PERSHING SQUARE CAPITAL MANAGEMENT, L.P.

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May 11, 2017

Dear Shareholder:

The performance of Pershing Square Holdings, Ltd. is set forth below[1]:

	1st Quarter 2017	2nd Quarter 2017 (Through 5/09)	Year-to-Date 2017 01/01/17 - 05/09/17	Since Inception 12/31/12 - 05/09/17
Pershing Square Holdings, Ltd.				
Gross Return	-2.3%	4.1%	1.8%	22.8%
Net of All Fees	-2.6%	4.0%	1.2%	7.1%
Indexes (including dividend reinvestment)				
S&P 500 Index	6.1%	1.6%	7.8%	84.0%
Russell 1000 Index	6.0%	1.6%	7.7%	83.4%
Dow Jones Industrial Average	5.2%	1.7%	7.0%	78.1%

First Quarter Performance Attribution

Investments that contributed or detracted at least 50 basis points to gross performance for the quarter are outlined below[1,2]:

Contributors	PSH
Restaurant Brands	3.2%
Chipotle Mexican Grill	2.0%
Platform Specialty Products	1.2%
Nomad Foods	0.6%
All other Positions	0.8%
Total	7.8%

Detractors	PSH
Fannie Mae	-2.2%
Mondelez	-2.2%
Herbalife	-1.9%
Air Products & Chemicals	-1.3%
Freddie Mac	-1.2%
Valeant	-1.0%
All other Positions	-0.3%
Total	-10.1%

[1] Past performance is not necessarily indicative of future results. All investments involve risk including the loss of principal. Please see the additional disclaimers and notes to performance at the end of this letter.

[2] Each position contributing or detracting at least 50 basis points when rounded to the nearest tenth is shown separately. Positions with smaller contributions are aggregated. Please see the additional disclaimers and notes to performance at the end of this letter.

Portfolio Update

(Arranged by Size - Longs then Short)

Mondelez International (MDLZ)

Mondelez reported first quarter 2017 results on May 2nd. Organic sales growth for the quarter was 0.6%, driven by pricing growth of 1.1% and a volume decline of 0.5% that includes the impact of management's efforts to cull low-margin, non-core products. All regions experienced growth with the exception of North America. Management expects North America to improve in the second half of the year due to the exit of a key competitor in direct store delivery, major innovation launches such as the new well-being cracker brand *Véa*, and a recent change in regional leadership.

Despite the modest top-line growth, operating profit margins expanded significantly to 16.8%, driven primarily by a reduction in overhead costs as a percentage of sales reflecting the implementation of zero-based budgeting and the rollout of global shared services. These gains were achieved despite investments in innovation, white space initiatives ahead of revenue that will build more meaningfully over the second half of the year, and headwinds from commodity costs and geographic mix. Management remains committed to its 2018 operating profit margin target of 17% to 18%, and has stated that it has good visibility to expand margins after 2018.

Mondelez is one of the few large-cap packaged food companies that is demonstrating both margin expansion and top-line organic growth. Given Mondelez's innovation pipeline and market share opportunities, we expect organic sales growth to improve in the second half of the year. Over the long-term, we believe that Mondelez's categories and geographic footprint give it a significant competitive advantage, especially in the emerging markets where Mondelez's large market shares and robust routes to market should drive accelerated growth.

Air Products and Chemicals, Inc. (APD)

Air Products continues to deliver for its shareholders. Fiscal year Q2 results showed continued operating progress with underlying revenue growth of 7% and earnings per share growth of 4%. Revenue growth was driven by 7% volume and flat pricing. Excluding energy pass-through and mix factors, underlying EBITDA margins declined 40 basis points as productivity gains were offset by higher costs from maintenance outages of facilities in the U.S., delayed recovery of energy prices in Europe in the merchant market, and the ramp of lower-margin tonnage contracts in Asia.

Management stated that it was "disappointed that our underlying productivity did not fully translate to the bottom line" and that "there is more to come in productivity." These comments are consistent with our view that Air Products continues to have potential for further operating productivity and margin expansion.

Air Products' fiscal year ending September 2017 guidance calls for earnings per share of $6.00 to $6.25, or 6% to 11% growth over the prior year. This earnings guidance excludes the benefit from the investment of the company's significant excess capital. While management has been cautious on the economy, APD's business has historically closely tracked industrial production. U.S. industrial production has been negative in recent years, but has now turned positive since the election for the first time in the last 18 months.

