BLACKROCK®

Commentary
Fourth Quarter 2011

BlackRock Absolute Return Strategies Ltd

Summary

Persistent fears over the financial situation in Europe at the beginning of the fourth quarter gradually gave way to somewhat calmer markets by year-end as EU authorities muddled through proposed bailout programs. US economic activity was generally better than expected, but remained tepid during the period. Alternating "risk-on/risk-off" trading presented a difficult environment for some investors, but generated opportunity for others.

Estimated Net Asset Value Summary

	NAV	Total Net Assets
BARS – (GBP) Class	£9.95	£96,507,688
BARS – (EUR) Class	€9.93	€16,533,427
BARS – (USD) Class	$10.19	$17,606,148
Total Net Assets		$189,369,564

Performance Review

(see the definitions and disclosures at the end of this document for important information necessary to understand this Performance Comparison and Summary, including the relevant performance period and calculation methodology)

	4Q11	YTD	ITD (Ann.)	Std. Dev.	Sharpe
BARS – (GBP) (Blended - net)	-0.33%	0.57%	9.33%	5.54%	0.82
BARS – (EUR) (Blended - net)	-0.34%	0.55%	7.83%	5.45%	0.56
BARS – (USD) (Blended - net)	-0.33%	0.36%	8.54%	5.24%	0.71
FTSE All-Share Index (GBP)	8.39%	-3.46%	6.61%	14.48%	0.13
MSCI World Index (USD)[1]	7.59%	-5.54%	4.96%	16.15%	0.01
HFRI FOF Conservative Index (GBP)	0.11%	-3.38%	6.26%	4.33%	0.34
HFRI FOF Conservative Index (EUR)	0.02%	-3.28%	4.80%	4.28%	0.00
HFRI FOF Conservative Index (USD)	-0.07%	-3.67%	5.30%	4.28%	0.12
BofAML GBP 3-Month LIBOR (GBP)	0.22%	0.80%	4.79%	0.60%	-

[1] BlackRock Absolute Return Strategies Ltd launched 1 May 2008. BARS – (GBP)'s actual annualized performance net of fees and expenses since 1 May 2008 is -0.14%. BARS – (EUR)'s actual annualized performance net of fees and expenses since 1 May 2008 is -0.20%. BARS – (USD)'s actual annualized performance net of fees and expenses since 1 May 2008 is 0.52%.

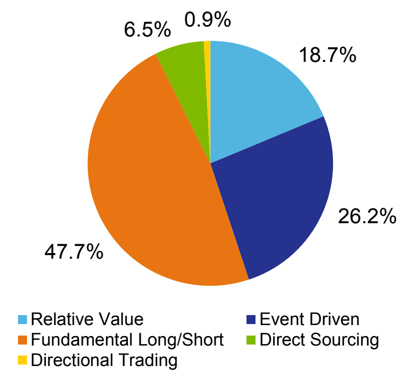
Ticker Information

	BARS – (GBP) Class	BARS – (EUR) Class	BARS – (USD) Class
Inception Date	1 May 2008	1 May 2008	1 May 2008
LSE	BARS	BARE	BARU
Bloomberg	BARS LN	BARE LN	BARU LN
Reuters	BARS.L	BARSx.L	BARSu.L
ISIN	JE00B2PXDB91	JE00B2PXNC07	JE00B2PXNQ43

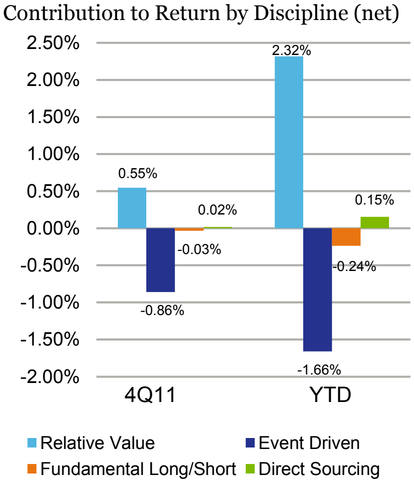
For further information on BlackRock Absolute Return Strategies Ltd
Telephone: 08457 405 405 Email: broker.services@blackrock.co.uk
www.blackrock.co.uk/bars

BARS –GBP (net)

