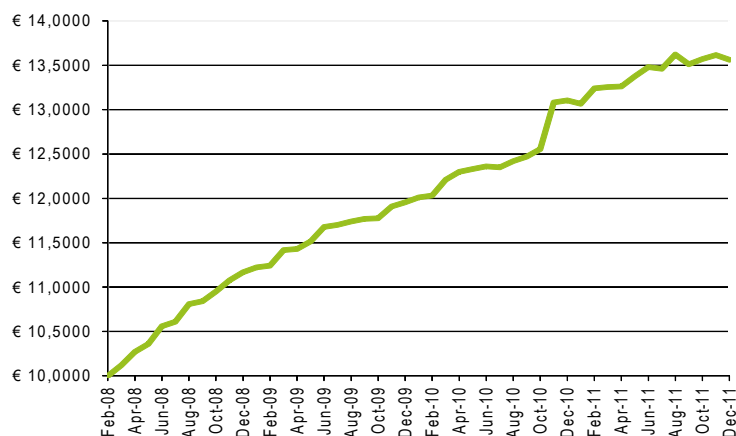


MONTHLY RETURNS

in %	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dez	YTD
2008			1.20	1.48	0.88	1.93	0.47	1.88	0.29	1.02	1.13	0.83	11.68
2009	0.49	0.17	1.56	0.12	0.74	1.41	0.19	0.33	0.26	0.04	1.15	0.39	7.06
2010	0.45	0.18	1.49	0.73	0.24	0.24	-0.08	0.57	0.41	0.68	4.18	0.18	9.60
2011	-0.28	1.32	0.11	0.05	0.85	0.77	-0.14	1,20	-0.81	0.44	0.32	-0.39	3.50*

PERFORMANCE GRAPH



INVESTMENT STRATEGY

The investment objective of the Art Photography Fund is appreciation of the capital invested through a broadly diversified investment in photographs of the classical Modern Era (up to the 70ies and 19th century) and of contemporary works. The objective is to achieve returns of 8-12% p.a. with low volatilities which are independent of the developments on the international financial markets.

The investment philosophy of the Art Photography Fund is that the assets are almost exclusively invested in „Vintage prints“. The emphasis will be on well-known names and high quality. The artists come mostly from America and Europe. The portfolio has a broad diversification across artists, epochs and regions. It holds first-class works as well as works with growth potential. The sources of purchases are privates, galleries and auctions. There may be some trading with held works to optimize the performance.

The whole portfolio of art works is evaluated by two independent, renowned appraisers every quarter. The works are stored in fully insured deposit safes.

The Art Photography Fund is registered with the Cayman Islands Monetary Authority (Registration Number 14813) under Section 4 (3) of The Mutual Funds Law (2007 Revision). Its registered address is Zephyr House, 122 Mary Street, P.O. Box 709, KY1-1107 Grand Cayman, Cayman Islands.

NOTICE: This monthly report is designed only for information purposes about the Art Photography Fund SPC and does not constitute an offer of, or solicitation for, the purchase and sale of any securities under any circumstances. Prospective investors may not construe the content of this report as any form of recommendation in regard of investment, legal or tax issues; prospective investors should therefore contact their own advisors prior to making any investment decision.

ATTENTION: The fund is not admitted for public sales/offer and marketing in Austria!

December 2011

NAV: EUR 13.5625

Statistics*

Cumulative Return	35.63%
Annualised Return	8.27%
YTD	3.50%
Last 12 Months	3.50%
Last 6 Months	0.62%
Last 3 Months	0.38%
Largest Month Gain	4.18%
Largest Month Loss	-0.81%
% Positive Months	89.13%
Annualised Standard Deviation	2.77%
Sharpe (1,00%)	2.63
Worst Drawdown	-0.81%
Correlation v.s. SP 500	-0.02

Fund Details

Inception Date	March 15, 2008
Structure	Open Ended Investment Company
Domicile	Cayman Islands
Currency	EUR
Subscriptions / Redemptions	Quarterly
Redemption Notice	20 Business Days
Management Fee	2% p.a.
Incentive Fee	20% p.a.
Auditor	BDO
Austrian Tax Representative	Ernst&Young
Administrator	Geneva Ross, Zurich
Bank	UBS Zurich
ISIN	KYG050821050

*the quarterly NAV prices are calculated by the administrator, monthly NAV prices are calculated by the advisor!

Contact: MERIT Alternative Investments GmbH
Schottenring 17/1, 1010 Vienna, Austria
phone: +43-1-319 00 57-0 | Fax: +43-1-317 35 00-18
e-mail: f.kiradi@artphotographyfund.com
website: www.artphotographyfund.com