

BH Global Limited

Annual Audited Financial Statements 2011

31 December 2011

Chairman's Statement

2011 was a year in which BH Global Limited (the "Company") demonstrated its ability to deliver positive returns uncorrelated with equity markets, doing so with low volatility in highly disturbed markets. During 2011, the NAV of the Company's US Dollar shares appreciated by 4.69% in 2011, while the NAV of the Euro shares and the Sterling shares appreciated by 5.04% and 4.65% respectively in 2011. The Company invests all of its assets (net of short-term working capital) in the ordinary shares of Brevan Howard Global Opportunities Master Fund Limited ("BHGO"). In turn BHGO invests all of its assets, net of cash retained for short-term working capital and efficient portfolio management, in investment funds of which one or more of the Brevan Howard group of affiliated entities is the manager or investment manager.

The first half of 2011 saw a continuation of uncertainty in financial markets, exacerbated by political uncertainty in the Middle East and the impact of the natural disasters in Japan. The net asset value ("NAV") of the Company was little changed during this period, however the share price continued the slide that had begun in November 2010, widening the discount to NAV. By March 2011 the discount had reached approximately 12%. At this point the Directors decided to undertake a programme of share buybacks. Although the amount of shares purchased turned out to be rather modest, approximately US\$17M over the three share classes, the repurchases in combination with changed market conditions had an impact such that by the end of June 2011 the discount had narrowed to under 9% (for all share classes).

The events which followed over the next three months were extraordinary. Throughout the year the authorities in the Euro area had struggled to come to grips with the multiple problems in financial and banking markets, as well as the looming crisis with the sovereign debt of the weaker eurozone countries. Periods of optimism alternated with periods of pessimism, producing cycles of risk on/risk off in the financial markets. Quite suddenly, in July 2011, markets lost faith in the ability of the authorities to produce a solution to the debt crisis, especially for Greece, culminating in a massive sell-off in equity markets, significant rises in sovereign debt yields in the weaker countries and sharp falls in yields in the stronger countries during the third quarter of 2011.

Brevan Howard Master Fund Limited ("BHMF"), which in 2010 had made losses on some of its directional trades, was correctly positioned, taking the view that a solution to the Euro area's problems would not be found easily or quickly, and that bond yields in the US and the core countries of the Euro area would remain low. In the third quarter of 2011 BHMF, which at that stage accounted for nearly half of the investments of BHGO, made substantial gains while equity markets suffered significant losses.

In the final quarter of the year, some of the gains were reversed but over the year as a whole the Company's NAV appreciated by 4.69% (US Dollar shares). The share price of all three share classes rose by approximately 9% over the year, with the discounts narrowing to approximately 6% by year-end. Thus the Company again demonstrated its ability to hold or increase its NAV, even in the most turbulent markets.

Following a change in the Articles of Association made in 2010, the Directors have the power to make a return of capital of up to 100% of the growth in NAV in the previous calendar year. In February 2012 the Directors announced their intention to make such a return of capital. Details will be circulated in the documentation sent to shareholders for the AGM which will take place in June 2012, with settlement likely to take place in July 2012.

During the course of 2011, Brevan Howard Capital Management LP (the "Manager") made a number of adjustments to the underlying fund allocations. The allocations to Brevan Howard Equity Strategies Feeder Fund Limited and Brevan Howard Strategic Opportunities Feeder Fund Limited were redeemed, while the Manager further diversified the BHGO portfolio by allocating funds to Brevan Howard Systematic Trading Master Fund Limited and Brevan Howard Commodities Strategies Master Fund Limited. Following these changes, as at 31 December 2011, BHGO had just under half of its capital allocated to BHMF, and the rest spread across five other underlying funds. More recently in January 2012, approximately 3% of the BHGO portfolio was allocated to Brevan Howard Investment Fund – Emerging Markets Local Fixed Income Fund. BHGO's fund structure and capital allocation process not only give the Manager flexibility to allocate to the underlying funds where it believes better returns can be made, but it also reduces volatility of returns. The Company's risk-adjusted return since its launch, as measured by its Sharpe ratio, is 1.49 (US Dollar shares, from inception to 31 December 2011).

In August 2011, the Company entered into a Note Purchase Agreement with JP Morgan Chase Bank pursuant to which the Company may obtain financing of up to approximately US\$50 million to be drawn down on a currency-by-currency basis, if required, to finance share buybacks pending receipt of the proceeds of redemption from its underlying investments. As at the date of this report, this financing is yet to be utilised, but it gives the Company additional flexibility in the operation of its discount managing arrangements.

The Directors, in line with accepted practice, conducted a board evaluation at the end of 2011 and start of 2012. On this occasion, the Company also engaged external advice, provided by a specialist Guernsey-based consultancy. They examined the Company's procedures and controls and concluded that the Company has a high standard of corporate governance and is compliant with the relevant governance Codes. The consultancy also made a number of suggestions to further enhance the Company's procedures, which the Board will seek to implement.

The Board has given careful consideration to the recommendations of the Davies Report on women on boards. Following the external evaluation of the Board's performance referred to above, the Board has reviewed its composition and believes that it has available an appropriate range of skills and experience for a company of our type. Nevertheless, in order to extend its diversity, the Board is committed to implementing the recommendations of the Davies Report, if possible within the timescales it proposes. It will ensure that women candidates are considered when appointments to the Board are under consideration – as it did the last time a board appointment was made.

The Company will continue to seek to deliver long-term capital appreciation with low volatility for its shareholders, as achieved in 2011. The Board believes that BHGO continues to be well placed to continue to exploit trading opportunities in 2012. Indeed, the NAV has continued to increase since the end of the reporting period.

Lord Turnbull
Chairman

19 March 2012

Board Members

The Directors of the Company, all of whom are non-executive, are listed below:

Lord Turnbull (Chairman), age 67

Lord Turnbull is Chairman and non-executive director of the Company. He retired in July 2005 as Secretary of the Cabinet and Head of the Home Civil Service (2002-2005). He was Permanent Secretary of HM Treasury (1998-2004) and before that Permanent Secretary at the Department of the Environment (1994-1998). He entered the House of Lords in 2005 as a Crossbench Peer. He is also a non-executive director of The British Land Company plc, Prudential plc and Frontier Economics Limited. Lord Turnbull was appointed to the Board in 2008.

John Hallam, (Senior Independent Director), age 63

John Hallam is a Fellow of the Institute of Chartered Accountants in England and Wales and qualified as an accountant in 1971. He is a former partner of PricewaterhouseCoopers having retired in 1999 after 27 years with the firm both in Guernsey and in other countries. He is currently chairman of Cazenove Absolute Equity Limited, Dexion Absolute Limited and Partners Group Global Opportunities Limited. He is also a director of Develica Deutschland Limited, HSBC Infrastructure Company Limited, NB Distressed Debt Investment Fund Limited, NB Private Equity Partners Limited, Ruffer Illiquid Strategies Fund of Funds 2009 Limited, Ruffer Illiquid Strategies Fund 2011 Limited, Sienna Investment Company Limited, Sienna Investment Company 2 Limited, Sienna Investment Company 3 Limited, Sienna Investment Company 4 Limited, and Vision Opportunity China Fund Limited as well as being a director of a number of other financial services companies which are not listed on recognised stock exchanges. He served for many years as a member of the Guernsey Financial Services Commission from which he retired in 2006 having been its Chairman for the previous three years. Mr Hallam was appointed to the Board in 2008.

Graham Harrison, age 46

Graham Harrison is a Guernsey resident and a Chartered Fellow of the Chartered Institute for Securities and Investment. Mr Harrison is co-founder and Group Managing Director of Asset Risk Consultants ("ARC"). After obtaining a post graduate degree from the London School of Economics, Mr Harrison worked for HSBC in its corporate finance division where he specialised in financial engineering. Following a secondment with the Caribbean Development Bank he moved to Guernsey to work for the Bachmann Group with a brief to develop asset management and investment consultancy services. In 2002 he led the management buy-out of ARC, taking the company independent. Mr Harrison is a director of Close Enhanced Commodities II Limited, ISIS Property Trust Limited, Real Estate Credit Investments

Limited and Absolute Return Trust Limited and a number of unlisted investment vehicles. Mr Harrison was appointed to the Board in 2010.

Talmaj Morgan, age 59

Talmaj Morgan is Guernsey resident and qualified as a barrister in 1976. He moved to Guernsey in 1988 where he worked for Barings and then for the Bank of Bermuda as Managing Director of Bermuda Trust (Guernsey) Limited. From January 1999 to June 2004, he was Director of Fiduciary Services and Enforcement at the Guernsey Financial Services Commission (Guernsey's financial regulatory agency) where he was responsible for the design and subsequent implementation of Guernsey's law relating to the regulation of fiduciaries, administration businesses and company directors. He was also involved in the international working groups of the Financial Action Task Force and the Offshore Group of Banking Supervisors. From July 2004 to May 2005, he was Chief Executive of Guernsey Finance which is the official body for the promotion of the Guernsey finance industry. Mr Morgan holds a MA in Economics and Law from Cambridge University. Mr Morgan is Chairman of the Listed Hedge Fund Forum of the Association of Investment Companies. In addition to being a director of the Company, Mr Morgan is a director of a number of listed investment funds including, among others, NB Private Equity Partners Limited, BH Macro Limited, Goldman Sachs Dynamic Opportunities Limited, Real Estate Credit Investments Limited, Signet Global Fixed Income Strategies Limited, John Laing Infrastructure Fund Limited, NB Distressed Debt Investment Fund Limited and Sherborne Investors (Guernsey) A Limited. Mr Morgan was appointed to the Board in 2008.