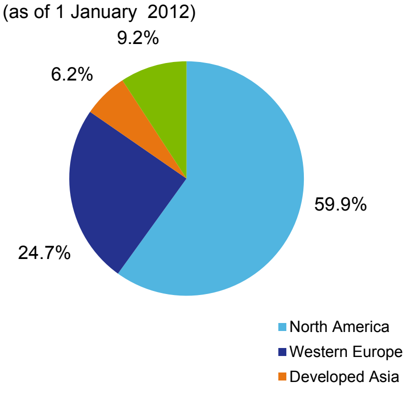
Discipline Allocation
(as of 1 January 2012)



Contribution to Return by Discipline (net)



Geographic Allocation
(as of 1 January 2012)



See definitions and disclosures at the end of this document for important information.

Portfolio Commentary

In the fourth quarter, global markets continued to be heavily swayed by day-to-day headlines, closing a year marked by heavy uncertainty and episodic volatility. By far, the most persistent source of investor unease in the quarter continued to be Europe's fiscal crisis and its potential impact on global financial system stability. While the most recent spike in anxiety appeared to peak at the very end of the third quarter, ongoing solvency concerns continued through year-end. Specifically, EU leadership muddled through negotiating an effective bailout program for its financially troubled peripheral countries, while concurrently trying to foster confidence in (as well as financially ring-fence) its larger brethren, such as Italy and Spain.

However, constituent political pressures continue to divide both benefactors and bailout recipients, creating broad-based investor uncertainty. Proposed austerity measures remain broadly unpopular in recipient countries already facing poor economic growth, and benefactor countries are resistant to funding countries with a poor history of fiscal discipline. Nonetheless, the parties appeared to make some progress in late October, when EU leaders, the International Monetary Fund and regional banks agreed to voluntarily write off 50% of Greek debt and backstop liquidity for European banks. In December, EU leaders further proposed to lend $638 billion to several hundred regional banks in hopes to spur loan generation and a demand for Eurozone debt. Consequently, over the quarter, investor confidence and market prices continued to swing wildly as new developments, both positive and negative, emerged.

Relative value managers generally led absolute return strategies for the fourth quarter. For these managers, positioning within the European sphere was a prominent theme. Rates managers were particularly active, finding tactical opportunities in swap spread and yield curves, as well as in directional and thematic trades based on anticipated monetary policy actions, including the thesis that short-term rates will remain lower for longer (versus the European Central Bank's prior bias toward tightening rates).

Volatility-based managers also generally contributed positively to results. Radical changes in volatility levels, like those experienced in October, are rarely uniformly applied throughout the marketplace, often providing trading opportunities for managers that take a relative value approach to isolating specific dislocations in these markets. Consequently, volatility strategies can often be a strong source of performance during periods of heightened uncertainty or macroeconomic turbulence. In October, as volatility rapidly declined, managers found a healthy opportunity set structuring trades around such mispricings, including those involving distortions in skew and the term structure of volatility pricing.

Long/short equity strategies also generated gains in the fourth quarter, with strong performance in October followed by lesser results in November and December. One prominent theme was the identification of short candidates impacted by government austerity measures. Managers identified short candidates in sectors that are more dependent on government spending or subsidies, including segments of the healthcare, aerospace/defense, and alternative energy industries. For example, a long-running short bet on the solar sector continued to pay off for certain managers as the European credit crisis and US fiscal cutbacks called future subsidies into question at a time when the industry is facing a supply glut from overproduction. This impacted earnings in 2011, both on a realized basis as well as in lowered earnings guidance throughout the industry.

A number of strategies posted mixed or negative performance. For instance, some fundamentally driven credit managers struggled in the fourth quarter. Credit managers generally entered the period more defensively positioned, including net short exposures for some. This proved detrimental in many cases as high yield credit markets in the US posted their two best months of the year in October and December (+5.9% and +2.5%, respectively), according to JP Morgan. As long-only markets rallied in October, many managers experienced losses from systemic hedges in European sovereign credit shorts and single-name credit shorts, particularly in European financials. Multiple managers have noted that issues faced by large banks, including capital and liquidity concerns, the impact of the Volcker Rule and Basel III capital standards, is causing the dealer community to hold less inventory and function primarily as agents rather than principals. This has contributed to reduced liquidity in many credit markets that are outside of investment grade.