We believe the biggest driver of APD's earnings growth over the coming years will be the company's deployment of its excess capital. The company has $2.5 billion of excess cash and an additional $2.5 billion of debt capacity and will generate additional excess capital of $1 billion per year after paying dividends for a total of $8 billion of capital available for investment over the next three years.

CEO Seifi Ghasemi has stated that we "remain confident, and I'd like to stress the word confident, that we can deploy the $8 billion into high-return, value-creating investments in our core industrial gases business." Seifi has a great track record of allocating capital for shareholders. We believe that Seifi and his team are being patient in their deployment of shareholder capital in pursuit of opportunities to invest in high-return acquisitions and projects. Absent sufficient attractive opportunities to deploy capital, we would expect Air Products to return capital to shareholders.

Restaurant Brands International Inc. (QSR)
QSR delivered strong earnings growth in the first quarter as the company maintained a high level of net unit growth and continued to achieve cost and capital efficiencies at Tim Hortons. Same-store sales growth decelerated from the pace of previous quarters and was roughly flat with prior year levels at both Burger King and Tim Hortons. QSR launched several new products during the second quarter including espresso-based drinks at Tim Hortons and the Steakhouse King hamburger at Burger King. These new offerings should help drive improved same-store sales results in future quarters.

QSR achieved net unit growth of 5% at both concepts and continued to enter into development agreements in new markets. QSR made additional progress improving Tim Hortons' cost structure as it increased margins in the distribution businesses by nearly 300 basis points and further reduced the company's capital requirements. As a result of the net unit growth and further cost efficiencies, organic EBITDA grew 7% and EPS grew nearly 20%.

QSR completed the acquisition of Popeyes Louisiana Kitchen at the end of March. We believe that QSR can meaningfully improve Popeye's cost structure and can dramatically accelerate its unit growth, which will further enhance the company's future growth profile.

Chipotle Mexican Grill, Inc. (CMG)
Since Steve Ells returned to the role of sole CEO in December of last year, Chipotle has implemented significant organizational and operational changes predominantly aimed at elevating the guest experience. This renewed focus on delivering a great guest experience has re-energized and motivated the organization, leading to better customer service scores, lower restaurant manager turnover, and improvements in many other key performance metrics.

We saw some early indication of these improvements when Chipotle reported first quarter 2017 results with same-store sales increasing 17.8% year-over-year. This was the first quarter in which Chipotle fully lapped sales declines relating to food safety issues that began in late 2015. On a two-year cumulative basis that incorporates the impact of these declines as well as the ongoing recovery, same-store sales improved throughout the quarter from a 21% decline in January to a 16% decline in March. Online sales in the quarter increased significantly over the prior year.

As part of the company's mission to make better food made from whole, unprocessed ingredients accessible to everyone, Chipotle announced in late March that it is the only national restaurant chain with no added colors, flavors or preservatives in any of the ingredients it uses to prepare its delicious food. This milestone achievement was made possible by the successful completion of a multi-year initiative to remove additives from its tortillas. Today, the whole Chipotle menu is prepared with just 51 recognizable, high-quality ingredients that you can find at grocery stores or farmers markets. In support of this important achievement, the company recently launched its largest advertising campaign to date, entitled "As Real as it Gets."

In December of last year, four new independent directors joined Chipotle's board of directors, including investment team partner Ali Namvar and Pershing Square advisory board member Matt Paull. The refreshed board is working well together. While the timing and pace of Chipotle's full recovery from its 2015 food safety incidents remains difficult to predict, we are optimistic about the initiatives that Chipotle's executive team has put in place to enhance the guest experience, differentiate the brand, increase sales through opportunities like mobile ordering and catering, and improve restaurant margins, over the long-term.

The Howard Hughes Corporation (HHC)
Pershing Square presented the Howard Hughes Corporation at the Sohn Conference on May 8th. Here is a link to the powerpoint presentation. HHC held its second quarterly conference call on May 4th and intends to conduct its first ever Investor Day on May 17th at the South Street Seaport. It also released detailed Supplemental Information for the first time, in an effort to provide the market with increased transparency into its business.

HHC continues to make strong progress across its three business lines – Operating Assets, Strategic Developments and Master Planned Communities (MPCs). In its Operating Asset portfolio, Howard Hughes continued to lease up its existing operating portfolio, increased the stabilized net operating income (NOI) target to $240 million, and grew NOI in Q1 2017 by 42.4% to $44.7 million, as compared to the prior year. MPC segment revenue was $68.7 million, an increase of $19 million as compared to the first quarter of last year.