Nicholas Moss, age 52

Nicholas Moss is a Guernsey resident and a Chartered Accountant. He is a founder of the Virtus Trust Group, a Guernsey-based fiduciary, corporate services and investment consulting business. Prior to establishing Virtus Trust, Mr Moss was a managing director within the Rothschild Trust Group in Guernsey where he spent 16 years structuring and administering complex onshore and offshore trusts for corporates and ultra high net worth families. He has wide experience in the selection of investment managers for his clients and the subsequent evaluation and monitoring of these portfolios. He holds a number of non-executive Board appointments including the London listed Absolute Return Trust Limited and Carador Income Fund PLC. Mr Moss was appointed to the Board in 2008.

Stephen Stonberg, age 44

Stephen Stonberg is a Managing Director of Credit Suisse Asset Management in New York. Prior to January 2011, Mr Stonberg worked for Brevan Howard entities in both London and New York. He joined Brevan Howard Asset Management LLP in London in September 2006 as Head of Business Development and subsequently became a Partner in April 2007. In February 2009 he relocated from London to New York to run North American marketing for Brevan Howard US Asset Management LP. From January to December 2010 he was the CEO of Brevan Howard US LLC, a member of the Financial Industry Regulatory Authority, Inc (FINRA). Prior to joining Brevan Howard, Mr Stonberg worked for JPMorgan (2001-2006) as managing director and Global Head of Strategy and Business Development for the Investment Banking Division (2003-2006) and as managing director and Head of Credit Derivative Marketing EMEA (2001-2003). Previously, Mr Stonberg worked at Deutsche Bank (1996-2001) as managing director of Global Credit Derivatives. Mr Stonberg holds an MBA from Harvard Business School (1994) and a Bachelor's Degree in Economics from Columbia University (1989). He is currently a non-executive director of Coalition Development Limited. Mr Stonberg is a non-executive director of BH Macro Limited a FTSE 250 company. He is a resident of the United States. Mr Stonberg was appointed to the Board in 2008.

Directors' Report

31 December 2011

The Directors submit their Report together with the Company's Audited Statement of Assets and Liabilities, Audited Statement of Operations, Audited Statement of Changes in Net Assets, Audited Statement of Cash Flows, and the related notes for the year ended 31 December 2011. The Directors' Report together with the Audited Financial Statements and their related notes give a true and fair view of the financial position of the Company. They have been prepared properly, in conformity with accounting principles generally accepted in the United States of America ("US GAAP") and are in accordance with any relevant enactment for the time being in force; and are in agreement with the accounting records.

The Company

The Company is a limited liability closed-ended investment company incorporated in Guernsey on 25 February 2008.

The Company was admitted to a Primary Listing on the Official List of the London Stock Exchange on 29 May 2008. As a result of changes to the UK Listing Regime, the Company's Primary Listing became a Premium Listing with effect from 6 April 2010.

As of 20 October 2008 the Company obtained a Secondary Listing on the Bermuda Stock Exchange and with effect from 11 November 2008, the US Dollar shares of the Company were admitted to a Secondary Listing on NASDAQ Dubai.

The proceeds from the original issue of shares on listing amounted to approximately US\$1 billion.

The Company is a member of the Association of Investment Companies.

Investment policy

The Company's investment objective is to seek to generate consistent long-term capital appreciation through an investment policy of investing all of its assets (net of those expenses of the initial public offering borne by the Company and funds required for its short-term working capital requirements) in Brevan Howard Global Opportunities Master Fund Limited ("BHGO"), an open-ended investment company with limited liability formed under the laws of the Cayman Islands.

BHGO spreads investment risk by investing in a variety of other investment funds of which one or more of the Brevan Howard group of affiliated entities is the manager or investment manager (the "Brevan Howard Underlying Funds") in order to provide exposure to a range of strategies, asset classes and geographies that fall within Brevan Howard's investment activities from time to time. These investment funds may invest in a wide range of geographical regions, sectors and instruments. Such instruments may include, but are not limited to, debt securities and obligations (which may be below investment grade or unrated), bank loans, listed and unlisted equities, other collective investment schemes (which may be open ended or closed ended, listed or unlisted, and which may employ leverage), currencies, commodities, futures, options, warrants, swaps, other derivative instruments and any other type of instrument or security. These funds have the ability to take short positions across the majority of these instruments.

Subject to the investment restrictions disclosed in the BHGO Prospectus and subsequent BHGO Directors' resolutions, the allocation of assets of BHGO among the Brevan Howard Underlying Funds in which it is permitted to invest will be at the discretion of the Manager.

Results and dividends

The results for the year are set out in the Audited Statement of Operations. The Directors do not recommend the payment of a dividend.

The Company has announced an offer in 2012, for a partial return of capital to the shareholders of each class of approximately 100% of the growth in NAV in 2011, to be effected at the time of the AGM on 18 June 2012. Shareholders will be able to decide at that time whether to elect to participate in the capital return on the basis of the prevailing market conditions.

Share capital

The number of shares in issue at the year end is disclosed in note 5 to the Annual Audited Financial Statements (the "Financial Statements").

Going concern

After making enquiries and given the nature of the Company and its investment, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing these Financial Statements, and, after due consideration, the Directors consider that the Company is able to continue for the foreseeable future.

The Board

The Board of Directors has overall responsibility for safeguarding the Company's assets, for the determination of the investment policy of the Company, for reviewing the performance of the Manager, Brevan Howard Capital Management LP and the other service providers and for the Company's activities. The Directors, all of whom are non-executive, are listed in the Board Members' report and on the inside back cover. Stephen Stonberg and Talmi Morgan are not independent of the Manager for the purposes of LR15.2.12A.

The Articles provide that unless otherwise determined by ordinary resolution, the number of the Directors shall not be less than two. The Company's policy on Directors' Remuneration, together with details of the remuneration of each Director who served in the year, is detailed in the Directors' Remuneration Report.

The Board meets at least four times a year and between these formal meetings there is regular contact with the Manager and the Secretary. The Directors are kept fully informed of investment and financial controls, and other matters that are relevant to the business of the Company and should be brought to the attention of the Directors. The

Directors also have access to the Administrator and, where necessary in the furtherance of their duties, to independent professional advice at the expense of the Company.

For each Director, the tables below set out the number of Board, Audit and Management Engagement Committee meetings they were entitled to attend during the year ended 31 December 2011 and the number of such meetings attended by each Director.

Scheduled Board Meetings*	Held	Attended
Lord Turnbull	4	4
John Hallam	4	4
Graham Harrison	4	4
Talmay Morgan	4	4
Nicholas Moss	4	4
Stephen Stonberg	4	4

Audit Committee Meetings	Held	Attended
John Hallam	3	3
Graham Harrison	3	3
Nicholas Moss	3	2

Management Engagement Committee Meetings	Held	Attended
Lord Turnbull	1	1
John Hallam	1	–
Nicholas Moss	1	1
Graham Harrison	1	1

* In addition to the scheduled quarterly Board meetings the Board, or committees thereof, held 18 ad hoc meetings to deal with matters of an administrative nature. These meetings were attended by those Directors who were available at the time.

Directors' interests

During 2010 Stephen Stonberg was a partner of Brevan Howard Asset Management LLP and CEO of Brevan Howard US LLC. As of 1 January 2011, Stephen Stonberg resigned from these positions, but remains as a Director of the Company.

Talmay Morgan and Stephen Stonberg are both non-executive Directors of BH Macro Limited which was incorporated on 17 January 2007 and started trading on the London Stock Exchange on 14 March 2007. BH Macro Limited is managed by Brevan Howard Capital Management LP, the Company's Manager, and is a feeder fund for the Brevan Howard Master Fund Limited into which BHGO invests.

Stephen Stonberg is also a non-executive Director of BH Credit Catalysts Limited which was incorporated on 19 October 2010 and started trading on the London Stock Exchange on 14 December 2010. BH Credit Catalysts Limited is managed by Brevan Howard Capital Management LP, the Company's Manager, and is a feeder fund for the Brevan Howard Credit Catalysts Master Fund Limited into which BHGO invests.

Further Directors' interests in other companies are disclosed in the Board Members' report.

