



Highbridge Statistical Opportunities Fund

August 9, 2007

We wanted to update you on the \$1.7 billion Highbridge Statistical Opportunities Fund (HSOF), our statistical arbitrage fund which engages in a levered equity market neutral strategy, investing in the U.S., European and Asian equity markets. As you may be aware, many hedge funds and asset management firms utilizing similar strategies are experiencing unprecedented volatility. As of the close of business yesterday (August 8), HSOF was down approximately 16% net year-to-date and 18% net month-to-date.

We have been actively managing our exposures through this challenging market environment and will be in contact with you shortly to give you an additional update. Please feel free to contact us with any questions you may have.

-Highbridge Capital Management