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Press Release

December 5, 2003 - For Immediate Release

SELECT DIVERSIFIED PORTFOLIOS DELIVER ATTRACTIVE RETURNS WITH MODEST RISK OVER FIRST YEAR

Select Asset Management (SELECT) today announced the returns for the Select Diversified Portfolios after one year in operation. For the year to December 2, 2003 Select's Growth Portfolio returned 23.2% while the Select Defensive Portfolio returned 14.1%.

"Although we judge our results primarily against cash and over longer time frames and these results are above our own expectations, it is worth noting that over the same period most conventional diversified funds have produced single digit returns," said SELECT's Chief Investment Officer, Dominic McCormick.

The Select Diversified Portfolios are multi-asset, multi-manager diversified funds with exposure to alternative as well as conventional assets and strategies and the ability to selectively use certain listed investments. The Select Diversified Portfolios were conceived with the belief that through an innovative and flexible approach, one could create truly diversified portfolios that are more absolute return focused than most conventional diversified funds.

"Although one year is a short time frame and we expect future returns to be more subdued, we are particularly pleased with the smooth pattern of returns delivered to investors. Preserving capital over the medium to long term and providing relatively smooth returns to investors is our major focus. Our weekly annualised volatility over the year was just 2.8% for the Defensive Portfolio and 4.9% in the Growth Portfolio, which we believe is well below those of conventional funds. We are aiming to show that achieving attractive absolute returns does not always require taking excessive risks or experiencing high volatility," McCormick says.

Select now has over \$100 million under management across its two Select Diversified Portfolios, taking SELECT's total fee earning funds under management close to \$200 million. On the back of its steady growth in assets, SELECT has expanded the team significantly and the total staff number now stands at 10. SELECT's newly appointed CFO, Tony Lynch comes from Egg plc in the UK where he was Group Financial Controller.

Commenting on SELECT's success to date Managing Director, Brendan Foley says, *"We have built a sound infrastructure and platform for future growth although we are determined to maintain a boutique and specialist investment manager culture. Our growth in assets reflects our clients' confidence in our ability to manage their assets effectively and we remain committed to delivering consistent returns for our investors."*

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Download: This press release and the product disclosure statements for SELECT's range of funds can be downloaded from www.selectfunds.com.au

Notes to Editor

Select Asset Management Limited provides Australian investors with access to innovative, absolute return focused total portfolio solutions (the Select Diversified Portfolios), professionally managed portfolios of international hedge funds via two institutional partners, Swiss-based Gottex (the Select Gottex Market Neutral Funds) and London-based Aspect (the Select Aspect Multi-Strategy Fund) and a long only Gold equities fund managed by London based specialist Baker Steel (the Select Gold Fund).

Clayton Freind, Dominic McCormick, Brendan Foley, Roger Campbell and David Yale created the Sydney-based company in 2002. The team has more than 85 years combined experience in finance and funds management with an emphasis on absolute returns. Brendan Foley and David Yale were also formerly senior executives of AHL and the Man Group plc.

Further information on SELECT can be found on www.selectfunds.com.au

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