The Directors had the following interests in the Company, held either directly or beneficially:

	US Dollar shares	
	31.12.11	31.12.10
Lord Turnbull	Nil	Nil
John Hallam	5,000	5,000
Graham Harrison	Nil	Nil
Talmay Morgan	5,000	5,000
Nicholas Moss	Nil	Nil

Stephen Stonberg	Nil	Nil
	31.12.11	Euro Shares 31.12.10
Lord Turnbull	Nil	Nil
John Hallam	Nil	Nil
Graham Harrison	Nil	Nil
Talmay Morgan	Nil	Nil
Nicholas Moss	Nil	Nil
Stephen Stonberg	Nil	Nil
	31.12.11	Sterling shares 31.12.10
Lord Turnbull	5,000	5,000
John Hallam	Nil	Nil
Graham Harrison	Nil	Nil
Talmay Morgan	Nil	Nil
Nicholas Moss	Nil	Nil
Stephen Stonberg	8,628	8,628

Directors' indemnity

Directors' and officers' liability insurance cover is in place in respect of the Directors. The Directors entered into indemnity agreements with the Company which provide for, subject to the provisions of the Companies (Guernsey) Law, 2008, an indemnity for Directors in respect of costs which they may incur relating to the defence of proceedings brought against them arising out of their positions as directors, in which they are acquitted or judgement is given in their favour by the Court. The agreement does not provide for any indemnification for liability which attaches to the Directors in connection with any negligence, unfavourable judgements, breach of duty or trust in relation to the Company.

Other related party transactions

As at 31 December 2011 Alan Howard, Brevan Howard founder, held an interest of 1,206,375 US Dollar shares and 161,107 Sterling shares in the Company. 500,000 US Dollar shares were acquired during the IPO, while the remainder were acquired through on-market purchases, as detailed in a RNS announcement made on 28 November 2008.

Corporate governance

To comply with the UK Listing Regime the Company must comply with the requirements of the UK Corporate Governance Code.

On 30 September 2011 the Guernsey Financial Services Commission ("GFSC") issued a new Code of Corporate Governance (the "GFSC Code") which came into effect on 1 January 2012. The GFSC Code replaces the existing GFSC guidance, "Guidance on Corporate Governance in the Finance Sector". The GFSC Code provides a framework that applies to all entities licensed by the GFSC or which are registered or authorised as a collective investment scheme. Companies reporting against the UK Corporate Governance Code or the Association of Investment Companies Code of Corporate Governance are deemed to comply with the GFSC Code.

The Board has considered the principles and recommendations of the AIC Code of Corporate Governance ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive
- executive directors' remuneration
- the need for an internal audit function

For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company. The Company has therefore not reported further in respect of these provisions.

The Company has adopted a Code of Directors' dealings in shares, which is based on the Model Code for Directors' dealings contained in the London Stock Exchange's Listing Rules.

The Company's risk exposure and the effectiveness of its risk management and internal control systems are reviewed by the Audit Committee at its meetings and annually by the Board. The Board believes that the Company has adequate and effective systems in place to identify, mitigate and manage the risks to which it is exposed.

The Board, of which Lord Turnbull is Chairman, consists solely of non-executive Directors. The board has considered the independence of each Director. Stephen Stonberg and Talmay Morgan are not independent of the Manager for the purposes of LR15.2.12A.

The Board has a breadth of experience relevant to the Company, and the Directors believe that any changes to the Board's composition can be managed without undue disruption. Consideration will be given as to whether an induction process is appropriate, when any new Director is appointed to the Board.

In view of its non-executive and independent nature, the Board considers that it is not appropriate for there to be a separate Nomination Committee or a Remuneration Committee as anticipated by the AIC Code. The Board as a whole fulfils the functions of the Nomination and Remuneration Committees, although the Board has included a separate Remuneration Report of these Financial Statements. For new appointments to the Board, nominations are sought from the Directors and from other relevant parties and candidates are then interviewed by an ad hoc committee of Directors. The Directors were appointed for an initial term of three years and section 20.3 of the Company's Articles requires one third of the Directors to retire by rotation at each Annual General Meeting. As the Company is a FTSE 250 listed Company in line with the AIC Code each Director will put themselves up for re-election at each Annual General Meeting. On 20 June 2011, the Annual General Meeting of the Company was held. Shareholders re-elected Lord Turnbull, Talmay Morgan, Stephen Stonberg, Nicholas Moss, John Hallam and Graham Harrison as Directors of the Company.

Following the 'Women on Board' review conducted by Lord Davies of Abersoch in February 2011, the Company recognises the desirability and benefits of creating a board which is more diverse. The Company will take this into account when making future Board appointments.

The Board, Audit Committee and Management Engagement Committee undertake an evaluation of their own performance and that of individual Directors on an annual basis. In order to review their effectiveness, the Board and its Committees carry out a process of formal self-appraisal. The Board and Committees consider how they function as a whole and also review the individual performance of its members. This process is conducted by the respective Chairman reviewing each member's performance, contribution and commitment to the Company. John Hallam as Senior Independent Director takes the lead in reviewing the performance of the Chairman. The Chairman also has responsibility for assessing the individual Board member's training requirements. The Directors, in line with accepted practice, conducted a board evaluation at the end of 2011 and start of 2012. On this occasion, the Company also engaged external advice, provided by a specialist Guernsey-based consultancy. They examined the Company's procedures and controls and concluded that the Company has a high standard of corporate governance and is compliant with the relevant governance Codes. The consultancy also made a number of suggestions to further enhance the Company's procedures, which the Board will seek to implement.

The Terms of Reference of both the Audit Committee and Management Engagement Committee are available on request from the Administrator.

The Company has disclosed operating expense ratios for each class of share in note 9 to the Financial Statements.

Audit Committee

The Company has established an Audit Committee with formally delegated duties and responsibilities. This Committee meets formally at least twice a year to consider the appointment, independence and remuneration of the auditor and to discuss and agree with the auditor the nature and scope of the audit. In doing so it keeps under review the results and cost effectiveness of the audit and both the independence and objectivity of the auditor with particular regard to non-audit fees. The Audit Committee comprises John Hallam, Graham Harrison and Nicholas Moss. John Hallam is the Chairman of the Audit Committee.

The table above sets out the number of Audit Committee Meetings held during the year ended 31 December 2011 and the number of such meetings attended by each Director.

Appointment to the Audit Committee shall be for a period of up to three years which may be extended for two further three year periods provided that the majority of the Audit Committee remain independent of the Manager. John Hallam and Nicholas Moss are currently serving during their second term of three years. Graham Harrison is currently serving his first term.

The Audit Committee reviews and recommends to the Board the Financial Statements of the Company and is the forum through which the Independent Auditor reports to the Board of Directors. The objectivity of the independent Auditor is reviewed by the Audit Committee which also reviews the terms under which the independent Auditor is appointed to perform non-audit services. The Committee reviews the scope and results of the audit, its cost effectiveness and the independence and objectivity of the independent Auditor, with particular regard to non-audit fees. The Audit Committee considers KPMG Channel Islands Limited to be independent of the Company.

The Audit Committee has requested and received a SOC 1 (formerly SAS 70) or an equivalent report from the Manager and Administrator to enable it to fulfil its duties under its terms of reference.

The Audit Committee has reviewed the need for an internal audit function. The Audit Committee has decided that the systems and procedures employed by the Manager and the Administrator, including their internal audit functions, provide sufficient assurance that a sound system of internal control, which safeguards the Company's assets, is maintained. An internal audit function specific to the Company is therefore considered unnecessary.

A member of the Audit Committee will be available to attend each Annual General Meeting to respond to any shareholder questions on the activities of the Audit Committee.

The Audit Committee has established policies and procedures for the engagement of KPMG to provide audit, assurance and tax services.

Auditors remuneration

The following table summarises the remuneration paid to KPMG Channel Islands Limited and to other KPMG affiliates for audit and non-audit services during the years ended 31 December 2011 and 31 December 2010.

	01.01.11 to 31.12.11	01.01.10 to 31.12.10
KPMG Channel Islands Limited		
- Annual audit	£22,300	£20,600
- Auditor's interim review	£8,500	£8,240
- Other services	-	-
Other KPMG affiliates		
- Tax services	£24,715	£35,034

Management Engagement Committee

The Board has established a Management Engagement Committee with formal duties and responsibilities. These duties and responsibilities include the regular review of the performance of and contractual arrangements with the Manager and other service providers and the preparation of the Committee's annual opinion as to the Manager's services.

The principal contents of the Manager's contract and notice period are contained in note 4 to the Financial Statements.

The Management Engagement Committee meets formally at least once a year and comprises Nicholas Moss, John Hallam, Graham Harrison and Lord Turnbull. Nicholas Moss is the Chairman of the Management Engagement Committee.

The Board reviews investment performance at each Board meeting and a review of the Manager is conducted by the Management Engagement Committee annually.

The Manager has wide experience in managing and administering investment companies and has access to extensive investment management resources.

The Management Engagement Committee met to review the performance of the Manager on 28 September 2011. As a result of this review, having regard to the Manager's formal duties and responsibilities, it is the opinion of the Management Engagement Committee that the continued appointment of the Manager on the terms currently agreed is in the interests of the Company's shareholders as a whole. At the date of this report the Board and the Management Engagement Committee continued to be of the same opinion.

