



OLYMPIC ASSET MANAGEMENT

QUARTERLY REPORT
as at 31 Dec 2010

INVESTOR INFORMATION

Investment Strategy:

Global Multi-Manager & Multi-Strategy

Investment Manager: OAM (since inception)

Custodian Bank: Royal Bank of Canada

Inception Date: Dec 1996

Base Currency: US\$

Minimum Investment: US\$1mil or equivalent

Lock-up Period: 1st year, 2nd year 5% penalty

Subscriptions: Monthly

Redemptions: Quarterly (90-180 days notice)

Management Fee: 1% of capital per annum

Performance Fee: 10% of net new profits

INVESTMENT REVIEW & OUTLOOK

Our Performance:

In a "risk on/risk off" market environment during most of 2010, OAM model portfolio finished its 14th year anniversary with a net return of 1.9% for the 4th quarter, resulting in a total return of 4.3% for the year and 165.9% since inception. Although our recent results do not match our long-term performance returns, compared with our benchmark's - the MSCI World Index - returns of 8.5%, 9.5% and 53.3% respectively for the above periods they are competitive, and also assure a low downside volatility or risk. This is demonstrated again during the severe decline of -13.3% for our benchmark compared to -1.1% for our model portfolio in the 2nd quarter of 2010.

In fact, our average annualised returns during the recent crisis of the last three years were -3% compared with -7% for our benchmark, and +7% for OAM model portfolio compared with +3% for our benchmark since inception in 1996.

After all, a recent study from our oldest and well respected peer group in the Hedge Fund industry reveals that less than 3.5% of the Absolute Returns top 7,000 managers generated net profits for their investors during the lifetime of their managed vehicles. The remaining 96.5% together generated losses for their investors but wealth for themselves, let alone the Relative Returns managers of pension funds, mutual funds, and other traditional investment products offered by banks, from whom less than 5% have outperformed slightly their managed vehicles' benchmarks.

The Markets:

All financial markets continue to navigate on thin ice in their efforts to cross the frozen rivers running in the deleveraging western economies following the worst floods of debt in history. So far, governments and central banks are winning the war against depression but they have not secured the peace. As governor Mervyn King from the Bank of England puts it, "we prevented a Great Depression ... but people have the right to be angry and ... we risk suffering another financial crisis without reforming the banks".

Regardless, and well into the third year of the crisis; (a) the bankers say that Mervyn King is "out of touch", (b) the "too big to fail" banks became bigger, less capitalised and more concentrated, (c) the rating agencies continue to operate business as usual, (d) financial regulatory reforms are not bold enough since the lobbying groups are so far winning the "bras de fer" with the governments, (e) geopolitical risks due to divergences between the rich and the rest of society are ignored by the markets and, (f) the "legal crooks" who enriched themselves from the rescued financial institutions by the taxpayers are enjoying their trophies without any punishment so far.

In the meantime, policymakers in developed countries are using the same post ".com" bubble strategies of low interest rates, money printing, increasing debt, etc, and whatever new "experimental improvisations" such as buying sovereign debt and QEs, to postpone the historic reality of a redistribution of wealth and resources on our planet, by "kicking the can down the road" for the next generations. As a result of these "delay and pray" strategies, the US has stimulated a rally in stocks and commodities, Europe's sovereign debt crisis threatening the global recovery is contained and China, along with most other emerging economies, continues to grow as need it while managing the risk of overheating so far. However, by using all these aggressive stimulative policies, western governments create again a virtual growth out of thin air instead of creating real growth supported by labour income-generated purchasing power. In other words, most growth in the western economies today is "made in parliament floors" instead of "made in factory floors".

To conclude, we believe that it's time to "shape or shake" the world, and those choices will determine the next phase on the way out from the current politico-financial and rising social crisis in the remaining years of this decade. At this time, the obvious next phase of the crisis could be if and when Greece becomes Europe's sovereign-debt Lehman Brothers.

