

10 March 2006

## Cazenove Capital Management to Launch New Strategic Bond Fund

Cazenove Capital announces its intention to launch the Cazenove Strategic Bond Fund which will be managed by Peter Harvey, Head of Credit, who joined the company in September 2005 from F&C Asset Management. The proposed launch date is 4 April 2006, subject to FSA approval.

The Fund will seek a gross return of 2.75% per annum above Sterling cash interest rates over the medium term, by investing in a diversified portfolio of investment grade and high yield credit instruments. The new Fund will embrace the full investment powers available under the UCITS 3 Directive and will be able to use derivatives to protect capital, increase credit exposure and enhance income.

Harvey is supported by the five-strong European Credit Team, which employs a predominantly bottom-up approach to issuer selection, with credit analysis at the heart of the investment process. The team undertakes thorough research in order to assign a proprietary credit rating to each bond position.

Harvey said: “Initially I anticipate a defensive portfolio as we are concerned about the immediate prospects for high yield bonds. After a period of strong performance, corporate bond yields have fallen dramatically in some parts of the market. We therefore expect to launch the Fund with a more conservative allocation to non-investment grade assets than most funds in the UK Other Bond peer group”.

Richard Pursglove, Director of Cazenove Capital, said “this is one of the first UK corporate bond funds with an absolute return approach. The target return above cash will appeal to cautious investors. We are excited at the prospect of bringing this type of strategy to the retail market”.

Share Class	Initial charge	Initial Commission	Annual Management Charge	Renewal commission	Minimum Investment
B	5%	3%	1%	0.5%	£1k
A	0%	0%	0.75%	0%	£25k
X	0%	0%	0.5%	0%	£1m

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**Notes to editors:**

Subject to FSA approval, the Cazenove Strategic Bond Fund will be a sub-fund of the Cazenove Investment Fund Company, an open ended investment company managed by Cazenove Investment Fund Management Limited (CIFML). CIFML is a wholly owned subsidiary of Cazenove Capital Management Limited. Cazenove Capital Management Limited and CIFML are authorised and regulated by the Financial Services Authority. CIFML is a member of IMA.

Cazenove Capital Management Limited provides specialist investment management and high quality advice, centred on excellence in UK and European equities and fixed income to professional advisers, institutions, charities and private individuals.