

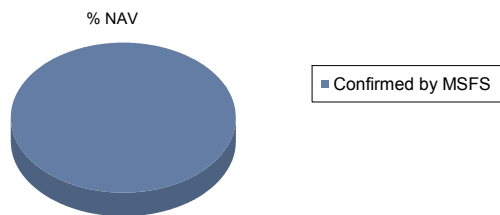
Confirmations & Qualifications

StratumSM Ref No⁽¹⁾ : F000001258:30SEP2014:2

Reported Company Net Asset Value ("NAV") in USD⁽¹⁾: 3,265,704,689

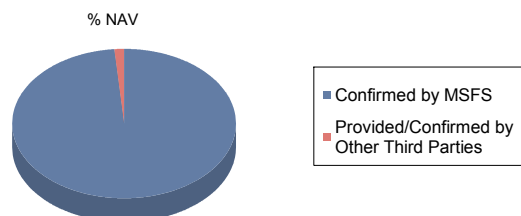
Asset / Liability Confirmation⁽²⁾

	<u>USD</u>	<u>% NAV</u>
Confirmed by MSFS	3,265,704,689	100.00%
Total	<u><u>3,265,704,689</u></u>	<u><u>100.00%</u></u>



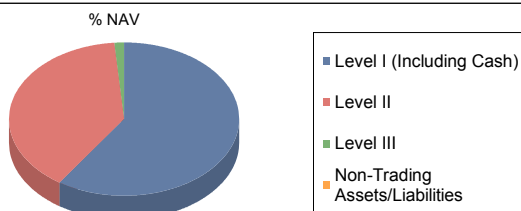
Price Input Confirmation⁽³⁾

	<u>USD</u>	<u>% NAV</u>
Confirmed by MSFS	3,223,445,685	98.71%
Provided/Confirmed by Other Third Parties	42,259,004	1.29%
Total	<u><u>3,265,704,689</u></u>	<u><u>100.00%</u></u>



ASC 820 Classifications⁽⁴⁾

	<u>USD</u>	<u>% NAV</u>
Level I (Including Cash)	1,948,930,709	59.68%
Level II	1,277,483,246	39.12%
Level III	42,259,004	1.29%
Non-Trading Assets/Liabilities	(2,968,270)	-0.09%
Total	<u><u>3,265,704,689</u></u>	<u><u>100.00%</u></u>



Side Pockets by ASC 820 Classifications⁽⁴⁾

	<u>USD</u>	<u>% NAV</u>
Level I (Including Cash), Level II, Level III, Non-Trading Assets/Liabilities	0	0.00%

Asset / Liability Category	ASC 820 Level ⁽⁴⁾
Equity	I
Options	I
Warrants, Rights & Subscriptions	I
Credit Default Swaps	II

Asset / Liability Category	ASC 820 Level ⁽⁴⁾
Currency Derivatives	II
Equity Derivatives	II
Other Investments - Private Pooled Investments	II
Warrants, Rights & Subscriptions	III

Custodian, Counterparty & Other Confirmation Sources⁽⁵⁾

Bank of America	Bank of New York	Citibank	Computershare
Credit Suisse	Deutsche Bank	Goldman Sachs	HSBC
JP Morgan Chase	Nomura Securities	Northern Trust	Societe Generale
UBS			

StratumSM Investor Reporting as of 30-Sep-2014

Portfolio Transparency - Summary

StratumSM Ref No⁽¹⁾: F000001258:30SEP2014:2

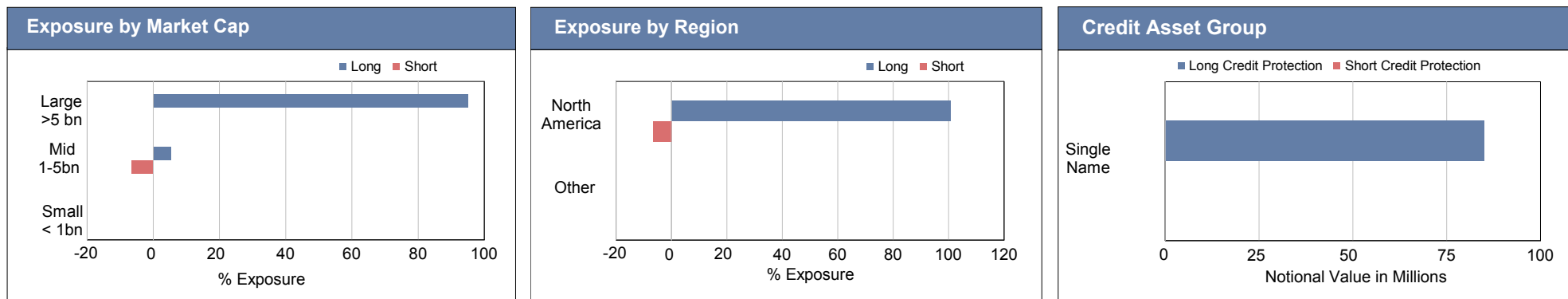
Reported Company Net Asset Value ("NAV") in USD⁽¹⁾: 3,265,704,689