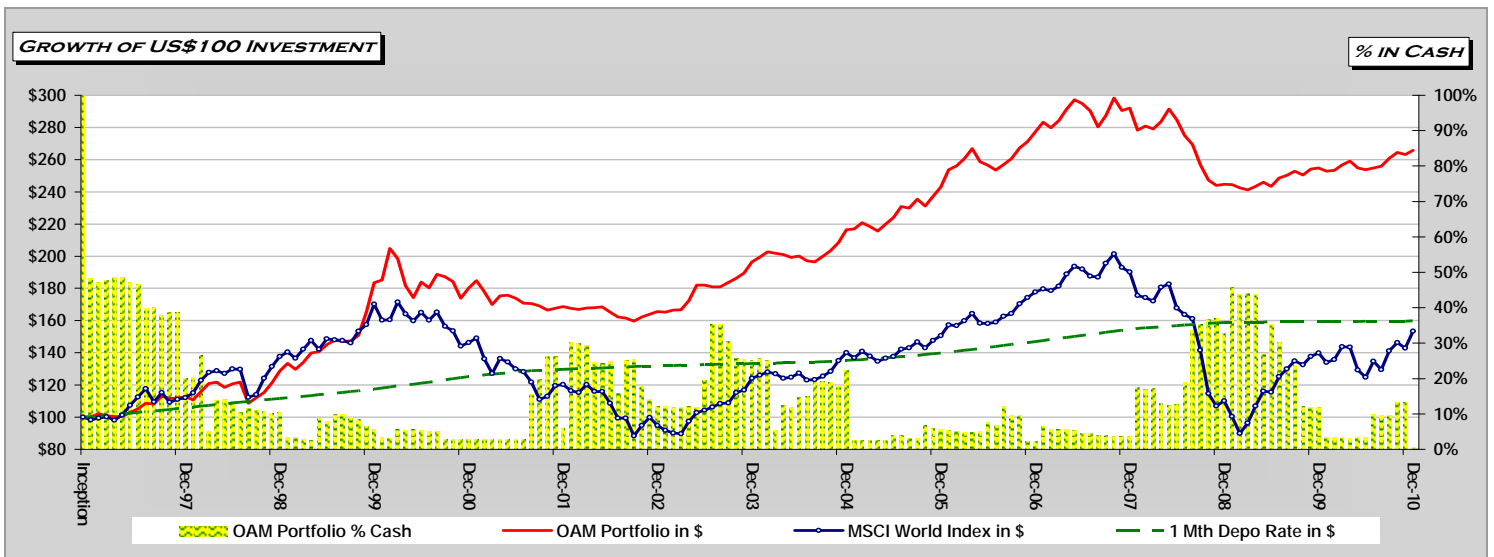
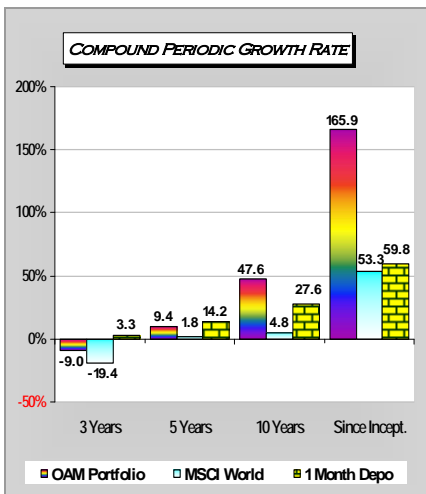
As a result, market participants "IN GO(L)D THEY TRUST" and the courageous ones ride the hot-air balloon of risky assets hoping that they are well equipped with the right parachute to use if and when the ultimate ".gov" bubble bursts as the ".com" followed by ".home" bubbles did, signalling the start of the current historic crisis that has still a long way to go.

