



PRESS RELEASE

For immediate release

Matrix launches its first UCITS III Fund

‘one of the very few pan-asian long/short equity funds’

17th May 2010: Matrix announces the launch of its first UCITS III fund. The Matrix Asia UCITS Fund will be one of the very few pan-asian long/short equity funds and will be managed by Rupert Foster who has 16 years experience in managing Asian long/short funds. Rupert also manages the Matrix Asia Fund, an unregulated Cayman domiciled fund which has a similar investment objective to the Matrix Asia UCITS Fund.

Rupert has a proven ability to preserve capital in difficult market conditions, having generated a positive return in 2008 (+16.69%*). Since inception on 08/08/08, the Matrix Asia Fund has outperformed the MSCI Asia Pacific Index by 53% returning 48.5% (to 30th April 2010)**. This performance, both relative and absolute has also been achieved with around three-quarters of the volatility of the Index.

Few Far East funds have a pan-asian investment remit. The Matrix Asia UCITS Fund will be 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. For example, the Matrix Asia Fund has outperformed the MSCI Asia Pacific Index this year by actively shorting China and being long Japan, a position that Rupert plans to replicate in the Matrix Asia UCITS Fund.

The Fund will seek to achieve its investment objective by investing in or gaining exposure to Asian equity markets including, but not limited to: China, Japan, India, Korea, Hong Kong, Taiwan, Australasia and Singapore.

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.

Commenting on the launch and the investment outlook for Asia, 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. I expect my current portfolio positioning of shorting China and being long Japan to remain until some time in the fourth quarter of this year when I expect to rotate back to being long China and short Japan. Over an investment cycle, I expect to add a third of the performance from my short book.

“In summary, 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.”

Commenting on the launch, Chris Merry, CEO of Matrix Group said:

“I am delighted that we have launched our first UCITS III offering. Rupert has an outstanding track record which will now be accessible to a much broader investor base.”

- ENDS -

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***Source:** Bloomberg (for MSCI Asia Pacific Index)
Equinoxe Alternative Investment Services (Ireland) Limited
****Source:** Return of 48.5% was for USD Share Class

Notes for Editors

KEY ATTRIBUTES

The Fund will be managed by Matrix Money Management, which has appointed Matrix Alternative Asset Management as Sub-Investment Manager.

- High conviction fund with a thematic and macro overlay.
- Dynamic long and synthetic short positions to reflect stock market conditions.
- Holds a portfolio of 30 to 50 stock positions at any one time, held either directly or indirectly via derivatives.
- Designed to be in compliance with the Pan-European UCITS legislation.
- Fully hedged Euro and US Dollar Share Classes.
- Portfolio Manager with a proven track record in exploiting long and short books in Asia.

Fund Details

Legal Structure: Irish Domiciled Fund (Unsophisticated Fund)
Regulated The Financial Regulator (Ireland). The fund will be marketed under Private Placement Rules until mid July when Matrix expect the fund to be passported into the UK by the FSA
Listed: Irish Stock Exchange
Liquidity Weekly
NAV Calculation Weekly

MINIMUM INVESTMENT

Retail £ Class £50,000 (£25,000 when passported into the UK)
Institutional £ Class £100,000
Institutional € Class €100,000
Institutional \$ Class \$150,000

CHARGES

Initial Charge

Retail up to 5%
Institutional up to 5%

Annual Management Charge

Retail 2.0%*
Institutional 1.25%
*includes 0.5% annual trail commission

Performance Fee

20% subject to high water mark

Matrix Group is one of the largest and most successful privately owned financial services businesses in the UK with over £3 billion of assets under management and more than 230 professionals employed across four divisions: asset management, investment banking, property and specialised finance. Since inception in 1987, Matrix has raised over £9.5 billion of assets for investments across these business areas.

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

- 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, focused on emerging market FX