

TETRAGON

TETRAGON FINANCIAL GROUP LIMITED (TFG) MONTHLY UPDATE FOR JANUARY 2013

February 20, 2013

Tetragon Financial Group Limited (TFG) is a Guernsey closed-ended investment company traded on the NYSE Euronext in Amsterdam 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. ⁽¹⁾

Net Asset Value Estimates as of January 31 2013

(Amounts provided are unaudited and subject to change)

	<i>(in millions except per share data)</i>
Estimated Fair Value of Investments:	\$1,351.8
Cash and Cash Equivalents:	\$283.3
Net Other Assets / (Liabilities):	\$(4.3)
Estimated Net Asset Value:	\$1,630.8
TFG Legal Shares Issued and Outstanding:	133.7
U.S. GAAP Net Asset Value per Share: ⁽²⁾	\$16.53
Pro Forma Fully Diluted Net Asset Value per Share: ⁽³⁾	\$14.54

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(1) TFG invests substantially all its capital through a master fund, Tetragon Financial Group Master Fund Limited ("TFGMF") in which it holds a 100% share.

(2) Calculation is with reference to U.S. GAAP Shares outstanding (approximately 98.7 million), which is determined by reducing TFG legal shares issued and outstanding by approximately 6.6 million shares held in treasury, 16.6 million shares held by a subsidiary and 11.8 million shares held in escrow.

(3) Calculation is with reference to pro forma fully diluted Shares outstanding (approximately 112.1 million), which is determined by adding to U.S. GAAP Shares outstanding, shares held in escrow of 11.8 million and the number of shares corresponding to the applicable intrinsic value of the options issued to the Investment Manager at the time of the company's IPO (approximately 1.6 million) (the "Investment Management Options") (see the December 2012 monthly supplement for additional information on the Investment Management Options share number calculation). The impact of the Investment Management Options (as the exercise price of the options was above the strike price at January 2013 month-end) was to reduce pro forma fully diluted NAV per share by approximately \$0.22 compared to what it otherwise would have been.

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INVESTMENT COMPOSITION:

As of the end of January 2013, the majority of the net assets of the company were invested in the equity tranches of U.S. CLOs. Investments are also held in U.S. senior secured loans, equity tranches of European CLOs, asset management businesses, hedge funds, real estate funds, and CLO mezzanine tranches, with the remainder of the net assets held in cash less certain net liabilities.

The geographical allocation of TFG's CLO equity, direct loan, and real estate fund investments was weighted primarily towards the United States, at 89.4% of such assets as of the end of January 2013. European exposure was approximately 10.2% and Asia was approximately 0.3%. TFG's ownership of asset managers, and investments in certain hedge fund vehicles are excluded from the geographic allocation above as they span more than one region.

Expected Upcoming Events	Date
Q4 2012 dividend announcement	February 28, 2013
2012 audited financial statements released	March 1, 2013 (approx)
Q4 2012 dividend (ex- date)	March 1, 2013
Q4 2012 dividend record date	March 5, 2013
Quarterly investor call	March 19, 2013
February 2013 monthly report	March 20, 2013 (approx)
Q4 2012 dividend payment date	March 25, 2013

This release does not contain or constitute an offer to sell or a solicitation of an offer to purchase securities in the United States or any other jurisdiction. The securities of TFG have not been and will not be registered under the U.S. Securities Act of 1933 (the "Securities Act"), as amended, and may not be offered or sold in the United States or to U.S. persons unless they are registered under applicable law or exempt from registration. TFG does not intend to register any portion of its securities in the United States or to conduct a public offer of securities in the United States. In addition, TFG has not been and will not be registered under the U.S. Investment Company Act of 1940, and investors will not be entitled to the benefits of such Act. TFG is registered in the public register of the Netherlands Authority for the Financial Markets under Section 1:107 of the Financial Markets Supervision Act ("FMSA") as a collective investment scheme from a designated country. This release constitutes regulated information ("gereguleerde informatie") within the meaning of Section 1:1 of the FMSA.