Relations with shareholders

The Board welcomes shareholders' views and places great importance on communication with its shareholders. The Board receives regular reports on the views of its shareholders from its broker JP Morgan Cazenove and from the Manager, and the Chairman and other Directors are available to meet shareholders if required. The Annual General Meeting of the Company provides a forum for shareholders to meet and discuss issues with the Directors of the Company. The Administrator provides weekly unaudited estimates of the NAVs and month-end unaudited NAVs and the Manager provides a monthly newsletter and risk report. These are published via RNS and are also available on the Company's website, www.bhglobal.com.

The Manager maintains regular dialogue with institutional shareholders, the feedback from which is reported to the Board. In addition, Board members will be available to respond to shareholders' questions at the Annual General Meeting. Shareholders who wish to communicate with the Board should contact the Administrator in the first instance, whose contact details can be found on the Company's website.

Significant shareholders

As at 31 December 2011, the following had significant shareholdings in the Company:

Significant shareholders	Total shares held	% holdings in class
<i>US Dollar shares</i>		
Nortrust Nominees Limited	2,640,775	17.39
Securities Services Nominees Limited	1,827,514	12.03
HSBC Global Custody Nominee (UK) Limited	1,172,218	7.72
Vidacos Nominees Limited	1,146,926	7.55
BBHISL Nominees Limited	1,029,325	6.78
Euroclear Nominees Limited	907,407	5.98
Harewood Nominees Limited	727,166	4.79
Greenwood Nominees Limited	706,375	4.65
Morstan Nominees Limited	594,395	3.91
Chase Nominees Limited	592,280	3.90
<i>Euro shares</i>		
HSBC Global Custody Nominee (UK) Limited	709,400	24.30
Euroclear Nominees Limited	435,739	14.92
BBHISL Nominees Limited	251,802	8.62
Morstan Nominees Limited	235,582	8.07
Aurora Nominees Limited	209,552	7.18
Securities Services Nominees Limited	144,290	4.94
Lynchwood Nominees Limited	115,139	3.94
QGCI Nominees Limited	106,875	3.66

HSBC Client Holdings Nominee (UK) Limited	105,370	3.61
Vidacos Nominees Limited	98,498	3.37
<i>Sterling shares</i>		
State Street Nominees Limited	4,886,360	12.24
HSBC Global Custody Nominee (UK) Limited	3,877,702	9.72
Quilter Nominees Limited	2,642,533	6.62
Pershing Nominees Limited	2,463,412	6.17
Rathbone Nominees Limited	2,343,430	5.87
BBHISL Nominees Limited	1,806,284	4.53
R C Greig Nominees Limited	1,428,668	3.58
Chase Nominees Limited	1,337,072	3.35
The Bank of New York (Nominees) Limited	1,287,749	3.23

Signed on behalf of the Board by:

Lord Turnbull
Chairman

John Hallam
Director

19 March 2012

Statement of Directors' Responsibility in Respect of the Annual Audited Financial Statements

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable laws.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in conformity with accounting principles generally accepted in the United States of America.

The Financial Statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these Financial Statements the Directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies (Guernsey) Law, 2008. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

We confirm to the best of our knowledge that:

- so far as each of the Directors is aware, there is no relevant audit information of which the Company's Auditor is unaware, and each has taken all the steps he ought to have taken as a Director to make himself aware of any relevant information and to establish that the Company's Auditor is aware of that information;
- these Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America and give a true and fair view of the financial position of the Company; and
- these Financial Statements include information detailed in the Chairman's Statement, the Directors' Report, the Manager's Report and the notes to the Financial Statements, which provides a fair view of the information required by:-
 - (a) DTR 4.1.8 of the Disclosure and Transparency Rules, being a fair review of the Company business and a description of the principal risks and uncertainties facing the Company; and
 - (b) DTR 4.1.11 of the Disclosure and Transparency Rules, being an indication of important events that have occurred since the end of the financial year and the likely future development of the Company.

Signed on behalf of the Board by:

Lord Turnbull
Chairman

John Hallam
Director

19 March 2012

Directors' Remuneration Report

As at 31 December 2011

Introduction

An ordinary resolution for the approval of this report will be put to the shareholders at the forthcoming Annual General Meeting to be held in 2012.

Remuneration policy

All Directors are non-executive and a Remuneration Committee has not been established. The Board as a whole considers matters relating to the Directors' remuneration. An external assessment of directors' remuneration has not been undertaken.

The Company's policy is that the fees payable to the Directors should reflect the time spent by the Directors on the Company's affairs and the responsibilities borne by the Directors and be sufficient to attract, retain and motivate directors of a quality required to run the Company successfully. The Chairman of the Board is paid a higher fee in recognition of his additional responsibilities, as is the Chairman of the Audit Committee. The policy is to review fee rates periodically, although such a review will not necessarily result in any changes to the rates, and account is taken of fees paid to directors of comparable companies.

There are no long term incentive schemes provided by the Company and no performance fees are paid to Directors.

No Director has a service contract with the Company but each of the Directors is appointed by a letter of appointment which sets out the main terms of their appointment. The Directors were appointed for an initial term of three years and section 20.3 of the Company's Articles require one third of the Directors to retire by rotation at each Annual General Meeting. As the Company is a FTSE 250 listed Company, in line with the AIC Code each Director will put themselves up for re-election at each Annual General Meeting. Director appointments can also be terminated in accordance with the Articles. Should shareholders vote against a Director standing for re-election, the Director affected will not be entitled to any compensation. There are no set notice periods and a Director may resign by notice in writing to the Board at any time.

Directors are remunerated in the form of fees, payable quarterly in arrears, to the Director personally. No other remuneration or compensation was paid or payable by the Company during the year to any of the Directors apart from the reimbursement of allowable expenses.

Directors' fees

The Company's Articles limit the fees payable to Directors in aggregate to £500,000 per annum. The annual fees are £140,000 for the Chairman, £33,000 for the Chairman of the Audit Committee and £30,000 for all other Directors. The Directors' fees, which were last reviewed in 2010, will next be reviewed in 2012.

The fees payable by the Company in respect of each of the Directors who served during the year, and during 2010, were as follows:

	01.01.11 to 31.12.11 £	01.01.10 to 31.12.10 £
Lord Turnbull	140,000	132,500
John Hallam	33,000	30,250
Graham Harrison	30,000	22,277
Talmay Morgan	30,000	27,500
Nicholas Moss	30,000	27,500
Stephen Stonberg *	30,000	–
Total	293,000	240,027

* Stephen Stonberg waived his fee for 2010 as he was employed by Brevan Howard.

Signed on behalf of the Board by:

Lord Turnbull
Chairman

John Hallam
Director

19 March 2012

Manager's Report

Brevan Howard Capital Management LP is the Manager of the Company and of BHGO.

Performance Summary

The NAV of the US Dollar shares appreciated by 4.69% in 2011, while the NAV of the Euro shares and the Sterling shares appreciated by 5.04% and 4.65% respectively in 2011.

The month-by-month NAV performance of each currency class of the Company since it commenced operations in 2008 is set out below:

USD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008						1.16*	0.10	0.05	(3.89)	1.13	2.74	0.38	1.55
2009	3.35	1.86	1.16	1.06	2.79	(0.21)	1.07	0.27	1.49	0.54	0.11	0.04	14.31
2010	0.32	(0.85)	(0.35)	0.53	(0.06)	0.60	(0.79)	0.80	1.23	0.39	(0.21)	(0.06)	1.54
2011	0.09	0.42	0.34	1.20	0.19	(0.56)	1.61	3.51	(1.29)	(0.14)	0.19	(0.88)	4.69

EUR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008						1.28*	0.25	0.29	(4.34)	1.15	3.01	0.44	1.93
2009	3.57	1.94	1.13	1.05	2.54	(0.21)	1.11	0.27	1.50	0.50	0.08	0.08	14.36
2010	0.37	(0.90)	(0.35)	0.58	(0.02)	0.69	(0.81)	0.86	1.06	0.36	(0.14)	0.04	1.73
2011	0.06	0.43	0.35	1.30	0.27	(0.63)	1.78	3.77	(1.44)	(0.14)	0.19	(0.91)	5.04

GBP	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008						1.40*	0.33	0.40	(4.17)	1.25	3.27	0.41	2.76
2009	3.52	1.94	1.03	0.68	2.85	(0.28)	1.05	0.31	1.51	0.58	0.12	0.08	14.15
2010	0.35	(0.93)	(0.32)	0.58	(0.04)	0.62	(0.81)	0.84	1.17	0.37	(0.20)	(0.03)	1.61
2011	0.10	0.41	0.38	1.13	0.04	(0.59)	1.69	3.67	(1.41)	(0.15)	0.21	(0.84)	4.65

Important note – shares in the Company do not necessarily trade at a price equal to the prevailing NAV per share.

Source: The Company's NAV and NAV per Share data is provided by the Company's administrator, Northern Trust. Monthly NAV data is unaudited and net of all investment management fees and all other fees and expenses payable by the Company.

* Performance is calculated from a base NAV per Share of 10.0 in each currency. The opening NAV in May 2008 was 9.9 (after deduction of the IPO costs borne by the Company).

