

Cazenove Capital Management raised £30.2m for the Cazenove Absolute Equity Limited.

25th October 2006

Today saw the closure of the private placement of Cazenove Absolute Equity Limited, which has raised £30.2m from the UK wealth management market.

The investment objective of the company is to target returns of at least 10% net per annum over a rolling 3 years with low levels of volatility through a policy of investing in a portfolio of Cazenove Capital Management's existing long/short equity funds.

Robin Minter-Kemp, Managing Director said "The support demonstrates the demand for sensibly priced, tax efficient and transparent absolute return strategies. The recent strength in equity markets and a difficult backdrop for hedge funds has reduced the short term appetite for this type of vehicle, so we are pleased by this initial level of assets."

Andrew Ross, Chief Executive added "We are also pleased with the level of potential demand for the future. A number of investors thought highly of the fund but felt this was not the right time to increase their long/short exposure. The level of the VIX index is not the only indicator of the current appetite for equity risk."

The Company is a newly incorporated Guernsey closed-ended investment company, managed by Cazenove Capital Management Limited. Its investment objective is to seek to achieve consistent absolute returns with low levels of volatility through a policy of investing in a portfolio of long/short equity funds. The Company's assets (to the extent not retained in cash to meet anticipated expenses) will initially be invested in three underlying funds.

Fund

- Cazenove European Equity Absolute Return Fund 35 per cent.
- (Steve Cordell and Chris Rice)
- Cazenove UK Dynamic Absolute Return Fund 30 per cent.
- (Neil Pegrum)
- Cazenove UK Equity Absolute Return Fund 35 per cent.
- (Tim Russell)

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