Our Strategy:

Despite the uncertain investment environment "we have to seek risk in order to have rewards" riding cautiously the currently forming government-sponsored bubble that policymakers believe can deflate smoothly this time in history! Consequently, we are increasing our risk exposure to global macro managers and opportunistic long/short stock pickers - particularly in US/Global and even driven strategies - bearing the upward but volatile trend of risky assets that we continue to experience since 2009. We expect 2011 to be another profitable year for our carefully selected portfolio of the world's best and tested money managers using tactical approaches to global macroeconomic risks.

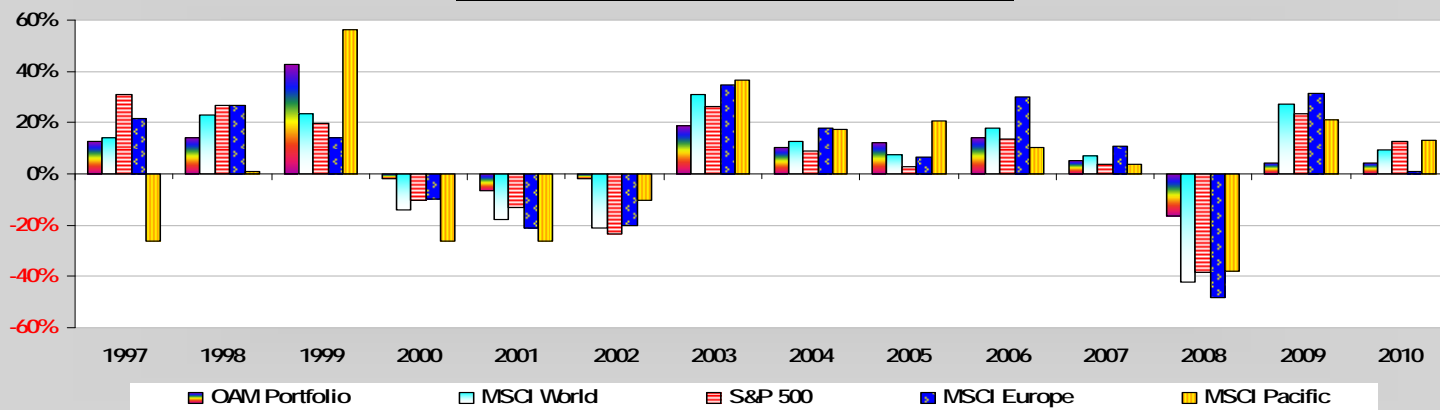
PERFORMANCE SUMMARY

	OAM Portfolio	MSCI World Index	1 Month Deposit
3 months return	1.91%	8.55%	0.05%
12 months return	4.32%	9.55%	0.26%
Annualised since inception	7.23%	3.23%	3.39%
Positive months	60.12%	56.55%	100%