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

BHGO – Allocations and Investment Performance

At 31 December 2011 the allocations of BHGO to each of its underlying fund investments were as follows:

Investment	Allocation (% NAV)
Brevan Howard Master Fund Limited ("BHMF")	50.3
Brevan Howard Asia Master Fund Limited ("BHA")	9.9
Brevan Howard Emerging Markets Strategies Master Fund Limited ("BHEMS")	11.5
Brevan Howard Credit Catalysts Master Fund Limited ("BHCC")	11.3
Brevan Howard Systematic Trading Master Fund Limited ("BHST")	11.6
Brevan Howard Commodities Strategies Master Fund Limited ("BHCS")	4.8
Cash/Other	0.6

Source: Brevan Howard

Allocations are subject to change.

The underlying funds performed as follows during 2011:

Investment	2011 Performance (%)*
Brevan Howard Master Fund Limited Class Y (US Dollar)	11.5
Brevan Howard Asia Master Fund Limited Class X (US Dollar)	8.8
Brevan Howard Equity Strategies Fund Limited Class A (US Dollar)**	-1.7
Brevan Howard Emerging Markets Strategies Master Fund Limited Class X (US Dollar)	-6.4
Brevan Howard Strategic Opportunities Feeder Fund Limited Class B (US Dollar)***	2.2
Brevan Howard Credit Catalysts Master Fund Limited Class Y (US Dollar)	1.2
Brevan Howard Systematic Trading Master Fund Limited Class B (US Dollar)	1.3
Brevan Howard Commodities Strategies Master Fund Limited Class X (US Dollar)	-2.6

Source: Performance data for the underlying funds is provided by the administrator, International Fund Services (Ireland) Limited ("IFS"). Performance data is net of all investment management fees and all other fees and expenses payable.

* US Dollar currency class of each underlying fund; the Company also invests in the Euro and Sterling of the underlying funds.

** BHGO redeemed its entire investment from Brevan Howard Equity Strategies Fund Limited on 30 May 2011.

*** BHGO redeemed its entire investment from Brevan Howard Strategic Opportunities Feeder Fund Limited on 30 June 2011.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

The underlying funds made the following contribution to the performance of BHGO during 2011:

Investment	Approx attribution (%)*
Brevan Howard Master Fund Limited Class Y (US Dollar)	97.1
Brevan Howard Asia Master Fund Limited Class X (US Dollar)	15.8
Brevan Howard Equity Strategies Fund Limited Class A (US Dollar)**	-1.7
Brevan Howard Emerging Markets Strategies Master Fund Limited Class X (US Dollar)	-15.4
Brevan Howard Strategic Opportunities Feeder Fund Limited Class B (US Dollar)***	3.8
Brevan Howard Credit Catalysts Master Fund Limited Class Y (US Dollar)	3.0
Brevan Howard Systematic Trading Master Fund Limited Class B (US Dollar)	-0.4
Brevan Howard Commodities Strategies Master Fund Limited Class X (US Dollar)	-2.3

Source: Brevan Howard. Figures are rounded to one decimal place (therefore in some instances the total may not equal 100.0).

Allocations are subject to change.

* From 1 January 2011 to 31 December 2011. Performance and attribution are calculated from the sum of the monthly contributions to performance of the investment over the period, which in turn is calculated from the US Dollar currency class performances.

** BHGO redeemed its entire investment from Brevan Howard Equity Strategies Fund Limited on 30 May 2011.

*** BHGO redeemed its entire investment from Brevan Howard Strategic Opportunities Feeder Fund Limited on 30 June 2011.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

Performance Review

The Company produced modest net asset value returns in 2011, with the NAV of the US Dollar share class appreciating 4.69%, the Euro share class 5.04% and the Sterling share class 4.65%.

At the beginning of 2011, two new funds were added to the portfolio: Brevan Howard Systematic Trading Master Fund Limited and Brevan Howard Commodities Strategies Master Fund Limited. The low correlation of these funds to the rest of the portfolio further improved the diversification of BHGO.

During 2011, the strongest performing of the underlying funds were BHMF and BHA, returning 11.5% and 8.8% respectively (share classes detailed in the table on the previous page). The combined allocation to these two underlying funds was increased during the year, from approximately 50% to over 60%.

At the end of 2011, the Investment Committee took the decision to further diversify BHGO's emerging market exposure, by allocating funds to Brevan Howard Investment Fund – Emerging Markets Local Fixed Income Fund ("BHEML"). The initial allocation to BHEML, of approximately 3% of BHGO's NAV, was made in January 2012 (as reported in the January 2012 risk report and investor letter).

During 2011, the average discount of the Company's shares was approximately 8%. In March, the discount widened to over 10% and the Company responded by engaging in its discount management programme, purchasing a modest number of Company shares on market during April and May 2011. These purchases resulted in a marginal uplift to the Company's share price and, accompanied with changing market conditions, had the desired effect of narrowing the discount across all three share classes.

Commentary and Outlook

Despite market optimism at the beginning of 2011, the expansion in the global economy slowed into the middle of the year, with declining activity in China, the US and Europe all occurring in a fairly synchronised manner. Markets had become increasingly focused on the European sovereign debt situation and the associated discussions between policymakers. The reversal of ECB rate hikes in April and July served to further increase market uncertainty. In the third quarter, another EU summit failed to deliver the measures required to resolve the crisis and the normally pro

forma vote to increase the US debt ceiling turned into a fiasco that cost the US its AAA credit rating. In response to these developments, investor and consumer sentiment collapsed, and the economy barely avoided a recession.

By the end of the year, the US economy had regained its footing to some extent, led by brisk business capital expenditure, improved consumer spending, moderate gains in payroll employment and an easing of inflationary pressures. Additional monetary policy easing by the Federal Reserve and European Central Bank played a role in stabilising the global economy in the second half of the year.

Looking forward, Brevan Howard continues to believe that markets remain at risk of substantial dislocation. Recent European economic survey and data releases paint a picture of ongoing economic recession and increasing divergence between Germany and the European peripheral economies. Despite the apparent progress made with the "fiscal compact" agreement in Europe in December, the European sovereign and banking issues appear to be coming to a head and may result in extreme outcomes (in either direction). The US fiscal situation also remains highly strained and large imbalances continue in emerging market economies.

In light of the ongoing binary risks, Brevan Howard has taken decisive action to focus on liquid, uncomplicated strategies and where possible to increase funds' cash liquidity and ensure that the exposure of the funds to potentially vulnerable counterparties is kept to a minimum. One risk that Brevan Howard has been particularly careful to avoid is trading on the outcome of the Eurozone crisis. Its resolution will ultimately be a political decision and as such Brevan Howard believes it is better to trade from a macroeconomic perspective and position around macroeconomic developments rather than try to second guess the politicians.

Brevan Howard wishes to thank shareholders once again for your continued support.

Gunther Thumann

Brevan Howard Capital Management, LP,
acting by its sole general partner,
Brevan Howard Capital Management Limited

19 March 2012

Independent Auditor's Report to the Members of BH Global Limited

We have audited the Financial Statements of BH Global Limited for the year ended 31 December 2011 which comprise the Statement of Assets and Liabilities, the Statement of Operations, the Statement of Changes in Net Assets, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and accounting principles generally accepted in the United States of America.

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Statement of Directors' Responsibility, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board of Directors; and the overall presentation of the Financial Statements.

In addition, we read all the financial and non-financial information in the Chairman's Statement, the Directors' Report, the Directors' Remuneration Report, the Manager's Report and the Historic Performance Summary accompanying the Financial Statements to identify material inconsistencies with the Audited Financial Statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of its net increase in net assets resulting from operations for the year then ended;
- are in conformity with accounting principles generally accepted in the United States of America; and
- comply with the Companies (Guernsey) Law, 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the Financial Statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.

We have nothing to report with respect to the following:

Under the Listing Rules we are required to review the part of the Corporate Governance Statement relating to the Company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review.

Deborah J. Smith

For and on behalf of KPMG Channel Islands Limited
Chartered Accountants and Recognised Auditors

19 March 2012

Audited Statement of Assets and Liabilities

As at 31 December 2011

	31.12.11	31.12.10
	US\$ '000	US\$ '000
Assets		
Investment in BHGO (cost 31 December 2011: US\$911,527,827; 31 December 2010: US\$924,626,069)	998,086	965,578
Other debtors	131	43
Cash and bank balances denominated in US Dollars	594	2,657
Cash and bank balances denominated in Euro	140	891
Cash and bank balances denominated in Sterling	2,042	9,881
Total assets	1,000,993	979,050
Liabilities		
Management fees payable (note 4)	425	416
Accrued expenses and other liabilities	60	275
Directors' fees and expenses payable	113	107
Administration fees payable (note 4)	30	87
Total liabilities	628	885
Net assets	1,000,365	978,165
Number of shares in issue (note 5)		
US Dollar shares	15,185,614	21,859,989
Euro shares	2,919,762	3,333,754
Sterling shares	39,910,912	36,417,607
Net asset value per share (notes 7 and 9)		

US Dollar shares	US\$12.34	US\$11.79
Euro shares	€12.46	€11.86
Sterling shares	£12.47	£11.92

See accompanying notes to the Financial Statements.