Company Return and Exposure Summary

Company Returns ⁽⁶⁾		S&P 500 Returns ^(7,14)		Russell 1000 Returns ^(7,14)		NASDAQ Comp Returns ^(7,14)		MSCI World Returns ^(7,14)	
MTD Return:	1.45 Net 1.77 Gross	MTD Return:	(1.40)	MTD Return:	(1.75)	MTD Return:	(1.81)	MTD Return:	(2.67)
YTD Return:	33.08	YTD Return:	8.33	YTD Return:	7.96	YTD Return:	8.58	YTD Return:	4.37
ITD Return*:	45.81	ITD Return:	43.40	ITD Return:	43.69	ITD Return:	52.17	ITD Return:	33.02

Return Contribution ⁽⁸⁾		Exposure ^(9,10)		Issuer Count [Positions over 50bps of NAV] ⁽¹¹⁾		
		Long	Short			
Long Return Contribution:	0.40	Equity & Debt (MV % NAV):	100.56	(6.64)	Long:	10
Short Return Contribution:	1.37	CDS (Notional) in Millions:	85M	(Long Protection)	Short:	1

Company Exposures^(9,10,13) as of 30 September 2014



* Inception date of the Company is Dec 31, 2012.

Manager's Commentary⁽¹⁴⁾

- a) *The market indices shown in this report have been selected for purposes of comparing the performance of an investment in the Company with certain well-known, broadbased equity benchmarks. The Inception to Date return shown for market indices is calculated from January 1, 2013. The indices are not subject to any of the fees or expenses to which the Company is subject. The Company is not restricted to investing in those securities which comprise any of these indices, its performance may or may not correlate to any of these indices, and it should not be considered a proxy for any of these indices. The S&P 500 is comprised of a representative sample of 500 large-cap companies. The index is an unmanaged, float-weighted index with each stock's weight in the index in proportion to its float, as determined by Standard & Poors. The S&P 500 index is proprietary to and is calculated, distributed and marketed by S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC), its affiliates and/or its licensors and has been licensed for use. S&P® and S&P 500®, among other famous marks, are registered trademarks of Standard & Poor's Financial Services LLC. 2014 S&P Dow Jones Indices LLC, its affiliates and/or its licensors. All rights reserved. The Russell 1000 Index measures the performance of the 1,000 highest ranking stocks in the Russell 3000 Index, which is made up of 3,000 of the largest U.S. stocks by market capitalization. The NASDAQ Composite Index is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market. The MSCI World Index is a free-float weighted equity index of global stocks. The MSCI World Index includes developed world markets and does not include emerging markets.*
- b) *The Company has invested in Currency Derivatives that are not included under the Exposure section of this report. These investments are fully paid for and have a market value that totals less than 0.5% of the NAV of the Company.*

Disclosures and Definitions

- (1) "NAV" is the net asset value of the Company which is calculated based upon information reported to Morgan Stanley Company Services ("MSFS") by the Company or its agents. Under the terms of the Administration Agreement with MSFS, the Company is responsible for reporting all of its assets and liabilities to MSFS. Assets and liabilities not so reported to MSFS are not reflected in these reports. The NAV excludes any accrued incentive fees.

The Stratum Reference Number represents a unique identifier referencing the data from which the reports were generated and certifying that the confirmation and qualification process has been performed.