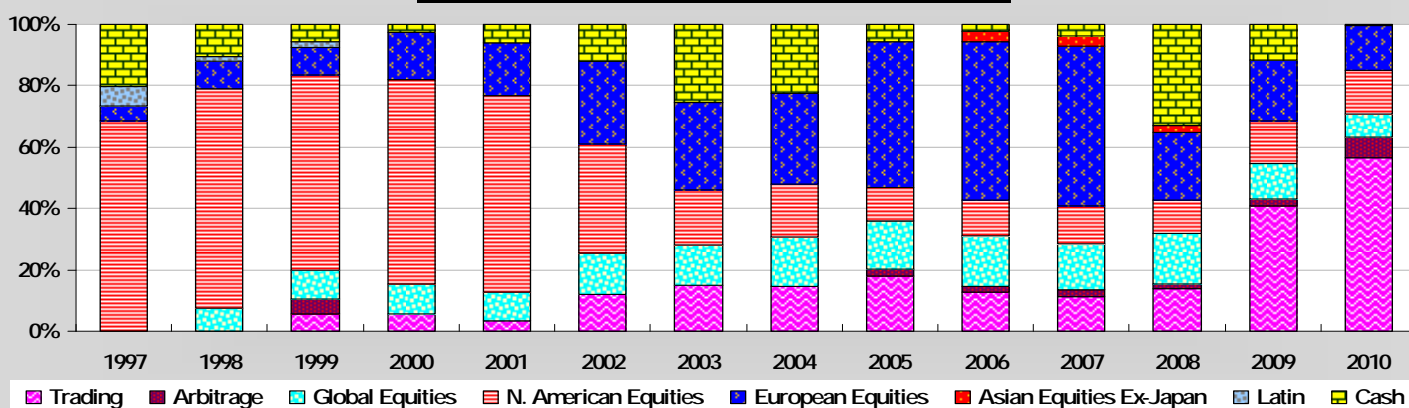




COMPARATIVE PERFORMANCES IN US\$



OAM PORTFOLIO HISTORICAL ALLOCATIONS



OAM PORTFOLIO NET RETURNS IN US\$ (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	MSCI World Index
1997	1.87	-1.24	-0.44	0.01	2.51	2.18	3.28	-0.35	4.49	-1.31	0.12	0.83	12.74	14.17
1998	-1.72	4.69	4.16	0.77	-2.69	1.92	0.81	-10.85	3.17	3.03	5.09	6.10	14.08	22.78
1999	3.70	-2.69	3.26	4.36	0.65	3.06	1.91	-0.44	0.05	2.41	9.59	11.01	42.66	23.56
2000	0.92	10.61	-3.18	-8.48	-3.99	5.51	-1.90	4.58	-0.75	-1.63	-5.58	3.60	-1.82	-14.05
2001	2.65	-3.78	-4.41	3.17	0.18	-1.13	-1.75	-0.03	-0.93	-1.53	0.61	0.64	-6.40	-17.83
2002	-0.65	-0.29	0.44	0.19	0.21	-1.91	-1.81	-0.44	-1.14	1.59	1.04	1.02	-1.79	-21.06
2003	-0.16	0.79	0.06	3.34	5.69	-0.06	-0.55	-0.05	1.53	1.40	1.80	3.63	18.65	30.81
2004	1.50	1.60	-0.35	-0.48	-0.88	0.43	-1.45	-0.39	1.81	1.81	2.41	3.86	10.17	12.84
2005	0.20	1.81	-1.07	-1.27	1.99	1.79	3.12	-0.47	2.44	-1.81	2.58	2.45	12.23	7.56
2006	4.47	0.92	1.74	2.43	-3.09	-0.86	-1.17	1.38	1.41	2.55	1.49	2.18	14.06	17.95
2007	2.17	-1.23	1.63	2.54	1.99	-0.81	-1.54	-3.44	2.52	3.82	-2.62	0.52	5.38	7.09
2008	-4.69	0.92	-0.64	1.61	2.74	-2.26	-3.39	-2.09	-4.56	-3.79	-1.29	0.22	-16.22	-42.08
2009	-0.06	-0.81	-0.54	0.86	1.06	-1.04	2.18	0.67	1.02	-0.91	1.41	0.30	4.17	26.98
2010	-0.81	0.18	1.35	0.95	-1.70	-0.35	0.39	0.42	1.97	1.37	-0.48	1.02	4.32	9.55

OLYMPIC ASSET MANAGEMENT LTD is an international multi-manager Hedge Fund Investment Company initially established in 1994 from New York. We manage portfolios diversifying in several financial markets and strategies worldwide. We allocate the assets to carefully selected top performing and most talented Hedge Fund managers in their area of expertise, aiming for capital appreciation. OAM and all selected managers are absolute performance oriented, remunerated primarily by performance fees with a high water-mark. This is accomplished using hedging techniques in order to obtain the highest capital appreciation in a reasonable period of time, but simultaneously with the lowest possible volatility, and therefore risk, at any time period. All portfolios managed discretionary by OAM have the same allocations as in our model portfolio except special mandates. Finally, the selection process of the managers is independent and therefore unbiased because OAM, or any participant in our investment management committee, has no financial or other benefits accruing from the selected Hedge Fund managers in our portfolios.

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