In its Strategic Development segment, Howard Hughes sold an additional 34 condo units at Ward Village in Hawaii, increasing the percentage of total units closed or under contract at its four condo towers to nearly 83%, with three towers at more than 93% sold and the fourth at 62%. The South Street Seaport is expected to open in New York City in Summer 2018.

During the quarter, Howard Hughes refinanced its existing bonds with a new $800 million bond issuance in a positive net present value transaction, saving 150 basis points in interest and extending the maturity date by 3.5 years.

Fannie Mae (FNMA) / Freddie Mac (FMCC)
Fannie and Freddie's underlying earnings in their core mortgage guarantee businesses declined modestly in the first quarter, reflecting lower refinancing volumes driven by a large increase in interest rates in the fourth quarter of 2016. Despite this short-term, cyclical headwind, we believe that their long-term earnings power will continue to grow due to three factors: (1) an increase in guarantee fees as the fees on new mortgages exceed the average fees on the existing portfolio, (2) growth of the total guarantee portfolio along with mortgage originations, and (3) lower credit losses as the portfolio's credit quality continues to improve. Fannie and Freddie's

non-core investment portfolio continued to shrink in the first quarter, resulting in a more profitable and lower-risk business model.

Housing finance reform is a top priority for both the new administration and Congress. Importantly, key constituents in the new administration, including Treasury Secretary Steven Mnuchin, have a thorough understanding of the critical role that Fannie and Freddie play in the health of the nation's housing finance system. In contrast to vintage 2013 proposals that sought to replace Fannie and Freddie or wind them down, several proposals released over the last month, most recently a white paper from the Independent Community Bankers of America, recognize that preserving a reformed and restructured Fannie and Freddie is the only way to ensure the continued health of the secondary mortgage market, especially for a large number of community banks that are critical sources of financing for many homeowners.

Platform Specialty Products Corporation (PAH)
Platform reported strong earnings growth for the first quarter. The company generated organic EBITDA growth of 18%, due to revenue growth in both of its businesses and improved cost efficiencies, both at the segment and corporate level. Organic revenue growth was 3%, due to 5% organic growth in Performance Solutions and 2% organic growth in Agricultural Solutions. Performance Solutions showed particular strength this quarter in its industrial and Asian electronics segments, as its end markets have improved and the integration of Alent has helped Platform gain market share. Agricultural Solutions growth was driven by strength in Latin America, but offset somewhat by weakness in Europe due to poor weather.

Performance Solutions organic EBITDA grew 27%, due primarily to further cost synergies from the Alent acquisition and continued cost efficiencies. Agriculture Solutions organic EBITDA grew 8% due primarily to a larger sales mix of higher margin products and cost reductions related to its recently announced $100 million cost savings initiative.

In April, Platform refinanced an additional $1.9 billion of debt reducing its interest costs by 1%. Since last October, the company has refinanced more than $5 billion of debt, lowering the associated interest rate by 1% and extending the maturity on a substantial portion of its debt by three years.

Nomad Foods (NOMD)
Nomad Foods has begun to show meaningful progress in stabilizing its revenue trends under its new management team. Nomad's initial revenue trends after its mid-2015 purchase of the Iglo asset were disappointing because of prior management's investment in new product development at the expense of the company's core offerings. The company's current management led by Stefan Descheemaeker has redirected its resources behind core offerings or Must Win Battles ("MWBs"). While this strategy shift will take time to have full effect, recent results have been encouraging.

Nomad's Q4 results showed like-for-like sales declined 2.7% for the quarter, which marked the fifth consecutive quarter of improvement in sales declines. The company's MWBs, however, showed like for like growth of 1.2% in the quarter, representing the first positive result in this important metric. Nomad's management team continues to control and reduce costs while extracting synergies from its Findus acquisition, which has allowed the company to maintain

strong profitability despite negative top-line growth. 2016 EBITDA of €325mm was down 2% despite a like-for-like sales decline of 4% for the year.

The company's recent earnings call provided the company's 2017 guidance, which called for positive like-for-like sales growth starting in Q1 2017 and for fiscal year 2017 in total, which suggests that the company's new strategy is working. Nomad's 2017 underlying EBITDA, excluding certain one-time effects, is expected to increase by a mid-single-digit percentage as the company resumes modest organic growth while continuing to execute on controlling costs and delivering on the synergies from the Findus acquisition.