- (2) "Confirmation" as used in this report refers to the process by which MSFS receives information from sources other than the Company's investment manager (the "Investment Manager") to confirm the information provided by the Investment Manager to MSFS. For example, the "Asset/Liability Confirmation" reflects the value and/or percentage of the Company's NAV that has been reported directly to MSFS by the Company's counterparties, prime brokers, custodians, administrators, or other parties other than the Investment Manager, and the value and/or percentage for which data was provided only by the Investment Manager.
- (3) Price inputs "Confirmed by MSFS" indicates the value and/or percentage of the NAV for which MSFS has obtained prices from independent sources such as an exchange or counterparty. Where applicable, price inputs "Provided/Confirmed by Other Third Parties" include prices provided or confirmed by third party fiduciaries, by other administrators, by third party valuation services, or by MSFS where it serves as an administrator to pooled investment vehicles in which the Company invests, or by other third parties not affiliated with the Company including counterparties to privately negotiated contracts or their counsel. To the extent the Company invests in pooled investment vehicles for which MSFS acts as administrator, the price input confirmation of the assets and liabilities of that vehicle will be attributed to the Company on a look-through basis in proportion to the Company's ownership interest in such vehicle. Information relied upon by such Other Third Parties may have been obtained directly from the investment manager. The Company may instruct the use of prices other than the prices obtained by MSFS from such third parties; if such price falls within tolerances consistent with the valuation policies established by MSFS and the Company, such price is deemed to be confirmed.
- (4) "ASC 820 Classifications" (formerly known as FAS 157) represent the values and/or percentages of the Company's assets and liabilities attributable to each defined level under Financial Accounting Standards Board ASC 820, a framework for measuring fair value in generally accepted accounting principles. Classification of assets and liabilities into the ASC 820 levels is solely based upon the Investment Manager's designation and such designations are not approved or otherwise evaluated by MSFS. The values and percentages are computed by MSFS based on the fair value of securities. Fair value is determined based on the valuation policy of the Company. For purposes of Stratum reporting, MSFS has included cash with the value of Level 1. Included in cash may be cash, cash equivalents and receivables from/payables to brokers. In addition, accrued dividends, interest and other charges and fees on securities may be included in the value of Level 1. The Asset/Liability Category is intended to be informational only, and the categorization of certain assets and liabilities may differ from what would be applied by other parties when categorizing the same or similar assets and liabilities.

When indicated, "Side Pockets by ASC 820 Classification" represents that portion of the Company's side pocketed assets that are attributable to each ASC 820 level. Investors should review the Company's prospectus and investor statements to determine the terms associated with any side pockets and whether the investor has an interest in side pocket investments.

Where presented, "Non-Trading Assets/Liabilities" may include items such as management fees, incentive fees, deferred fees, audit fees, administration fees, subscriptions received in advance and redemptions payable.

- (5) "Custodian, Counterparty & Other Confirmation Sources" indicates all of the current prime brokerage, custodial and OTC counterparty relationships currently known to MSFS including those relationships between the Company and an affiliated entity administered by MSFS. "Other Confirmation Sources" (where applicable) will be reported in this section under a separate category. These include where the Company has an investment in another company and data is received from the administrator of such company or from the Company itself to the extent it holds assets directly.
- (6) "Company Returns" is a monthly time weighted return. For a single month it is computed as gain/loss divided by the net assets at the beginning of the month. To arrive at the cumulative Company return for the period under observation (i.e. month), the monthly returns are geometrically linked using the formula $((1+return_month1) * (1+return_month2)-1)$. Net Returns are presented on a net-of-fees basis and reflect the deduction of, among other things: management fees, brokerage commissions, administrative expenses, and performance fee, if any. Net Return includes the reinvestment of all dividends, interest, and capital gains; it assumes an investor that has been in the Company since inception and participated in any "new issues," as such term is defined under Rule 5130 of FINRA. Gross Returns are presented before the deduction of management fees and performance fee. Past performance is not indicative of future results.
- (7) Market indices shown in this report are selected by the Company. Indices returns include dividends paid during that period. Indices returns are obtained from sources believed to be reliable.
- (8) "Return Contribution" measures the contribution that a portfolio segment adds to the overall Company Gross Return based on the segment's gain/loss relative to the total portfolio gain/loss. A segment can be any group in the portfolio such as sector, region, market cap, asset class, long/short, position and other.
- (9) "Exposure" for an equity security, equity derivative, and private investment is the market value of the security.
- (10) For debt instruments the market value of the position is considered to be exposure (Price * Quantity). Long credit protection is interpreted as short notional exposure and vice versa for short credit protection. In long credit protection the Company purchases insurance against a referenced debt instrument.
- (11) "Issuer Count" shows the number of equity and debt positions by issuers that represent more than 0.5 of the Company's NAV. Cash, cash equivalents, forwards, and income/expense items are not included.