In 2011, the world persevered in its long path away from the 2008 financial crisis, facing painful consequences that continue to encumber governments, corporations and consumers alike. While these ongoing aftershocks are fueling day-to-day uncertainty, as noted in more detail in our Investment Outlook (next page), they are also sparking a rapid pace of fundamental market change, and increasing the prominence of hedge fund participation in the financial system, both of which we believe will drive hedge fund opportunities for the foreseeable future.

BAA Activity

After a distinguished career spanning nearly five decades, including eight years with BlackRock, Howard Berkowitz has decided to retire as of March 31, 2012. He will no longer be managing client assets on a professional basis after that time.

Howard was a pioneer in the hedge fund business. In 1967, he co-founded and managed Steinhardt, Fine, Berkowitz & Co., one of the earliest entrants into the hedge fund industry. He joined BlackRock in 2003, following the acquisition of a majority interest in HPB Associates, a hedge fund that he initially formed in 1979.

Leaving a strong and deep team of investment talent at BAA, Howard will work closely with the firm to ensure a smooth transition of his responsibilities. Our goal throughout this process is to make sure that we continue to meet our clients' investment guidelines and objectives.

We are grateful to Howard for his contributions in helping grow our alternative investment business and for his outstanding service to our clients. We wish him every success in the future.

Investment Outlook

Entering 2012, BAA has been actively reflecting upon the global economy and how to approach hedge fund investment in the new year. In so doing, we have identified five major themes – three major cyclical trends and two structural developments – that may contribute to our decisions in the months ahead.

On the cyclical front, these factors include:

• *Persistence of the investor behavior and "risk-on/risk-off" volatility*. Several developments that contributed to investor uncertainty in the latter half of 2011 remain unresolved, and may continue to weigh on market valuations and volatility, stressing the importance of active risk management and a measured approach to capital allocation.

• *Capital availability for fundamentally weaker borrowers.* With banks under pressure to shrink their activity, and with investors worried about systemic threats, overleveraged businesses, banks and governments might find it increasingly difficult to finance their balance sheets. This may contribute to growing opportunities in distressed securities and/or forced asset sales, but also to the risk of contagion and reduced liquidity across markets.

• *Differentiation of fundamentally stronger companies.* Both strong and weak companies benefited from improved market liquidity in 2009, but under greater economic uncertainty, investors may become more selective. Fundamentally stronger companies may be increasingly perceived to be well-positioned for either a downturn or a recovery, and with a record amount of cash on hand, have many tools available to drive shareholder value.

We also see two structural factors that may influence the workings of capital markets over a more extended period:

• *Heavier government influence in commercial and capital markets.* Post-crisis, governments across the globe have been much less hesitant to exert influence on business and markets than in recent decades. The impact of their actions may be either positive or negative, but they are often large scale, difficult to forecast and are not always aligned with stakeholder preferences, introducing forms of uncertainty, market disruptions and price inefficiencies.

• *Restructuring of the global financial system and a change in the "Street" model.* Driven by heightened government regulation and wounded balance sheets, the business model of many financial firms are rapidly evolving. Banks are undertaking a massive balance sheet clean-up process and deemphasizing proprietary trading efforts. This may result in reduced competition for hedge funds, but also leave a significant liquidity vacuum in many market segments.

Markets are always evolving, but of late the pace of change is increasing. While change and uncertainty can enhance volatility in directional markets, we believe they are also companions to the sources of pricing inefficiencies that drive hedge fund returns. Many of these sources that we have cited since our inception – market segmentation, complexity, lopsided incentives, and discriminatory government policies – have become exceptionally prominent, with the potential to support cautious optimism for opportunities in 2012 and beyond.