Signed on behalf of the Board by:

Lord Turnbull
Chairman

John Hallam
Director

19 March 2012

Audited Statement of Operations

For the year ended 31 December 2011

	01.01.11 to 31.12.11 US\$ '000	01.01.10 to 31.12.10 US\$ '000
Net investment loss allocated from BHGO		
Interest	20	4
Expenses	(128)	(199)
Net investment loss allocated from BHGO	(108)	(195)
Company income		
Interest income	1	–
Total Company income	1	–
Company expenses		
Management fees (note 4)	5,146	4,845
Other expenses	945	1,013
Directors' fees and expenses	463	377
Administration fees (note 4)	355	345
Foreign exchange losses (note 3)	5,541	28,670
Total Company expenses	12,450	35,250
Net investment loss	(12,557)	(35,445)
Net realised and unrealised gains and losses on investments allocated from BHGO		
Net realised gain on investments	21,210	31,997
Net unrealised gain/(loss) on investments	18,679	(41,432)
Net realised and unrealised foreign exchange loss		
– on hedging	(19)	(104)
– on capital (note 3)	11,834	31,636
Net realised and unrealised gains and losses on investments allocated from BHGO	51,704	22,097
Net increase/(decrease) in net assets resulting from operations	39,147	(13,348)

See accompanying notes to the Financial Statements.

Audited Statement of Changes in Net Assets

For the year ended 31 December 2011

	01.01.11 to 31.12.11	01.01.10 to 31.12.10
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	US\$ '000	US\$ '000
Net increase/(decrease) in net assets resulting from operations		
Net investment loss	(12,557)	(35,445)
Net realised gain on investments allocated from BHGO	21,210	31,997
Net unrealised gain/(loss) on investments allocated from BHGO	18,679	(41,432)
Net realised and unrealised foreign exchange gain allocated from BHGO	11,815	31,532
	39,147	(13,348)
Share capital transactions		
Purchase of own shares (note 5)		
US Dollar shares	(5,389)	–
Euro shares	(2,294)	–
Sterling shares	(9,264)	–
	(16,947)	–
Net increase/(decrease) in net assets	22,200	(13,348)
Net assets at the beginning of the year	978,165	991,513
Net assets at the end of the year	1,000,365	978,165

See accompanying notes to the Financial Statements.

Audited Statement of Cash Flows

For the year ended 31 December 2011

	01.01.11 to 31.12.11 US\$ '000	01.01.10 to 31.12.10 US\$ '000
Cash flows from operating activities		
Net increase/(decrease) in net assets resulting from operations	39,147	(13,348)
Adjustments to reconcile net income/(expense) to net cash provided by/(used in) operating activities:		
Net investment loss allocated from BHGO	108	195
Net realised gain on investments allocated from BHGO	(21,210)	(31,997)
Net unrealised (gain)/loss on investments allocated from BHGO	(18,679)	41,432
Net realised and unrealised foreign exchange gain allocated from BHGO	(11,815)	(31,532)
Purchase of investment in BHGO	(20,170)	(596)
Proceeds from sale of investment in BHGO	33,717	–
Foreign exchange losses	5,541	28,670
Increase in other debtors	(88)	–
Increase/(decrease) in management fees payable	9	(5)
(Decrease)/increase in accrued expenses and other liabilities	(215)	75
Increase in Directors' fees payable	6	26
(Decrease)/increase in administration fees payable	(57)	57
Net cash provided by/(used in) operating activities	6,294	(7,023)
Cash flows from financing activities		
Purchase of own shares	(16,947)	–
Net cash used in financing activities	(16,947)	–
Change in cash	(10,653)	(7,023)
Cash, beginning of the year	13,429	20,452
Cash, end of the year	2,776	13,429
Cash, end of the year		
Cash and bank balances denominated in US Dollars	594	2,657
Cash and bank balances denominated in Euro	140	891
Cash and bank balances denominated in Sterling	2,042	9,881

See accompanying notes to the Financial Statements.

Notes to the Financial Statements

For the year ended 31 December 2011

1. The Company

BH Global Limited (the "Company") is a limited liability closed-ended investment company incorporated in Guernsey on 25 February 2008 for an unlimited period, with registration number 48555.

The Company was admitted to a Primary Listing on the Official List of the London Stock Exchange on 29 May 2008. As a result of changes to the UK Listing Regime, the Company's Primary Listing became a Premium Listing with effect from 6 April 2010.

As of 20 October 2008 the Company obtained a Secondary Listing on the Bermuda Stock Exchange and with effect from 11 November 2008, the US Dollar shares of the Company were admitted to a Secondary Listing on NASDAQ Dubai.

The Company offers multiple classes of ordinary shares, which differ in terms of currency of issue. To date, ordinary shares have been issued in US Dollar, Euro and Sterling.

2. Organisation

The Company's investment objective is to seek to generate consistent long-term capital appreciation through an investment policy of investing all of its assets (net of those expenses of the initial public offering borne by the Company and funds required for its short-term working capital requirements) in BHGO.

The Company is organised as a feeder fund and invests substantially all of its investable assets in the ordinary US Dollar, Euro and Sterling denominated Class A shares issued by BHGO.

As such the accounts of the Company should be read in conjunction with the Annual Audited Financial Statements of BHGO.

BHGO is an open-ended investment company incorporated with limited liability in the Cayman Islands on 3 March 2008 which, as at the date of these Financial Statements, invests in Brevan Howard Master Fund Limited, Brevan Howard Emerging Markets Strategies Master Fund Limited, Brevan Howard Asia Master Fund Limited, Brevan Howard Credit Catalysts Master Fund Limited, Brevan Howard Commodities Strategies Master Fund Limited and Brevan Howard Systematic Trading Master Fund Limited. As at 31 December 2011, BHGO's investments represented 1.92%, 5.56%, 5.81%, 5.44%, 9.94% and 16.39% respectively of the underlying funds' net asset value.

These investment funds may invest in a wide range of geographical regions, sectors and instruments. Such instruments may include, but are not limited to, debt securities and obligations (which may be below investment grade or unrated), bank loans, listed and unlisted equities, other collective investment schemes (which may be open ended or closed ended, listed or unlisted, and which may employ leverage), currencies, commodities, futures, options, warrants, swaps, other derivative instruments and any other type of instrument or security. These funds have the ability to take short positions across the majority of these instruments. Subject to the investment restrictions disclosed in the BHGO Prospectus and subsequent BHGO Directors' resolutions, the allocation of assets of BHGO among the Brevan Howard underlying funds in which it is permitted to invest is at the discretion of the Manager.

At the date of these Financial Statements, the Company is the only Feeder Fund investing into BHGO.

The Manager

Brevan Howard Capital Management LP (the "Manager") is the Manager of the Company. The Manager is a Jersey limited partnership, the sole general partner of which is Brevan Howard Capital Management Limited, a Jersey limited company (the "General Partner"). The General Partner is regulated in the conduct of fund services business by the Jersey Financial Services Commission pursuant to the Financial Services (Jersey) Law, 1998 and the Orders made thereunder.

The Manager also manages BHGO and the Brevan Howard underlying funds.

3. Significant accounting policies

The Financial Statements which give a true and fair view, are prepared in conformity with accounting principles generally accepted in the United States of America and comply with the Companies (Guernsey) Law, 2008. The base currency of the Company is US Dollars.

The following are significant accounting policies adopted by the Company:

Valuation of investments

The Company records its investment in the Class A shares of BHGO at fair value. At 31 December 2011 and 31 December 2010, the Company's US Dollar, Euro and Sterling capital account represents 100%, 100% and 100% respectively of BHGO's capital.

Fair value measurement

Accounting Standards Codification ("ASC") Topic 820 defines fair value as the price that the Company would receive upon selling a security in an orderly transaction to an independent buyer in the principal or most advantageous market of the security.

ASC 820 establishes a three-level hierarchy to maximise the use of observable market data and minimise the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgement.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgement by the Company's Directors (the "Management"). Management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to Management's perceived risk of that instrument.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, Management's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. Management uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced

for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

The valuation and classification of securities held by BHGO is discussed in the notes to BHGO's Financial Statements which are available on the Company's website, www.bhglobal.com.

Income and expenses

The Company records monthly its proportionate share of BHGO's income, expenses and realised and unrealised gains and losses. In addition, the Company accrues its own income and expenses.

Use of estimates

The preparation of Financial Statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of those Financial Statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Share issue expenses

Share issue expenses of US\$10,552,146 were borne by the Company and were charged against the Share capital account at launch. In accordance with the Placing Agreement dated 28 April 2008, the Manager paid the costs and expenses of, and incidental to, the Offer (including all costs related to the establishment of the Company) (the "Offer Costs") which were in excess of 1% of the gross proceeds of the Offer. The Offer Costs paid by the Manager amounted to US\$26,559,274.

