



PRESS RELEASE

Matrix Asia Fund celebrates 2 year anniversary with 55.6% outperformance

‘Launch date of 08/08/08, the luckiest date in the Chinese calendar for a century has paid off’

10th August 2010: Matrix Group this week celebrates the two year anniversary of the Matrix Asia Fund managed by Rupert Foster. Launched in August 2008 as one of the few far eastern funds to have a pan-Asian investment remit, it has enjoyed outstanding performance since launch, outperforming the MSCI Asia Pacific Index by 55.6% and returning 52.70%* up to 6th August 2010 (8th August 2010 was a Sunday). This performance, both relative and absolute has also been achieved with around three-quarters of the volatility of the Index.

Rupert Foster, who has 16 years experience in managing Asian long/short dated funds, has a proven ability to preserve capital in difficult market conditions. The Fund's long/short strategy aims to reduce risk by targeting a lower level of volatility. The use of a long/short strategy generally means that risk can be reduced as the performance is likely to go up less than the relevant markets when equity markets rise, and should fall less than the relevant markets when equity markets fall.

In May 2010, Matrix announced the launch of its first UCITS III fund, the Matrix Asia UCITS Fund which has a similar investment objective to the Matrix Asia Fund. Both funds are able to rotate actively between China and Japan (which account for 70% of the market capitalisation of the Asian Stock exchanges) to best capture their respective stages of their economic cycles and focus on the relative winners and losers of the Asian growth story.

Commenting on the key investment drivers in the fund, Rupert Foster said:

“Having a long/short pan-Asian investment remit is very important to me as it gives me the ultimate tool kit to deliver outperformance for my clients. **Our central view remains that China is in a mid-cycle correction and that by September / October it will become clear whether they have under tightened or over tightened. At this time, I expect to rotate my current portfolio positioning to being long China and short Japan.** We are watching all consumer data to assess this, focusing very much on low/mid end consumption data rather than luxury data. We remain of the view that any noticeable worsening of global growth expectations will bring a reaction from Beijing; our favourite bet remains a much expanded affordable housing scheme, which we think will be announced in the government's new 5-year plan in October. That said a 15% to 20% fall in house prices over July and August may well be enough to engender a relaxation of the new controls in the property sector.”

“I expect Asian markets to hit new highs in the next two to three years and then to surge further as ‘no growth’ Western consumption and demand disappoint expectations. Asia has emerged from the global downturn faster and stronger than any other region and I believe Asia is in a structural bull market.”

- ENDS -

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***Source: Bloomberg (for MSCI Asia Pacific Index)
Equinox Alternative Investment Services (Ireland) Limited
Return of 52.7% was for USD Share Class**

Notes for Editors

Matrix Group is one of the most successful privately owned financial services businesses in the UK with around £3.5 billion of assets under management and more than 230 professionals employed across three divisions: asset management, investment banking and property. Since inception in 1987, Matrix has raised over £11.5 billion of assets for investments across these business areas.

Within the asset management division of Matrix Group, as well as funds of funds, cash funds and private equity, there are currently six other long/short equity funds:

- Matrix Asia UCITS Fund a UCITS III fund
- Matrix Lazard Opportunities Fund, a UCITS III fund investing in convertible arbitrage and special situations/event driven strategies
- Matrix Macro Fund, a global macro equity fund
- Matrix New Europe Fund, focused principally on the markets of Russia
- Matrix PVE Global Credit Fund, focused on global credit markets
- Matrix Redux Emerging Markets Fund, a macro fund focused on emerging markets