Nomad recently completed a favorable refinancing of its €1.45 billion of debt. The refinancing will reduce the company's ongoing interest payments while extending the company's maturities and give the company a stronger balance sheet. Balance sheet strength will assist Nomad in creating value as a consolidator in the packaged foods sector.

At its current price of $12.14 per share, the stock trades at approximately 10 times the company's FCF guidance of €200 million before restructuring and other one-time items. Moreover, Nomad remains highly cash-generative having built a significant cash balance of €330 million of cash or approximately two dollars per share. We believe that Nomad continues to trade at a modest valuation, despite substantial business progress.

Herbalife Ltd. (HLF) Short

Despite weak financial performance in Q1, Herbalife's share price has appreciated by more than 50% year-to-date. We believe this is due in part to Herbalife's misleading portrayal of its first quarter operating performance and the company's share repurchase program. Below, we summarize this quarter's recent developments, and provide further detail in an attached exhibit for those who would like to learn more.

For the first quarter, Herbalife reported flat year-over-year constant-currency sales growth across the business. Growth in some markets (Mexico, EMEA and China) was offset by substantial declines in others (South & Central America, North America, and Asia Pacific). The company reported significant persistent declines in South Korea and Brazil (historically large growth markets for the company), and stopped reporting individual market results for the United Kingdom this quarter after sales declined substantially. As recently as 2010 and 2013, respectively, South Korea and the U.K. were trumpeted as high growth markets for Herbalife with 82% growth and 81% growth, respectively. We expect that Herbalife will also eliminate the disclosure of South Korea's sales when they drop below reporting thresholds. Herbalife's Management Discussion and Analysis ("MD&A") disclosures in its SEC filings do not accurately describe the causes for these declines, often relying on the same factors to describe why certain markets are growing and others are declining.

The dramatic "pop" and "drop" reflected in Herbalife's individual markets are highly characteristic of pyramid schemes, which achieve accelerated growth until a market reaches saturation, after which there is a dramatic decline in volumes as participants recognize that being a distributor is a money-losing proposition. Bullish analysts on Herbalife have attempted to characterize the company as comparable to a consumer packaged goods companies (as these

companies often trade at 20+ P/E multiples), which do not experience massive growth followed by massive declines.

On a consolidated basis, modest volume gains in the quarter were offset by price/mix and foreign exchange ("FX") headwinds. Herbalife's business declined across most geographic regions. Adjusting for the pull-forward of volume in China (described below), worldwide constant-currency growth was negative ~4% year-over-year, a sequential decline compared to Q4'2016 which was negative 1%.

For the quarter, the company reported headline "adjusted" EPS of $1.24, including $0.26 of add-backs, the magnitude of which has become highly material in recent years. Although management increased full-year guidance by $0.40 (now $4.05-$4.45), this actually represents a *reduction* in expected future performance when one factors in Q1 outperformance (which is overstated for the reasons we describe in detail in the attached exhibit), certain one-time tax benefits, a revised FX outlook for the balance of the year (itself a ~$0.35 positive adjustment to guidance), and the impact of share buybacks to date.

While bullish investors in Herbalife have suggested that the company's recent results show that it can manage effectively through the requirements of the FTC settlement, North American performance in the quarter, which declined 7%, does not yet reflect the impact of the FTC permanent injunction. Nearly all of the business model changes required by the FTC do not take effect until May 25th. The company's Q2 results will include five weeks of operations subject to these structural changes, but the run-rate impact of the FTC injunction will not be fully reflected in operating performance until Q3 results are released in the fall.

China, at 20% of sales, is Herbalife's second largest segment after North America. While China realized +17% volume growth in Q1, management noted that there was a significant pull-forward in volume ahead of a 5% price increase in April. On a normalized basis, excluding the pull-forward, China would have declined 17% to 20% in Q1 on a constant-currency basis. Given the volume pull-forward and other factors, reported Q2'2017 results for China are likely to be down significantly compared to Q2'2016.