Pursuant to the terms of the Management Agreement, the Company must repay to the Manager a fraction of these Offer Costs for every US Dollar by which repurchases, redemptions or cancellations of the Company's shares reduce the Current US Dollar NAV of the Company below its NAV at the time of the Company's listing, being US\$1,044,631,308. The Current US Dollar NAV is calculated using the exchange rates ruling at the time of the Company's listings and at 31 December 2011 stood at US\$1,229,972,950. The amount of these Offer Costs to be repaid for every US Dollar by which the Company's NAV is reduced will be up to 2.55 cents (or such lower amount as may result in the reduction in the Offer Costs actually paid by the Manager), being the figure obtained by dividing the Offer Costs by the NAV of the Company at the time of its listing. No such payments were due in respect of the current or previous years.

In addition, if the Management Agreement were to be terminated for certain grounds either in whole or with respect to a class of shares on or before the seventh anniversary of admission to the London Stock Exchange, being 29 May 2015, any Offer Costs that have not already been repaid to the Manager (or, in the case of termination in respect of a class of shares, the Offer Costs attributable to such class), will be repaid in full to the Manager by the Company. Any repurchases, redemptions or cancellations will be priced to take into account any fractional Offer Cost repayments and therefore ensure that continuing shareholders should not be prejudiced. The Directors consider the likelihood of the Management Agreement terminating and as a consequence the contingent liability described above arising as remote and therefore no provision has been made within these Financial Statements.

The Directors confirm that there are no other contingent liabilities that require disclosure or provision.

Foreign exchange

Investment securities and other assets and liabilities denominated in foreign currencies are translated into US Dollars using exchange rates at the reporting date for the purposes of an aggregated share class Statement of Operations. The currency gain or loss arising from this translation is substantially offset by currency gains or losses allocated from BHGO. Transactions denominated in foreign currencies are translated into US Dollars using exchange rates at the date of such transactions.

All currency gains and losses are included in the Audited Statement of Operations.

Treasury shares

Where the Company purchases its own share capital, the consideration paid, which includes any directly attributable costs, is recognised as a deduction from equity shareholders' funds through the Share capital account. When such shares are subsequently sold or reissued to the market, any consideration received, net of any directly attributable incremental transaction costs, is recognised as an increase in equity shareholders' funds through the Share capital account. Where the Company cancels treasury shares, no further adjustment is required to the share capital account of

the Company at the time of cancellation. Shares held in treasury are excluded from calculations when determining NAV per share as detailed in note 7 or in the Financial Highlights in note 9.

Recent accounting pronouncements

In May 2011, the FASB issued ASU No. 2011-04, "Fair Value Measurement and Disclosures (Topic 820) – Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in US GAAP and IFRSs." ASU No. 2011-04 clarifies the application of existing fair value measurement and disclosure requirements, changes certain principles related to measuring fair value, and requires additional disclosures about fair value measurements. ASU No.2011-04 is effective for periods beginning after 15 December 2011. The Company is currently evaluating the impact of adoption.

4. Management and administration agreements

Management fee

The Company has entered into a management agreement with the Manager to manage the Company's investment portfolio. The Manager receives a management fee of 1/12 of 0.50% (or a pro rata proportion thereof) per month of the closing NAV (before deduction of that month's management fee) as at the last valuation day in each month, payable monthly in arrears. BHGO itself is not subject to management fees, however BHGO's investments are subject to management fees ranging from 2% to 3% per annum. During the year ended 31 December 2011, US\$5,146,172 (2010: US\$4,844,581) was charged by the Manager as management fees on underlying funds. At 31 December 2011, US\$425,005 (2010: US\$415,578) of the fee remained outstanding.

The management agreement may be terminated by either party giving the other party not less than 24 months written notice. In certain circumstances the Company will be obliged to pay compensation to the Manager of the aggregate management fees which would otherwise have been payable during the 24 months following the date of such notice. Compensation is not payable if more than 24 months notice of termination is given.

Administration fee

The Company has appointed Northern Trust International Fund Administration Services (Guernsey) Limited as Administrator, Registrar and Corporate Secretary. The Administrator is paid fees based on the NAV of the Company, payable monthly in arrears. The fee is at a rate of 0.03% of the first US\$1 billion of net assets of the Company and then 0.01% per annum thereafter, subject to a minimum fee of £115,000 per annum. In addition to the NAV based fee the Administrator is also entitled to an annual fee of £36,000 for certain additional administration services. The Administrator is entitled to be reimbursed out-of-pocket expenses incurred in the course of carrying out its duties as Administrator.

5. Share Capital

Issued and authorised share capital

The Company was incorporated with the authority to issue an unlimited number of ordinary shares with no par value which may be divided into at least three classes denominated in US Dollars, Euro and Sterling. The treasury shares have arisen as a result of the discount management programme as described in note 8.

	US Dollar shares	Euro shares	Sterling shares
Number of ordinary shares			
In issue at 1 January 2011	21,859,989	3,333,754	36,417,607
Share conversions	(6,172,743)	(261,391)	4,011,121
Purchase of own shares into treasury	(501,632)	(152,601)	(517,816)
In issue at 31 December 2011	15,185,614	2,919,762	39,910,912
Number of treasury shares			
In issue at 1 January 2011	2,385,662	349,712	2,422,287
Shares purchased and held in treasury during the year:			
– Other on market purchases	501,632	152,601	517,816
Shares cancelled	(1,422,000)	(242,340)	–
In issue at 31 December 2011	1,465,294	259,973	2,940,103
Percentage of class	8.80%	8.18%	6.86%

	US\$ '000	€ '000	£ '000	Company Total US\$ '000
Share capital account				
At 1 January 2011	203,264	23,998	376,538	953,028
Share conversions	(74,380)	(3,171)	48,841	–
Purchase of own shares into treasury	(5,389)	(1,663)	(5,672)	(16,947)
At 31 December 2011	123,495	19,164	419,707	936,081

	US Dollar shares	Euro shares	Sterling shares
Number of ordinary shares			
In issue at 1 January 2010	26,766,139	5,392,188	31,461,725
Share conversions	(4,906,150)	(2,058,434)	4,955,882
In issue at 31 December 2010	21,859,989	3,333,754	36,417,607
Number of treasury shares			
In issue at 1 January 2010	2,385,662	569,712	2,422,287
Shares cancelled	–	(220,000)	–
In issue at 31 December 2010	2,385,662	349,712	2,422,287
Percentage of class	9.84%	9.49%	6.24%

	US\$ '000	€ '000	£ '000	Company Total US\$ '000
Share capital account				
At 1 January 2010	260,159	48,143	318,319	953,028
Share conversions	(56,895)	(24,145)	58,219	–
At 31 December 2010	203,264	23,998	376,538	953,028

Share classes

In respect of each class of shares a separate class account has been established in the books of the Company. An amount equal to the aggregate proceeds of issue of each share class has been credited to the relevant class account. Any increase or decrease in the NAV of BHGO US Dollars shares, BHGO Euro shares and BHGO Sterling shares as calculated by BHGO is allocated to the relevant class account in the Company. Each class account is allocated those costs, pre-paid expenses, losses, dividends, profits, gains and income which the Directors determine in their sole discretion relate to a particular class.

Voting rights

Ordinary shares carry the right to vote at general meetings of the Company and to receive any dividends, attributable to the ordinary shares as a class, declared by the Company and, in a winding-up will be entitled to receive, by way of capital, any surplus assets of the Company attributable to the ordinary shares as a class in proportion to their holdings remaining after settlement of any outstanding liabilities of the Company.

As prescribed in the Company's Articles, the different classes of ordinary shares have different values attributable to their votes. The attributed values have been calculated on the basis of the Weighted Voting Calculation (as described in the Articles) which takes into account the prevailing exchange rates on the date of initial issue of ordinary shares. Currently, on a vote, a single US Dollar ordinary share has one vote, a single Euro ordinary share has 1.57465 votes and a single Sterling ordinary share has 1.97950 votes.

Treasury shares do not have any voting rights.

Repurchase of shares

The Directors have been granted authority to purchase in the market up to 3,121,601 US Dollar shares, 521,122 Euro shares and 6,092,424 Sterling shares respectively and they intend to seek annual renewal of this authority from shareholders which was last granted on 20 June 2011. The Directors may, at their discretion, utilise this share repurchase authority to address any imbalance between the supply of and demand for shares.

Under the Company's Articles, the Directors are required to convene a shareholders' meeting to consider the repurchase of a class of shares in certain circumstances. See note 8 for further details.

Note Purchase Agreement

The Company is party to a Note Purchase Agreement with JP Morgan Chase Bank dated 19 August 2011 pursuant to which the company may obtain financing of up to approximately US\$50 million to be drawn down on a currency-by-currency basis, if required, to finance share buybacks pending receipt of the proceeds of redemption from its underlying investments. As at the date of this report, this financing has not been utilised.

Further issue of shares

As approved by the shareholders at the Annual General Meeting held on 20 June 2011 (the "AGM"), the Directors have the power to issue further shares on a non pre-emptive basis for cash in respect of 2,082,456 US Dollar shares, 347,646 Euro shares and 4,064,325 Sterling shares respectively. This power expires on the date falling fifteen months after the date of the AGM or the conclusion of the next Annual General Meeting of the Company, whichever is the earlier.

