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Press Release

7 December 2007 – For Immediate Release

SELECT's flagship Diversified Portfolios celebrate 5 years with strong returns and \$425m in assets.

The Select Defensive Portfolio and Select Growth Portfolio (the Select Diversified Portfolios) celebrated 5 years in operation as at 3 December 2007. Since inception the Select Growth Portfolio has returned **14.5%**¹ per annum while the Select Defensive Portfolio has returned **11.4%**¹. Importantly, these returns have been achieved with low volatility of **6.2%**¹ and **3.8%**¹ respectively.

SELECT's Chief Investment Officer, Dominic McCormick, said:

*"We have strongly out-performed our target absolute return objectives as well as out-performing average conventional diversified funds over the 5 year period. While we are very pleased with these returns, in some respects the last 5 years has not fully demonstrated or tested our value proposition. We have achieved these returns with much lower correlation to local and global equity markets suggesting we are well placed for a more difficult time for conventional markets and equity markets in particular. For example, over the period the Select Growth Portfolio had a correlation to the MSCI World Index² of just **0.2** and to the S&P/ASX 200 Accumulation Index of **0.6** compared to around **0.8** and **0.9** respectively for more conventional diversified balanced/growth funds.*

The Select Diversified Portfolios provide low maintenance, core exposures for those advisers and investors looking to outsource the difficult task of creating well diversified exposures across both mainstream and alternative assets and accessing some of the best managers available. The Select Diversified Portfolios tend to suit those who wish to structure portfolios with a core multi-manager exposure supplemented with satellite managed funds and direct shares. They are also suitable for those with smaller amounts to invest seeking one all-encompassing and well diversified portfolio solution, but with an absolute return focus ideally suited to retail investors.

Commenting on performance, Mr McCormick said *"We believe these results show that building robust but conservative diversified funds doesn't mean having to be heavily invested in cash, it doesn't mean only buying yesterday's "safe" assets, and it does not mean paying for expensive capital guarantees.*

Elements such as our flexible approach to asset/sector selection and our active incorporation of listed fund vehicles make us unique amongst multi-manager funds offerings in the Australian market. We look forward to continuing to deliver attractive absolute returns and capital preservation over the medium to long term in what we expect to be more difficult market conditions than those of the last 5 years.”

Both portfolios are available to retail investors via a number of platforms, including the Macquarie Wrap, the BT Wrap and MLC Masterkey Custom. They are also available direct to investors with a minimum investment of \$25,000.

For further information please contact:

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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, Aspect, and Baker Steel). Dominic McCormick, Brendan Foley, David Yale, Clayton Freind, 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\$760 million¹.

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

¹ Performance and FUM numbers are estimates as at 30 November 2007 and exclude internal fund allocations.

² Global Equity Market as measured by the MSCI World Index (AUD)

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