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Press Release

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SELECT Sees Stars

Leading alternative investment manager, Select Asset Management Limited (**SELECT**), today announced that Standard & Poor's (S&P) has awarded the Select Alternatives Portfolio (**the Portfolio**) a "**Four star rating**". The rating follows the announcement last week of a '**Recommended**' rating from external research house Zenith Investment Partners on both the Select Defensive and Growth Portfolios.

Tara Bell, Fund Analyst from S&P said, "*Standard & Poor's rates this fund four stars, reflecting its level of conviction that the manager will consistently generate risk-adjusted returns in excess of relevant investment objectives and relative to peers.*"

Ms Bell said the Portfolio is "*a unique product to the Australian retail market*" which gives retail investors "*access to a range of alternative investments that have been largely confined to institutional investors.*"

The Portfolio provides a simple solution for investors seeking exposure to a range of alternative investments in a form that provides: professional management and due diligence across the full spectrum of alternatives; access to some of the world's premier alternative managers (such as Gottex Fund Management and Aspect Capital); and disciplined exposure to quality listed alternatives at attractive prices, all within a unit fund structure that provides good levels of liquidity.

Robert Graham-Smith, Portfolio Manager at SELECT, said "*We believe that people who invest in mainstream investments only are running a diversification risk. Alternative strategies and assets can provide increased flexibility and additional sources of risk/return. Importantly, returns from alternative investments tend to have a lower correlation and dependence on traditional share and bond markets.*"

While investors particularly retail investors, tend to group all alternative investments in the high risk basket, Mr Graham-Smith said the generally lower correlation of alternative investment returns to mainstream investments means that a combined portfolio of alternative and mainstream investments will typically have less overall risk and will provide a smoother pattern of returns over time.

"*Our Portfolio offers a convenient way for retail investors to invest in a 'basket' of alternative investments.*" Mr Graham-Smith said. "*Investing in the Portfolio, which offers exposure to a range of*

alternative investments, rather than in a single strategy or sector, further reduces overall risk and can lower the risk of major capital drawdowns when combined with a mainstream portfolio.”

The Select Alternatives Portfolio is available to retail investors via a number of platforms and wraps, including the Macquarie and BT Wrap. It is also available direct to investors with a minimum investment of \$25,000. Since its launch in April 2004, the Portfolio has generated annualised net returns after all fees of **10.7** per cent¹, with annualised volatility of **6.9** per cent¹.

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Notes to Editor

Select Asset Management Limited is one of Australia’s premier alternative investment groups and provides a range of dependable alternative investments for investors that aim to make money regardless of the economic climate or the performance of traditional investment benchmarks. Via the **SELECT** Portfolios, **SELECT** provides investors with access to innovative, absolute return focused portfolio solutions, incorporating the best investment ideas of our world-class partners (Gottex, Aspect, Baker Steel and Barwon). These are managed in-house by **SELECT**’s experienced investment management team. Via the **SELECT** Funds, **SELECT** offers direct access to its world-class partners (Gottex and Baker Steel). Dominic McCormick, Brendan Foley, Clayton Freind, David Yale and Roger Campbell created the Sydney-based company in 2002. The team has more than 90 years combined experience in finance and funds management with an emphasis on absolute returns. **SELECT**’s total FUM is approximately A\$650 million¹.

¹ **Returns and funds under management are stated at 31 January 2007 and exclude internal fund allocations.**

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

Further information on **SELECT**’s partners is readily available on their individual websites:

Aspect Capital Limited can be found at www.aspectcapital.com

Gottex Fund Management can be found at www.gottexfunds.com

Baker Steel Capital Managers can be found at www.bakersteelcap.com

Barwon Investment Partners can be found at www.barwon.net.au

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