



Spitfire is a value-oriented investor in publicly-traded, smaller capitalization companies. We invest in market share leading businesses which generate excess cash, possess substantial financial flexibility and demonstrate increasing intrinsic value. Our investments offer the potential for significant upside over a one to three year holding period while benefitting from a substantial margin of safety. Most of our targets are underfollowed by sell side analysts and institutional investors and are often attractive acquisition candidates. Since inception, thirteen companies, representing approximately 25% of our investments, have been acquired by strategic or financial buyers.

CURRENT MONTH PERFORMANCE

In April, The Spitfire Fund L.P. was down -2.8% (net), which compares with the Russell 2000 and S&P 500 which were down -0.4% and up +1.9%, respectively. Year to date, the Fund is up +4.6% (net), versus the Russell 2000 and S&P 500 which are up +12.0% and +12.7%, respectively. Since inception, the Fund is up +87.9% (net), ahead of the Russell 2000 and S&P 500 which are up +23.1% and +20.3%, respectively. April was a tough month for a number of our companies, which sold off with the market on low volumes in the first half of the month and did not bounce back in the second. We took advantage of the macro scare, this time over the fear of slowdown and deflation, to add to our core positions. As earnings season has progressed, the portfolio has recovered well and we look forward to reporting on our progress at month end. We remain excited about our core positions and are taking advantage of our expanded research capabilities to grow our coverage universe.

HISTORICAL PERFORMANCE METRICS, NET (UNAUDITED)

through 04/30/13

	The Spitfire Fund, L.P.	Russell 2000	S&P 500
Last 3 Months Return	1.2%	5.4%	7.2%
Last 12 Months Return	18.4%	17.7%	16.9%
Last 36 Months Return	74.8%	37.7%	43.5%
Last 60 Months Return	136.6%	41.9%	28.4%
Cumulative return since inception <sup>1</sup>	87.9%	23.1%	20.3%
Fund outperformance versus index <sup>1</sup>	-	64.8%	67.6%
Compound annual rate of return <sup>1</sup>	11.4%	3.6%	3.2%
% of Months where Fund beats index <sup>1</sup>	-	54.3%	58.6%
% of Months Positive <sup>1</sup>	68.6%	60.0%	61.4%

(1) Metrics based on net performance from 7/1/2007 through 4/30/2013.

RISK STATISTICS<sup>2</sup>

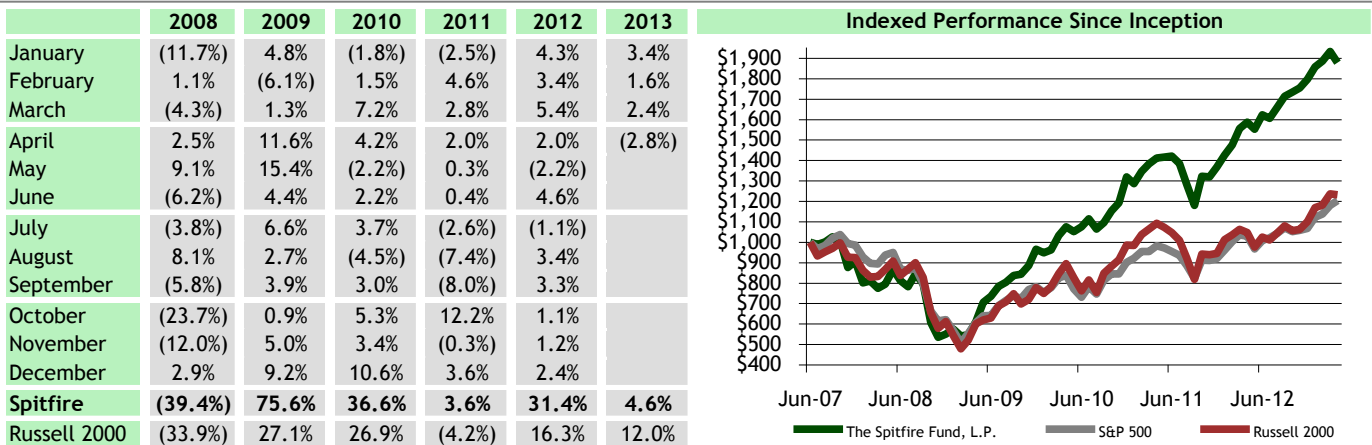
through 04/30/13

	The Spitfire Fund, L.P.	Russell 2000	S&P 500
Beta	0.6	1.1	1.0
Annualized Sharpe Ratio	2.3	0.7	0.7
Volatility	7.4%	9.3%	6.6%
Correlation Coefficient	0.7	0.9	1.0

(2) Metrics based on monthly performance over the trailing twelve month period relative to the S&P 500, as calculated by Bloomberg LP (SPITFIR US).

HISTORICAL PERFORMANCE, NET (UNAUDITED)

through 04/30/13



Performance is unaudited and net of fees and expenses. Indices assume dividend reinvestment.

PORTFOLIO MANAGER'S BIOGRAPHY

Julian Allen ([julian@spitfirecap.com](mailto:julian@spitfirecap.com))

Julian has over 16 years' professional hedge fund and private equity investing experience. Before starting Spitfire, Julian was a Member of Cannell Capital LLC, a San Francisco-based hedge fund, where he invested in neglected small capitalization equities. Previously, Julian was a Managing Director of J.H. Whitney & Co. LLC, a private equity investor with over \$5 billion under management. Julian started investing at Patricof & Co. Ventures, Inc., now Apax Partners, and was a founding Principal of Capital Z Partners. Julian holds an MBA with High Distinction from the Harvard Business School, where he graduated as a George F. Baker Scholar, and a B.A. (Hons) from Cambridge University.

ADMINISTRATIVE

Prime Broker	UBS Securities LLC	Fund Administrator	Strata Fund Services LLC
Auditor	KPMG LLP	Legal	Cole-Frieman LLP & Morrison Cohen LLP