Disclosures and Definitions

(12) *Company Statistics vs. Indices:*

The following Company's statistics are based on monthly net Company returns. Index and Company returns used include dividends paid during that period.

a) *"Annualized Return" is a rate of return that would occur on average per year given a cumulative return. The formula for annualizing a return is: $R_{\text{annualized}} = (1+R_{\text{cumulative}})^{(1/\text{years_cumulative})} - 1$.*

b) *"Beta (Actual)" is computed as the covariance of the portfolio return and the index return divided by the variance of the index return.*

c) *"Annualized Volatility" is computed using the standard deviation for population formula based on monthly Company Net Returns and is annualized.*

d) *"Correlation" shows the degree to which the monthly Company Net Returns of the portfolio and those of the index move together; it ranges from 1 to -1. Correlation of 1 represents perfect correlation and -1 perfect inverse correlation.*

e) *"Sharpe Ratio" is a measure of risk adjusted return. It is computed as the Company Net Return less the risk free return divided by the standard deviation of the portfolio. The risk free return is based on the 3 month Treasury bill rate.*

f) *"Up Capture % Ratio" displays cumulative performance that the Company captured when the respective index had positive monthly performance. Down Capture % Ratio displays cumulative performance that the Company captured when the respective index had negative monthly performance. The lower the down capture ratio the better the relative performance of the Company vs. the index.*

(13) *Where applicable the portfolio is broken down into groups, defined as follows:*

"Market Cap" categories have the following ranges: Large: Greater than 5B, Mid: 1B to 5B, Small: Less than 1B and Other. The market cap category of non-publicly disclosed positions is not updated until the position becomes publicly disclosed.

"Region" categories show North America and Other for any other region.

"Credit Asset Groups" displays credit type instruments according to the type of issuance.

(14) *The information provided in the Manager Commentary section was provided by the Investment Manager and not MSFS; the Investment Manager and not MSFS assumes responsibility for the accuracy, timeliness or completeness of such information.*

Disclaimer

This material is provided by Morgan Stanley Fund Services (Bermuda) Ltd. "MSFS") as sub-administrator to Pershing Square Holdings, Ltd. (the "Company") pursuant to the terms of the administration and sub-administration agreement dated 2 April 2012, among the Company, Elysium Fund Management Limited (the "Administrator") and MSFS. This material is provided on behalf of the Company, for informational purposes only, at the request of the Company and it is not intended for parties other than beneficial shareholders of the Company and does not represent an offer, a solicitation of an offer or a commitment to buy or sell the referenced security(ies), investment(s) or financial instrument(s). The material is based on unaudited information as of the date set forth above and is subject to change at any time without notice. MSFS shall have no obligation to update this report. MSFS's role in preparing this material is limited by its contractual undertaking with the Company and the Administrator and MSFS applies the valuation and pricing policies of the Company, including in some cases policies that provide for the use of prices supplied by the Manager and/or the Company as discussed in this material. Such prices may differ from those used by other clients of MSFS and affiliates of MSFS. The Company has chosen to make this material available, subject to the terms of use contained on the Company's website.

MSFS is not acting as a fiduciary, trustee, advisor, municipal advisor, solicitation agent or auditor of the Company, any beneficial shareholder of the Company, or any other person reviewing this material. This material is not intended as, nor should it be construed in any way as accounting, tax, legal or investment advice, including within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The production and delivery of this material to any person does not establish any express or implied duty or obligation between MSFS and any such person, including (without limitation) any duty to determine "fair market value" or update such material.

MSFS and its employees and officers shall not be liable for any loss or liability suffered by any person resulting from (i) the provision of this material to any person, (ii) any inaccuracies or errors contained in this material, or (iii) the use of, or reliance in any way on, the material by person.

This material is provided without any warranty of any kind, either expressed or implied, to the fullest extent permissible pursuant to applicable law. In particular, no representation or warranty is made by MSFS that any of the returns or financial metrics detailed herein will be achieved by the Company in the future. Certain assumptions may have been made by MSFS in preparing this material which have resulted in the returns and financial metrics detailed herein. Changes to the assumptions may have a material impact on any returns or financial metrics herein. Certain expenses and transaction costs may not be included in the calculation of returns or financial metrics.

Reproduction of all or any part of this material is prohibited. This material has been prepared as of the date indicated herein and in a form agreed by the Company.

This material represents past performance. Past performance is not indicative of future results.

StratumSM is a service mark of MSFS or its affiliates. The Stratum service is protected by U.S. Pat. Nos. 7,904,368 and 8,306,895.