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July 10, 2014

Dear Partner,

Welcome to the performance update of Far View Partners L.P. for the quarter ended June 30, 2014.

Portfolio Performance

During Q2 2014, Far View Partners generated a return of 1.39% net of all fees and expenses. For H1 2014, the Partnership produced a total net return of 5.33%. Equity markets rose during the quarter driven by investor optimism about improving global economies and supportive central bank policy.

Far View enjoyed positive performance from the majority of the portfolio during the quarter offset by losses from a UK auto dealer and Unitek Global Services. Because Far View believes that the long-term potential for the UK auto dealer remains quite attractive, the Partnership took advantage of its recent share price decline to add to the position.

Far View initiated a small risk-reward position in Unitek in Q3 2013 after the company successfully refinanced its debt to avoid bankruptcy. The stock provided the potential for large upside if management continued to successfully turnaround the company's business operations offset by significant downside risk due to its still highly-levered balance sheet. Unfortunately, while initial results in 2013 were positive, difficult winter weather in Q1 2014 hurt the company's operational performance and increased the risk of it breaking its debt covenants. As a result of the worsening outlook for Unitek, Far View exited the position at a loss in Q2 2014 saving the portfolio from subsequent share price declines.

During the quarter, Far View initiated a new position in a Japanese pay-TV and satellite provider with the potential for large upside driven by a significant earnings inflection and eliminated smaller positions where the investment thesis had weakened. At the end of Q2 2014, the Partnership's portfolio included long investments in the U.S., Europe, and Asia, put options in the U.S., and a significant cash position.

Three-Year Review- Actions vs. Plan

As Far View has completed three years of investment operations, it is a good time to assess the Partnership's performance compared to its initial plan. When Far View launched in July 2011, the Partnership focused on employing three key competitive advantages: long-term orientation, flexible investment strategy, and small size. Reviewing the Partnership's operations to-date suggests that these edges have been utilized.

While three years of investing is a bit premature to adequately assess long-term orientation, it is important to note that over 1/3 of the current portfolio is comprised of securities that have been held over two years, showing Far View's willingness to be patient with its investments. While the Partnership has been ready to remove a position promptly if its risk-reward deteriorates, Far View has remained focused on investing with a multi-year time horizon to take advantage of the investment community's increasing fixation on short-term results.

Far View has employed a flexible investment strategy and has been active in multiple geographies and asset classes. The Partnership has purchased securities listed in the U.S., United Kingdom, Italy, Norway, Sweden, Germany, Spain, Japan, Korea and Australia and has used an opportunistic strategy to take advantage of mispricings. For example, as a result of the distress in European markets in 2011-12, Far View employed a large portion of its capital to purchase specific securities in those markets that presented attractive risk-rewards. When conditions normalized, these markets became a smaller portion of the portfolio.

Far View has also invested in several different types of securities including equities, options, open-end property funds, contingent value rights, preference shares, and helped backstop a rights offering. While the Partnership has not made any credit investments to date, Far View expects to be an active participant during periods of credit market distress. The Partnership has also been willing to hold cash in the absence of attractive opportunities. This cash position has fluctuated during Far View's first three years, driven by the number of attractive opportunities uncovered. While this cash position has been an anchor during these rising markets, Far View will never feel compelled to pursue low-conviction investments merely for the sake of using capital.

Since its launch, Far View has taken advantage of its small size to benefit from opportunities that escape the attention of larger funds. While Far View has generally found more attractive risk-rewards in smaller companies, the Partnership remains flexible with regards to market capitalization when searching for attractive securities and has invested in companies ranging from mega-caps to micro-caps.

Overall, Far View has employed a consistent process to benefit from the Partnership's competitive advantage and expects its continued application to uncover attractive investments in the future.

Three-Year Review- Strengths and Weaknesses

In addition to looking at the Partnership's actions compared to its plan, reviewing Far View's major winners and losers since inception can be helpful to identify strengths and weaknesses in the investment process. This assessment of the Partnership's three-year track record has provided some important lessons that should help improve future investment outcomes.