Herbalife's 10-Q included a number of significant notable changes to risk disclosures with respect to China, including language which now identifies "*uncertainties relating to interpretation and enforcement of legislation in China governing direct selling <u>and anti-pyramiding</u>*" (emphasis added). We have described at length in a prior presentation, available here, the fact that Herbalife operates illegally in China. As such, we were not surprised to see these changes in risk disclosures. We would not be surprised to learn that Herbalife is under investigation by Chinese authorities, particularly in light of the recently announced Foreign Corrupt Practices investigation of Herbalife's China operations by the Department of Justice and the SEC. Management increased its projected "Expenses Related to Regulatory Inquiries" from $0.06 (~$5m) as of February 2017 to $0.11 (~$9m) implying that the company expects regulatory scrutiny to increase. Herbalife, of course, adds these costs back in calculating Adjusted Earnings. Every large-scale business incurs regulatory oversight costs in the ordinary course. The notion that these should not be counted as part of a company's ongoing expenses is ludicrous in our view.

We believe the injunctive relief imposed by the FTC is likely to weigh significantly on Herbalife's financial performance in the coming quarters. Coupled with decelerating growth and substantial deterioration in many international markets (including China), we expect earnings to decline on an operational basis in 2017. Despite the above issues, Herbalife is now trading at ~17 times the midpoint of management's adjusted guidance (~21x on unadjusted EPS). It is currently trading at the highest P/E ratio in its history as a result of the recent stock price increase and its declining earnings.

Exited Positions

As reported in our Annual Letter dated March 28, 2017, we exited our position in Valeant during the quarter. In addition, we sold one of the undisclosed positions in our portfolio as a result of certain business developments. Because we may revisit this investment based on near-term business developments or share price changes, we are not currently providing more disclosure on this investment.

Share Buyback

On April 19th, PSH announced that it would commence a share buyback program of up to 5% of PSH's outstanding Public Shares. The buyback program commenced on May 2nd. Cash for the program will come from general corporate funds on hand. PSH believes that the repurchase is an attractive investment at current discount levels, and may assist in reducing the current discount between PSH's share price and NAV.

London Stock Exchange Listing

On May 2nd, PSH announced that its Public Shares had been admitted to the Official List of the UK Listing Authority and shares commenced trading on the Premium Segment of the Main Market of the LSE.

Investors can trade PSH shares on both the LSE and Euronext Amsterdam. PSH shares are quoted and traded in Sterling in London and in USD on Euronext Amsterdam. As early as mid-June 2017, it is expected that PSH will be eligible for inclusion in the FTSE UK Index Series, including the FTSE All-Share and FTSE 250 indices, which should provide substantial additional demand for PSH shares. There will continue to be only one class of Public Shares (same ISIN / SEDOL number) which will be available to be traded on the LSE or on the Euronext Amsterdam.

Organizational Update

On May 1st, Zachary Frayne joined as our new CTO. Zach was most recently the CTO of Kiski Group and the COO of Kiski Solutions. Previously he was the CTO of TPG-Axon Capital Management, L.P. for 12 years. Zach received a BA in Mathematics with a minor in Computer Information Systems from Bernard Baruch College.

We are extremely grateful for your continued support.

Sincerely,

William A. Ackman

Additional Disclaimers and Notes to Performance Results

Presentation of Performance Results and Other Data

The performance results of Pershing Square Holdings, Ltd. ("PSH" or the "Company") shown in this letter are presented on a gross and net-of-fees basis. Gross and net performance includes the reinvestment of all dividends, interest, and capital gains, and reflects the deduction of, among other things, brokerage commissions and administrative expenses. Net performance reflects the deduction of management fees and accrued performance fee, if any. All performance provided herein assumes an investor has been in PSH since its inception date and participated in any "new issues", as such term is defined under Rules 5130 and 5131 of FINRA. Depending on the timing of a specific investment and participation in "new issues", net performance for an individual investor may vary from the net performance stated herein. Performance data for 2017 is estimated and unaudited.

The inception date for PSH is December 31, 2012. The performance data presented on the first page of this letter for the market indices under "since inception" is calculated from December 31, 2012. The market indices shown on the first page of this letter have been selected for purposes of comparing the performance of an investment in PSH with certain well-known, broad-based equity benchmarks. The statistical data regarding the indices has been obtained from Bloomberg and the returns are calculated assuming all dividends are reinvested. The indices are not subject to any of the fees or expenses to which the funds are subject. PSH 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 volatility of an index may materially differ from the volatility of PSH. 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. © 2015 S&P Dow Jones Indices LLC, its affiliates and/or its licensors. All rights reserved.

The attributions presented on page 1 are based on gross returns which do not reflect deduction of certain fees or expenses charged to the Company, including, without limitation, management fees and accrued incentive fee (if any). Inclusion of such fees and expenses would produce lower returns than presented here. Positions with performance attributions of at least 50 basis points are listed separately, while positions with performance attributions of 50 basis points or less are aggregated.

