY	1.10		96.43%	#VALUE!
Arnhold and S. Bleichroeder Advisers	New York	NY	1.09		1.77%	3.70%
Sandell Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110510)	New York	NY	1.09	**	-2.86%	-57.18%
III Offshore Advisors	Boca Raton	FL	1.01		-8.00%	-25.53%
Symphony Asset Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110511)	San Francisco	CA	1.01		0.20%	5.97%
Trafelet Delta Funds	New York	NY	1.00	**	-60.00%	-60.00%
Clarium Capital Management (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110512)	New York	NY	1.00		-28.57%	-50.00%
Ore Hill Partners (http://data.absolutereturn-alpha.com/funds3/database/255.1/phrase.aspx?q=110513)	New York	NY	1.00		-2.91%	-19.35%

**as of Jun 30 / **estimate*

Footnotes:

[1] Assets include several opportunistic funds that are closed to new capital and have fixed terminal dates.

[2] Assets are as of September 30th, 2009. Does not include hybrid private equity fund assets, some of which Fortress considers to be hedge funds.

[3] Assets include special purpose vehicles as well as a managed account in the process of liquidation. This number does not include approximately \$16 billion invested in other managed funds, private-equity-format funds and equity capital in Ableco, a corporation doing

loan originations.

[4] Assets include those of Mariner as well as its associated entities.