Over its first three years, a strength of Far View has been its ability to identify and take advantage of significantly mispriced investments. Since inception, the Partnership has made seven large investments.ⁱ Excluding one security recently acquired during Q2 2014, Far View's six large investments have generated an average total return of 166% (68% annualized) since their initial purchase. Furthermore, the Partnership has shown the ability to profit from these large positions as they have generated 85% of the Partnership's profitsⁱⁱ since inception.

Large Positions	Total Return	Annualized Return
UK 1	109%	29%
USA 1	266%	64%
ITA 1	255%	67%
NOR 1	222%	105%
USA 2	116%	65%
USA 3	27%	81%
AVERAGE	166%	68%

Most impressive is the consistency of these strong returns. Of these six positions, the only security to generate an annualized return below 50% was the UK auto dealer (UK 1). Far View added to this position at the end of Q2 2014 because of the attractive risk-reward created by its recent share price decline. While admittedly a small data set, these results support the idea that Far View can identify significantly mispriced securities and generate strong results when there is enough conviction to make an investment a large portion of the portfolio.

Conversely, Far View's three-year review demonstrates that a large portion of the Partnership's mistakes have come from smaller risk-reward positions, which possess the possibility of material loss offset by the potential for large upside. While each individual position has a high level of risk, the outsized profits of the winners are expected to allow the group to generate attractive returns even with the negative impact of a few losers. Of the eight positions that fit into this category, Far View has been unsuccessful five times, resulting in the idea type generating a cumulative loss worth over 9% of Far View's profits since inception, an unacceptable result in a forgiving equity market.

Risk-Reward Positions	Total Return	Annualized Return
UK 1	-19%	-12.1%
AUS 1	-93%	-69.6%
USA 2	222%	Large*
SPA 1	87%	Large**
USA 3	-95%	-98.6%
USA 4	-44%	-51.9%
USA 5	-41%	-95.9%
UK 2	146%	1002.2%
<i>* Owned for 3 Days</i>		
<i>** Owned for 2 Days</i>		

While the losses generated by these risk-reward positions are frustrating, their relatively small aggregate portfolio impact shows that they were properly sized with regards to their higher potential downside. However, there is an additional negative impact that is difficult to quantify. Time spent researching these risk-reward positions is time that was not used to search for the highly-mispriced opportunities that have proven to be more profitable for the Partnership. Because time is a precious resource for an investor, the negative impact of these ideas is greater than their cumulative loss.

The key question is why this group of ideas was unsuccessful. A review of the initial investment write-ups for all the risk-reward positions shows that Far View was too optimistic in both its estimation of the probability of success and the potential upside scenario. As a result, the Partnership suffered several significant losses and only achieved its targeted upside on one of the three profitable risk-reward positions. If the probability of success and the potential reward of the position had been assessed more realistically, these investments would have appeared much less attractive given their risk. Going forward, Far View's has changed its write-up process to mitigate this bias towards excessive optimism in risk-reward positions. This more sober analysis should lead to this type of position being a less frequent addition to the portfolio.

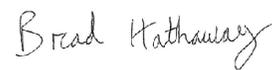
Reviewing Far View's three year track record supports the conclusion that Far View should focus on finding securities where it can gain enough conviction to invest a large portion of the Partnership's capital. Going forward, Far View will focus more of its efforts on searching for securities that have the potential to become core holdings and less time working on risk-reward positions.

The Partnership

Far View Partners has now completed three years as an investment partnership. It has been a very satisfying beginning and I am proud of how much Far View has grown in terms of its resources and investment process. I would like to thank my service providers who have greatly assisted Far View's operations. Their tireless efforts have freed me to focus on searching for attractive investments. I would also like to thank my limited partners. Having partners with the proper long-term perspective is one of the few enduring competitive advantages that an investment firm can possess and I greatly appreciate your trust and support.

I remain the largest investor in Far View and it comprises the vast majority of my net worth. I am excited for the future of the Partnership and believe its first three years have created an excellent foundation for long-term success. Please don't hesitate to contact me if you have any thoughts or questions.

Sincerely,

A handwritten signature in cursive script that reads "Brad Hathaway".

Brad Hathaway
Managing Partner

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ⁱ Position size >8% of capital during Far View’s ownership of the security

ⁱⁱ Profits before performance fees