Distributions

BHGO does not expect to pay dividends to its investors. Therefore, the Directors of the Company do not expect to declare any dividends. This does not prevent the Directors of the Company from declaring a dividend at any time in the future if the Directors consider payment of a dividend to be appropriate in the circumstances. If the Directors declare a dividend, such dividend will be paid on a per class basis.

Treasury shares are not entitled to distributions.

Annual redemption offer

Each calendar year the Directors may, in their absolute discretion, determine that the Company should make an offer to redeem such number of shares of the Company in issue as they may determine provided that the maximum amount distributed does not exceed 100% of the increase in the NAV of the Company in the prior calendar year. In February 2012 the Directors announced their intention to make such a return of capital. Details will be circulated in the documentation sent to shareholders for the AGM which will take place in June 2012, with settlement likely to take place in July 2012.

The Directors shall, in their absolute discretion, determine the particular class or classes of shares in respect of which an Annual Redemption Offer will be made, the timetable for that Annual Redemption Offer and the price at which the shares of each relevant class will be redeemed.

Whether a return of capital is made in any particular year and, if so, the amount of the return, may depend, among other things, on prevailing market conditions, the ability of the Company to liquidate its investments to fund the capital return, the success of prior capital returns and applicable legal, regulatory and tax considerations.

Share conversion scheme

The Company has implemented a Share Conversion Scheme. The scheme provides shareholders with the ability to convert some or all of their ordinary shares in the Company of one class into ordinary shares of another class. Shareholders at the discretion of the Board are able to convert ordinary shares on the last business day of every month. Each conversion will be based on NAV (note 7) of the share classes to be converted.

6. Taxation

Overview

The Company is exempt from taxation in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989. Accordingly, no provision for Guernsey income taxes is included in these Financial Statements.

Uncertain tax positions

The Company recognises the tax benefits of uncertain tax positions only where the position is more-likely-than-not (i.e. greater than 50-percent) to be sustained assuming examination by a tax authority based on the technical merits of the position. In evaluating whether a tax position has met the recognition threshold, the Company must presume that the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information. A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognise in the Company's Financial Statements. Income tax and related interest and penalties would be recognised by the Company as tax expense in the Statement of Operations if the tax positions were deemed to not meet the more-likely-than-not threshold.

The Company analyses all open tax years for all major tax jurisdictions. Open tax years are those that are open for examination by taxing authorities, as defined by the Statute of Limitations in each jurisdiction. The Company identifies its major tax jurisdictions as the Cayman Islands and foreign jurisdictions where the Company makes significant investments. The Company has no examinations by tax authorities in progress.

Management has analysed the Company's tax positions, and has concluded that no liability for unrecognised tax benefits should be recorded related to uncertain tax positions. Further, Management is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognised tax benefits will significantly change in the next twelve months.

7. Publication and calculation of net asset value

The NAV of the Company is equal to the value of its total assets less its total liabilities. The NAV per share of each class will be calculated by dividing the NAV of the relevant share class by the number of shares of the relevant class in issue on that day.

The Company publishes the NAV per share for each class of shares as calculated by the Administrator based in part on information provided by BHGO, monthly in arrears, as at each month end.

The Company also publishes an estimate of the NAV per share for each class of shares as calculated by the Administrator based in part on information provided by BHGO, weekly in arrears.

8. Discount management programme

The Company's discount management programme includes the ability to make market purchases of shares and the obligation to propose class closure resolutions if, in any fixed discount management period (1 January to 31 December each year), the average daily closing market price of the relevant class of shares during such period is 10% or more below the average NAV per share of the relevant class taken over the 12 monthly NAV Determination Dates in that fixed discount management period, as described more fully in the Company's Principal documents.

In the event a class closure resolution is proposed, shareholders in a class have the following options available to them:

- (i) to redeem all or some of their shares at NAV per share less the costs and expenses of the class closure vote and other outstanding costs and expenses of the Company attributable to the relevant class (including any redemption fees and repayment of Offer Costs as described in note 3)
- (ii) subject to certain limitations, to convert all or some of their shares into shares of another class, assuming that other class does not also pass a class closure resolution; or
- (iii) subject to the class continuing, to remain in the class.

These provisions are disclosed in more detail in the Company's Articles.

The Annual Redemption Offer described in note 5 which enables a partial return of capital is also part of the discount management programme.

The discount management measures may be funded by partial redemptions of the Company's investment in BHGO.

The total numbers of shares purchased during 2011 and held in treasury at 31 December 2011 are as disclosed in note 5.

9. Financial Highlights

The following tables include selected data for a single ordinary share of each of the ordinary share classes in issue at the period end and other performance information derived from the Financial Statements.

The per share amounts and ratios which are shown reflect the income and expenses of the Company for each class of ordinary share.

31.12.11 31.12.11 31.12.11 31.12.10 31.12.10 31.12.10

	US Dollar shares US\$	Euro shares €	Sterling shares £	US Dollar shares US\$	Euro shares €	Sterling shares £
Per share operating performance						
Net asset value at beginning of the year	11.79	11.86	11.92	11.61	11.66	11.73
Income from investment operations						
Net investment loss*	(0.08)	(0.09)	(0.08)	(0.10)	(0.08)	(0.07)
Net realised and unrealised gain on investment	0.71	0.66	0.59	0.28	0.33	0.26
Other capital items**	(0.08)	0.03	0.04	–	(0.05)	–
Total return*	0.55	0.60	0.55	0.18	0.20	0.19
Net asset value, end of the year	12.34	12.46	12.47	11.79	11.86	11.92
Total return*	4.69%	5.04%	4.65%	1.54%	1.73%	1.61%

Total return reflects the net return for an investment made at the beginning of the year and is calculated as the change in the NAV per ordinary share during the year ended 31 December 2011 and 31 December 2010.

	31.12.11 US Dollar shares US\$ '000	31.12.11 Euro shares € '000	31.12.11 Sterling shares £ '000	31.12.10 US Dollar shares US\$ '000	31.12.10 Euro shares € '000	31.12.10 Sterling shares £ '000
Supplemental data						
Net asset value, end of the year	187,393	36,372	497,755	257,662	39,535	434,030
Average net asset value for the year	215,735	38,040	473,389	287,842	49,063	398,382
Ratio to average net assets						
Operating expense						
Company expenses ***	0.70%	0.68%	0.67%	0.68%	0.67%	0.68%
BHGO expenses****	0.01%	0.01%	0.01%	0.02%	0.02%	0.02%
	0.71%	0.69%	0.68%	0.70%	0.69%	0.70%
Net investment loss*	(0.56%)	(0.70%)	(0.71%)	(0.74%)	(0.53%)	(0.68%)

Operating expense and net investment loss are not annualised.

*** In the opinion of the Board, the net investment loss figure shown above does not reflect the Company's overall performance given its investment objectives.**

** Included in other capital items are the discounts and premiums on conversions between share classes during the year as compared to the NAV per share at the beginning of the year.

*** Company expenses are as disclosed in the Audited Statement of Operations, excluding foreign exchange losses on consolidation.

**** BHGO expenses are the operating expenses of BHGO.

10. Related party transactions

Management fees are disclosed in note 4.

Directors' fees are disclosed in the Directors' Remuneration Report.

Directors' interests are disclosed in the Directors' Report with further disclosures in the Board Members section.

11. Subsequent events

Management has evaluated subsequent events up to 19 March 2012, which is the date that the Financial Statements were available to be issued, and has concluded there are not any material events that require disclosure or adjustment to the Financial Statements.

As detailed in the Chairman's Statement, the Company has announced an offer in 2012, for a partial return of capital to the shareholders of each class of approximately 100% of the growth in NAV in 2011, to be effected at the time of the AGM on 18 June 2012. Shareholders will be able to decide at that time whether to elect to participate in the capital return on the basis of the prevailing market conditions.

Historic Performance Summary

As at 31 December 2011

	31.12.11 US\$'000	31.12.10 US\$'000	31.12.09 US\$'000
Net increase/(decrease) in net assets resulting from operations	39,147	(13,348)	166,593
Total assets	1,000,993	979,050	992,245
Total liabilities	(628)	(885)	(732)
Net assets	1,000,365	978,165	991,513
Number of shares in issue			
US Dollar shares	15,185,614	21,859,989	26,766,139
Euro shares	2,919,762	3,333,754	5,392,188
Sterling shares	39,910,912	36,417,607	31,461,725
Net asset value per share			
US Dollar shares	US\$12.34	US\$11.79	US\$11.61
Euro shares	€12.46	€11.86	€11.66
Sterling shares	£12.47	£11.92	£11.73

Management and Administration

Directors

Lord Turnbull* (Chairman)
 John Hallam* (Senior Independent Director)
 Graham Harrison*
 Talmi Morgan
 Nicholas Moss*
 Stephen Stonberg
(All Directors are non-executive)

* These Directors are independent for the purpose of LR15.2.12A.

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For the latest information

www.bhglobal.com

The Audited Report and Financial Statements of BH Global Limited and the Audited Financial Statements of Brevan Howard Global Opportunities Master Fund Limited will shortly be available on BH Global's website www.bhglobal.com