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Press Release

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Select Diversified Portfolios rated 4 Stars by S&P

Select Asset Management Limited (**SELECT**), one of Australia's premier alternative investments managers, today announced that Standard & Poor's (S&P) has awarded both of its Diversified Portfolios – the Select Growth Portfolio (the **Growth Portfolio**) and the Select Defensive Portfolio (the **Defensive Portfolio**) - a “**four star rating**”. The ratings come on the heels of **SELECT**'s five year anniversary celebrated on the 25 June.

Tara Bell, Fund Analyst from S&P said, “*The 4 stars reflects our high conviction that risk-adjusted fund returns will consistently exceed relevant investment objectives and returns of peer funds.*”

Ms Bell also said “*The Diversified Portfolios from SELECT have a configuration quite distinct from competitors. Fund returns may be more consistent over time and less sensitive to equity market returns, as there is greater scope to shift to other investments when equities fall.*”

The Growth Portfolio and the Defensive Portfolio aim to generate attractive absolute returns across varied market conditions and can access opportunities (including alternative investments) across various assets, sectors, styles and strategies, with an emphasis on growth and defensive assets respectively. Its absolute return focus means assets in these Diversified Portfolios have a significantly lower correlation to traditional asset classes, particularly equities.

Dominic McCormick, **SELECT**'s Chief Investment Officer, said “*The Diversified Portfolios were the first funds SELECT made available in December 2002 and are now over \$400 million¹ in total size. The consistent returns and low correlation to equity markets deriving from the greater use of alternative assets and strategies, as well as a flexible and innovative approach to mainstream assets including the use of listed as well as unlisted funds, make them a unique offering in the multi-manager space.*”

Mr McCormick said “*We believe this approach means they are well placed to deliver attractive absolute returns and preserve capital in potentially challenging markets ahead.*”

Since inception in December 2002, the Growth Portfolio has posted excellent annual returns of **15.7%**¹, while the Defensive Portfolio has returned a very respectable **11.8%**¹ per annum. Importantly these returns have been achieved with low volatility and low correlations to equity markets in particular. For example, the correlation of the Select Growth Portfolio to the Australian² and Global³ equity markets was just 0.66 and 0.31 respectively compared to around 0.9 and 0.8 for more conventional diversified single manager and multi-manager funds.

The Growth Portfolio and the Defensive Portfolio are both available direct to investors and SELECT recently reduced minimum investment amounts from \$50,000 to \$25,000. They are also available via a number of platforms and wraps, including the Macquarie Wrap, the BT Wrap and Masterkey Custom.

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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\$730 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

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S&P Disclaimer: Standard & Poor's Information Services (Australia) Pty. Ltd. ABN 17096167556 (S&P) received fees from Select Asset Management for rating the Portfolios. The fee is not linked to the rating outcome. Any rating referred to on this press release is of a general nature and based solely on consideration of the investment merits of the Portfolios. The rating and this press release have been prepared for the purpose of general information and is not a recommendation to purchase, sell or hold units in a Portfolio, nor do they take into account your individual needs or objectives. You should seek independent financial advice when considering the appropriateness of the rating and before making any investment decision. Ratings can change or cease at any time and should not be relied upon without referring to the meaning of the rating. Rating reports are available at our subscriber website or by calling S&P Customer Service on 1300-792-553.

¹ Performance and FUM numbers are estimates as at 30 June 2007

² Australian Equity Market as measured by the S&P ASX 200 Accumulation Index

³ Global Equity Market as measured by the MSCI World Index (AUD)