Important Information

AN INVESTMENT IN THE COMPANY IS SPECULATIVE AND INCLUDES A HIGH DEGREE OF RISK, INCLUDING THE RISK OF A TOTAL LOSS OF CAPITAL. THE COMPANYY AND/OR ITS UNDERLYING INVESTMENTS MAY BE ILLIQUID AND SUBJECT TO SIGNIFICANT RESTRICTIONS ON TRANSFER, AND INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE RISKS ASSOCIATED WITH SUCH INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. ALL INVESTORS SHOULD CAREFULLY REVIEW THE CONFIDENTIAL PRIVATE OFFERING MEMORANDUM AND GOVERNING DOCUMENTS FOR THE COMPANYY PRIOR TO MAKING AN INVESTMENT DECISION. ANY INVESTMENT DECISION WITH RESPECT TO THE COMPANYY MUST BE BASED SOLELY ON THE DEFINITIVE AND FINAL VERSION OF THE FUND'S CONFIDENTIAL PRIVATE OFFERING MEMORANDUM, GOVERNING DOCUMENTS AND SUBSCRIPTION AGREEMENT. THERE IS NO ASSURANCE THE COMPANYY WILL ACHIEVE ITS OBJECTIVES.

This document is provided for information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities described herein in the United States or in any other jurisdiction, nor shall it, by the fact of its distribution, form the basis of, or be relied upon, in connection with any contract therefore. This communication is being issued by the BlackRock Alternative Advisors business unit of BlackRock, Inc. ("BAA") for informational purposes only relating to BARS (as defined below). Potential investors are urged to conduct further due diligence prior to, and to consult a professional advisor regarding the possible economic, tax, legal or other consequences of, entering into any investments or transactions described herein. All investments risk the loss of capital and the value of shares may go up as well as down. There is no guarantee or assurance that an investment in the Company will achieve its investment objective. An investment in the Company is speculative and should form only part of a complete investment program, and an investor must be able to bear the loss of its entire investment. Shares are suitable only for sophisticated investors and may involve a high degree of risk.

Terms used in this announcement shall, unless the context otherwise requires, bear the meaning given to them in the Prospectus dated 4 April 2008 and/or the Circular dated 17 June 2011. In receiving this document and the information contained herein, you will be deemed to have represented and agreed for the benefit of the Company, BAA and its affiliates (together with BAA, "BlackRock") that you are permitted, in accordance with all applicable laws, to receive this document and such information.

BlackRock Absolute Return Strategies Ltd (ticker symbols BARS, BARE and BARU) ("BARS" or the "Company") is a closed-ended LSE listed multi-manager investment fund organized as a Jersey, Channel Islands company, which began operations on 1 May 2008. Following approval of the Managed Wind-down by Shareholders on 25 August 2011, the Company is managed with the intention of realizing all remaining assets in the Portfolio, in a manner consistent with the principles of prudent investment management and spread of investment risk, with a view to returning invested capital to the Shareholders in an orderly manner.

No person has been authorised to give any information or make any representation not contained in this communication and if given or made any such information or representation may not be relied upon as having been authorised by BlackRock.

Certain Risk Factors

Certain principal risks faced by the Company (including the Managed Wind-down of the Company) are as follows:

•The value of the Portfolio may fluctuate and Shareholders' investment in the Company could decline substantially.

•The Company's assets may not be realised at their Net Asset Value, and it is possible that the Company may not be able to realise some assets at any value.

•In a Managed Wind-down, the value of the Portfolio will be reduced and concentrated in fewer holdings. In addition, as the Portfolio is concentrated in fewer holdings, the number of underlying managers in respect of Portfolio assets may be reduced and the Company's exposure to varying management strategies may be limited.

•Where the Board determines that the Portfolio no longer retains sufficient liquidity for the Manager to be able to maintain a full currency hedging programme, it may be appropriate for the Board to decide to terminate the Company's current currency hedging arrangements. If terminated, holders of Shares denominated in currencies other than the US Dollar would be exposed to subsequent fluctuations in the US Dollar/Sterling/Euro exchange rates.

•The liquidity profile of the Portfolio is such that Shareholders may have to wait a considerable period of time before receiving all their distributions pursuant to the Managed Wind-down. During that time the Portfolio may not be managed in a balance manner which may adversely affect its performance.

•The details of the Company's anticipated liquidity profile during the Managed Wind-down are indicative only and should not under any circumstances be considered a prediction, forecast or guarantee of the Company's actual Portfolio liquidity profile or an indication as to the timing of distributions to Shareholders pursuant to the proposed Managed Wind-down of the Portfolio.