In addition, at times, PSH may engage in hedging transactions to seek to reduce risk in the portfolio, including investment specific hedges that do not relate to the underlying securities of an issuer in which PSH is invested. Unless otherwise noted herein, the gross returns: (i) include only returns on the investment in the underlying issuer and the hedge positions that directly relate to the securities that reference the underlying issuer (e.g., if the Company was long Issuer A stock and also purchased puts on Issuer A stock, the gross return reflects the profit/loss on the stock and the profit/loss on the put); (ii) do not reflect the cost/benefit of hedges that do not relate to the securities that reference the underlying issuer (e.g., if the Company was long Issuer A stock and short Issuer B stock, the profit/loss on the Issuer B stock is not included in the gross returns attributable to the investment in Issuer A); and (iii) do not reflect the cost/benefit of portfolio hedges. Performance with respect to currency hedging related to a specific issuer is included in the overall performance attribution of such issuer. All other currency positions are aggregated. The performance attributions to the gross returns provided herein are for illustrative purposes only. The securities on this list may not have been held by PSH for the entire calendar year.

Past performance is not necessarily indicative of future results. All investments involve risk including the loss of principal. It should not be assumed that investments made in the future will be profitable.

General Notes

This letter does not constitute a recommendation, an offer to sell or a solicitation of an offer to purchase any security or investment product.

This letter contains information and analysis relating to publicly disclosed positions above 50 basis points in the Company's portfolio during the period reflected on the first page. Pershing Square may currently or in the future buy, sell, cover or otherwise change the form of its investment in the companies discussed in this letter for any reason. Pershing Square hereby disclaims any duty to provide any updates or changes to the information contained here including, without limitation, the manner or type of any Pershing Square investment.

Forward-Looking Statements

This letter also contains forward-looking statements, which reflect Pershing Square's views. These forward-looking statements can be identified by reference to words such as "believe", "expect", "potential", "continue", "may", "will", "should", "seek", "approximately", "predict", "intend", "plan", "estimate", "anticipate" or other comparable words. These forward-looking statements are subject to various risks, uncertainties and assumptions. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Should any assumptions underlying the forward-looking statements contained herein prove to be incorrect, the actual outcome or results may differ materially from outcomes or results projected in these statements. None of the Company, Pershing Square or any of their respective affiliates undertakes any obligation to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by applicable law or regulation.

Risk Factors

Investors in PSH may lose all, or substantially all, of their investment in PSH. Any person acquiring shares in PSH must be able to bear the risks involved. These include, among other things, the following:

- PSH is exposed to a concentration of investments, which could exacerbate volatility and investment risk;
- Activist investment strategies may not be successful and may result in significant costs and expenses;
- Pershing Square may fail to identify suitable investment opportunities. In addition, the due diligence performed by Pershing Square before investing may not reveal all relevant facts in connection with an investment;
- While Pershing Square may use litigation in pursuit of activist investment strategies, Pershing Square itself and PSH may be the subject of litigation or regulatory investigation;
- Pershing Square may participate substantially in the affairs of portfolio companies, which may result in PSH's inability to purchase or sell the securities of such companies;
- PSH may invest in derivative instruments or maintain positions that carry particular risks. Short selling exposes PSH to the risk of theoretically unlimited losses;
- PSH's non-U.S. currency investments may be affected by fluctuations in currency exchange rates;
- Adverse changes affecting the global financial markets and economy may have a material negative impact on the performance of PSH's investments;
- Changes in laws or regulations, or a failure to comply with any laws and regulations, may adversely affect PSH's business, investments and results of operations;
- Pershing Square is dependent on William A. Ackman;
- PS Holdings Independent Voting Company Limited controls a majority of the voting power of all of PSH's shares;
- PSH shares may trade at a discount to NAV and their price may fluctuate significantly and potential investors could lose all or part of their investment;
- The ability of potential investors to transfer their PSH shares may be limited by the impact on the liquidity of the PSH shares resulting from restrictions imposed by ERISA and similar regulations, as well as a 4.99 per cent. ownership limit;
- PSH is exposed to changes in tax laws or regulations, or their interpretation; and
- PSH may invest in United States real property holding corporations which could cause PSH to be subject to tax under the United States Foreign Investment in Real Property Tax Act.