

# TETRAGON

## TETRAGON FINANCIAL GROUP LIMITED (TFG) MONTHLY UPDATE FOR DECEMBER 2009

**January 19, 2010**

Tetragon Financial Group Limited (TFG) is a Guernsey closed-ended investment company traded on Euronext Amsterdam by NYSE Euronext under the ticker symbol "TFG".

In this monthly update, unless otherwise stated, we report on the consolidated business incorporating TFG and Tetragon Financial Group Master Fund Limited. <sup>(1)</sup>

### **Net Asset Value Estimates as of December 31, 2009**

*(Amounts provided are unaudited and subject to change)*

		<i>(in millions except per share data)</i>
Estimated Fair Value of Investments:		\$655.2
Cash and Cash Equivalents:		\$174.5
Net Other Assets/ (Liabilities):		\$(22.9)
Estimated Net Asset Value:		\$806.8
TFG Shares Outstanding:		130.1
Net Asset Value per Share: <sup>(2)</sup>		\$6.47

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<sup>(1)</sup> TFG invests substantially all its capital through a master fund, Tetragon Financial Group Master Fund Limited ("TFGMF") in which it holds a 100.0% share.

<sup>(2)</sup> Excludes 5.28 million shares held in treasury.

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## Portfolio Composition

### Portfolio Held by Tetragon Financial Group Master Fund Limited (unless otherwise stated) As of December 31, 2009

Report Date	TFG Share Price (\$)	TFG group Market Cap (\$MM) <sup>(1)</sup>	TFG group Net Assets (\$MM)	No. of Closed CLO Transactions		
31 December 2009	\$3.91	\$508.5	\$806.8	61 <sup>(2)</sup>		
Capital Allocation by Asset Class						
Asset Class	Risk Capital Allocation	Investment - Fair Value (\$MM) <sup>(3)</sup>	Investment - Amortized Cost B/Fwd (\$MM) <sup>(4)</sup>	Overall Leverage <sup>(5)</sup>	Asset Class Allocation	
Broadly Syndicated Senior Secured Loans: US	72.3%	\$473.6	\$710.0			
Broadly Syndicated Senior Secured Loans: Europe	6.7%	\$43.8	\$207.6			
Middle Market Senior Secured Loans: US	21.0%	\$137.8	\$175.5			
CDOs Squared: US	0.0%	\$0.0	\$0.0			
ABS and Structured Finance: US	0.0%	\$0.0	\$0.0			
<b>Total</b>	<b>100.0%</b>	<b>\$655.2</b>	<b>\$1,093.1</b>	<b>0.81</b>		
Geographic Allocation by Asset Class						
Asset Class	USA	Europe	Asia Pacific	Total	Geographic Allocation	
Broadly Syndicated Senior Secured Loans	91.5%	8.5%	0.0%	100.0%		
Middle Market Senior Secured Loans	100.0%	0.0%	0.0%	100.0%		
CDOs Squared	0.0%	0.0%	0.0%	0.0%		
ABS and Structured Finance	0.0%	0.0%	0.0%	0.0%		
<b>Total</b>	<b>93.3%</b>	<b>6.7%</b>	<b>0.0%</b>	<b>100.0%</b>		
Top 15 Underlying Bank Loan Credits			Top 10 Bank Loan Industry Exposures			
	Bank Loan Exposure <sup>(6)</sup>					
Community Health	0.92%					
TXU Corp	0.85%					
HCA Inc	0.81%					
Univision Communications	0.80%					
Georgia Pacific Corp	0.79%					
Aramark Corp	0.64%					
First Data Corp	0.63%					
Cablevision Systems Corp	0.63%					
SunGard Data Systems Inc	0.61%					
Calpine Corp	0.57%					
Nielsen Company	0.57%					
Celanese US Holdings LLC	0.55%					
Sabre Holdings Corp	0.53%					
Mylan Laboratories	0.53%					
NRG Energy	0.52%					

EUR-USD FX: 1.43

<sup>(1)</sup> Calculated using TFG shares outstanding and month end exchange price.

<sup>(2)</sup> Excludes CDO-squared and ABS CDO transactions which were written off in October 2007. TFG continues to hold the economic rights to 4 of these written-off transactions.

<sup>(3)</sup> Equivalent to Investment in Securities at Fair Value in the US GAAP Financial Statements.

<sup>(4)</sup> Investments at Amortized Cost less interest accrued since last payment date. Internal Rate of Return (IRR) x Amortized Cost B/Fwd determines CDO income.

<sup>(5)</sup> Equals CDO Amortized Cost B/Fwd / Book Value.

<sup>(6)</sup> Calculated as a percentage of total corporate loan assets that TFG has exposure to based on its equity-based pro-rata share of each CLO's total portfolio (net of any single name CDS hedges held against that credit).

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## TETRAGON FINANCIAL GROUP LIMITED (TFG) MONTHLY UPDATE FOR DECEMBER 2009

Expected Upcoming Events	Date
January 2010 Monthly Report	February 17, 2010 (approx)
Q4 financial results and 2009 audited financial statements	March 1, 2010
Q4 dividend ex date	March 1, 2010
Q4 dividend record date	March 3, 2010
Quarterly investor call	March 5, 2010
February 2009 Monthly Report	March 17, 2010 (approx)
Q4 dividend payment date	March 25, 2010

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