•The maintenance of the Company as an ongoing listed vehicle will entail administrative, legal and listing costs, which will decrease the amount ultimately distributed to Shareholders. The listing of the Shares may at some stage during the Managed Wind-down be suspended and subsequently cancelled, at which point such Shares will no longer be capable of being traded on the London Stock Exchange.

•It should also be noted that there may be other matters or factors which affect the availability, amount or timing of receipt of the proceeds of realisation of some or all of the Company's investments. In particular, ongoing redemptions will decrease the size of the Company's assets, thereby increasing the impact of fixed costs incurred by the Company on the remaining assets. In determining the size of any distributions, the Directors will take into account the Company's ongoing running costs, however, should these costs be greater than expected or should cash receipts for the realisations of investments be less than expected, this will reduce the amount available for Shareholders in future distributions.

•Redemptions of Shares will be made at the Directors' sole discretion, as and when they deem that the Company has sufficient assets available to make a redemption. Shareholders will therefore have little certainty as to when their Shares will be redeemed.

Past results are not necessarily indicative of future results. Historically, funds of funds and hedge funds have produced gains and losses due to changes within the equity, interest rate, credit, currency, commodity and related derivative markets. Additionally, gains and losses are impacted to varying degrees by investment acumen, market volatility, corporate activity, securities selections, regulatory oversight, trading volume and money flows. These elements and/or their rate of change may not be present in the future, and thus future performance may be impacted. Any investment in a fund involves a high degree of risk. Investments in funds of funds and hedge funds can be highly illiquid.

Important Information

The performance of funds of hedge funds will depend on the performance of the underlying fund investments. There can be no assurance that a multi-manager approach will be successful or diversified, or that the collective performance of underlying fund investments will be profitable. Underlying fund managers may be subject to limited regulation (or may not be registered with any regulatory body), may experience potential conflicts of interest with respect to their management of allocated Company assets and from time to time, vis-à-vis other underlying managers, may take opposing positions with respect to particular securities or investments. The Company will rely on information provided to it by the underlying fund managers and there may be limited ability to confirm or verify such information.

Underlying fund managers may implement a variety of investment strategies and techniques, including short selling, leverage, hedging (such as derivatives, swaps, forwards, futures and options) and securities lending. Underlying fund managers may invest in a wide array of investments, including non-US investments, non-US currencies, distressed assets, illiquid investments (such as those subject to legal or regulatory restrictions on transfer), and commodities and futures, each of which may have diverse associated risks, including counterparty risk, credit risk and liquidity risk.

The secondary market for investments in the Company or its underlying fund investments is a recent development and as such may exhibit illiquidity, wide or non-existent bid-offer spreads, and brokerage charges. In addition, there may be restrictions on transferring fund investments. A fund may be leveraged, which may increase the risk of investment loss, and its performance may be volatile. Funds of funds and hedge funds may involve complex tax structures; therefore, there may be delays in distributing important tax information. Funds of funds and hedge funds are not subject to the same regulatory requirements as SEC registered funds or mutual funds and are not required to provide periodic pricing or valuation information to investors. The Company and its underlying fund investments may have significant fees and expenses that would reduce returns.

Performance Record

All share class performance represents the weighted average gross performance (net of expenses) of Q-BLK Appreciation Fund, L.P. and Q-BLK Appreciation Fund, Inc. (prior to 1 April 1998), Q-BLK Strategic Partners, Inc. (from 1 April 1998 to 31 October 2001),QIP, Ltd. (from 1 November 2001 to 31 July 2004) and QARS3-I, Ltd (from 1 August 2004 through 30 April 2008), all of which have the same investment mandate as the Company. The gross returns are then adjusted to reflect the applicable BARS – GBP, BARS – EUR, or BARS - USD fee. Performance from 1 May 2008 is net of applicable fees and currency and other expenses as applicable to each share class. The performance history of the Company includes related funds with differing fee structures. The actual net performance of the Company's historic record prior to 1 May 2008 (including USD denominated classes of the related funds and calculated for the period during which such funds are included in the historic record) was 183.2%. Certain of these funds may offer share classes denominated in a non-US currency which are not included in the calculation of the BARS' performance; these share classes generally incur additional expenses to hedge against the US Dollar. All performance numbers are estimates calculated on an accrual basis during the accounting close process for the Company and are based on estimated returns provided by each underlying fund manager. These calculations are based on estimated returns rather than final reported information in order to provide timely performance return information to investors. As a result, the performance numbers shown may differ from performance numbers based on the final financial information for each underlying fund and adjustments are made prospectively unless the Investment Manager determines the difference was material. Estimated performance numbers are particularly susceptible to inaccuracies during periods of market volatility or uncertainty, and additional information may become available subsequently that materially alters these estimates. BARS will be audited annually by an independent public accounting firm; therefore, the performance information presented herein will contain unaudited net asset value information for periods that have not yet been audited. Performance numbers themselves have not been audited. Performance results reflect the inclusion of all realized and unrealized gains and losses and the reinvestment of earnings. Risk is computed as the annualized standard deviation of monthly returns. The Sharpe Ratio for GBP, EUR and USD currencies measures the return earned over LIBOR (GBP), LIBOR (EUR) and ML T-bills, respectively, per unit of risk taken.

In calculating performance for BARS – GBP (Blended - net) and BARS – EUR (Blended – net), the USD performance (net of applicable fees and expenses) for the relevant funds has been converted to GBP and EUR, respectively, using relevant one month GBP/USD and EUR/USD spot rates and then using forward rates to hedge currency risk, each as supplied by Bloomberg L.P. In addition, the costs of currency hedging have not been included in the performance calculation nor have we assumed the hedging of any profits generated during each month. Following the 1 May 2008 launch of the GBP and EUR denominated share classes, actual performance includes hedging costs.

This performance information is an estimate that is subject to change and based in part on estimates received from the underlying funds' administrator or investment advisor, in some cases using assumptions that may be complex and susceptible to significant uncertainty, and may prove incorrect. Estimated valuations are particularly susceptible to inaccuracies during periods of market volatility or uncertainty, and additional information may become available subsequently which materially alters assumptions or other inputs to the estimates. This may result in a material change to the Company's estimated reported net asset value and performance estimate. Should the net asset value materially change, the Company will retroactively revise all capital transactions of impacted investors as appropriate.

Contribution to return estimates are based upon primary discipline. Data is current as of the date information for this report was calculated, which may be subject to ongoing reporting. It is important to note that the contribution to return estimates are based on certain opinions and assumptions about primary discipline which constitute the judgment of BAA and are subject to change. In addition, many fund managers operate under broad investment mandates and invest in multiple disciplines and/or strategies. No attempt has been made to attribute single fund manager performance across multiple disciplines. As a result, the contribution to return estimates provided herein may be of limited use.

Minor variances in column, row and sectional totals are the result of rounding and have been allowed to maintain the integrity of the underlying financial data. Information relating to the Company's performance and its underlying managers' qualifications, strategy exposure or portfolio composition was prepared by BAA based on information believed to be reliable; however, no assurance of its completeness or accuracy can be made. In some cases, the Company's underlying managers may manage more than one investment program. The performance information presented herein relates only to the described investment program. BlackRock also advises other portfolios whose historical risk/return characteristics may be significantly different.

Indices

Index performance is taken from Bloomberg Financial Markets or the index's proprietary website and is included for comparison only and, although useful for general observations, differences between the composition and construction of such indices and the Company's portfolio may limit their usefulness for direct comparisons. For example, it should be noted that hedge fund indices will vary, in some cases significantly, from the composition of the Company's portfolio in terms of the number of positions, types of hedge fund strategies included and distribution within such hedge fund strategies and other characteristics. Comparison of the Company's results to indices that represent asset classes other than hedge funds or funds of hedge funds are further limited by the significant inherent differences between such asset classes, for example in terms of risk/return, correlations and other characteristics. Moreover, index information may or may not reflect the deduction of fees and expenses (refer to specific definitions), which could further limit the comparative value of such information relative to the Company.

Important Information

Characteristics of securities included within the indices are subject to change between rebalancing periods. These characteristics are applicable when securities are evaluated at rebalancing points but may be higher or lower during interim periods. Additionally, index providers may have varying methodologies for measuring and implementing constituent changes and differing rebalancing periods.

Returns for international stock and bond benchmarks are in USD terms unless otherwise noted.

FTSE All-Share Index is a capital-weighted index that includes 98-99% of the UK market capitalisation. Returns are denominated in GBP and include gross dividends. The Index is a proxy for the performance of the broad UK equity market.

MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. Returns are denominated in USD and include dividends. The Index is a proxy for the performance of the world's developed equity markets.

HFRI Fund of Funds Conservative Index (GBP) ("HFRI FOF Conservative Index (GBP)") is an equal-weighted index representing funds of funds that invest with multiple managers focused on consistent performance and lower volatility via absolute return strategies. The Index includes funds of funds tracked by Hedge Fund Research, Inc. and is revised several times each month to reflect updated fund return information. The Index is a proxy for the performance of the universe of conservative funds of funds focused on absolute return strategies. Returns are net of fees and are denominated in and hedged to GBP. Source: Hedge Fund Research, Inc., © HFR, Inc. 17 January 2012, www.hedgefundresearch.com.

HFRI Fund of Funds Conservative Index (EUR) ("HFRI FOF Conservative Index (EUR)") is an equal-weighted index representing funds of funds that invest with multiple managers focused on consistent performance and lower volatility via absolute return strategies. The Index includes funds of funds tracked by Hedge Fund Research, Inc. and is revised several times each month to reflect updated fund return information. The Index is a proxy for the performance of the universe of conservative funds of funds focused on absolute return strategies. Returns are net of fees and are denominated in and hedged to EUR. Source: Hedge Fund Research, Inc., © HFR, Inc. 17 January 2012, www.hedgefundresearch.com.

HFRI Fund of Funds Conservative Index (USD) ("HFRI FOF Conservative Index (USD)") is an equal-weighted index representing funds of funds that invest with multiple managers focused on consistent performance and lower volatility via absolute return strategies. The Index includes funds of funds tracked by Hedge Fund Research, Inc. and is revised several times each month to reflect updated fund return information. The Index is a proxy for the performance of the universe of conservative funds of funds focused on absolute return strategies. Returns are net of fees and are denominated in USD. Source: Hedge Fund Research, Inc., © HFR, Inc. 17 January 2012, www.hedgefundresearch.com.

The BofA Merrill Lynch GBP 3-Month LIBOR Constant Maturity Index ("BofAML GBP 3-Month LIBOR") represents the GBP return on three month securities in the Eurodollar market invested at the London Interbank Offer Rate (LIBOR). LIBOR is the offer side of the interest rate banks charge each other on short-term money, and is an average derived from sixteen bank rate quotations, fixed daily by the British Bankers' Association (BBA).

Additional Information Concerning Portfolio Characteristics

Certain statements contained in this document may be forward-looking statements. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the scenarios and events described herein.

Forward-looking statements contained in this document that reference past trends or activities should not be taken as a representation that such trends or activities will necessarily continue in the future. BlackRock undertakes no obligations to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this document.

The Company is not an Authorised Person under the Financial Services and Markets Act 2000 and accordingly is not registered with the United Kingdoms' Financial Services Authority. The Company will therefore only be suitable for professional or experienced investors, or those who have taken financial advice. Regulatory requirements which may be deemed necessary for the protection of retail or inexperienced investors do not apply to

listed funds. By investing in the Company, you will be deemed to be acknowledging that you are a professional or experienced investor, or have taken appropriate professional advice and accepted the reduced requirements accordingly. You are wholly responsible for ensuring that all aspects of the Company are acceptable to you. Investment in listed fund may involve special risks that could lead to a loss of all of a substantial portion of such investment. Unless you fully understand and accept the nature of this fund and the potential risks inherent in this fund, you should not invest in the Company. Further information in relation to the regulatory treatment of listed funds domiciled in Jersey may be found on the website of the Jersey Financial Services Commission and www.jersyfsc.org.

Opinions and estimates offered herein constitute the judgment of BlackRock and are subject to change. All opinions and estimates are based on assumptions, all of which are difficult to predict and many of which are beyond the control of BlackRock. In addition, any calculations used to generate the estimates were not prepared with a view towards public disclosure or compliance with any published guidelines. In preparing this document, BlackRock has relied upon and assumed, without independent verification, the accuracy and completeness of information provided by third parties. BlackRock believes that the information provided herein is reliable; however, it does not warrant its accuracy or completeness.

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