



MEDIA RELEASE
August 20, 2009

Pengana Asian Equities Long Short Fund returns 22.5 per cent net in first 12 months

Fund outperforms industry benchmarks in period of record volatility

Pengana Capital is pleased to announce the Pengana Asian Equities Long Short Fund has delivered a 22.5 per cent net return since its inception in July 2008.

The Fund significantly outperformed the benchmark MSCI Asia Index which returned -6.1% over the same period.

Managed out of Pengana's Sydney office and supported by the Pengana office in Singapore, the Fund provides investors with equity exposure to companies across the Asia Pacific region.

The Fund's core strategy uses the ability to be both long and short, to better manage market volatility and to seek absolute returns.

Commenting on the Fund's performance, Senior Portfolio Manager Diane Lin said that it was due in part to making two successful calls.

Firstly, when the consensus was that the sub prime crisis would not affect the Asian region, Diane and her team slashed the Fund's equity exposure from 30 to 10 percent and hedged against the rapid fall in the Australian dollar. "This allowed us to deliver positive returns in an extremely volatile environment", Lin said.

Secondly, when sentiment was at its worst in December last year, Lin's team increased the Fund's market exposure from 10 to almost 40%, to capitalise on the pending upside in the markets.

Pengana CEO Russel Pillemer said, "It's this sort of experience in the Asian Long Short team that produces such outstanding results. The Asian Equities Long Short Fund's performance is yet another example of what Pengana is able to achieve by partnering with pre-eminent managers of the highest calibre"

Ms Lin believes the Asian market will continue to offer long term growth opportunities as Chinese manufacturers move up the value chain to produce more sophisticated products.

The Pengana Asian Long Short Equity Fund is currently open to wholesale investors and will be available to retail investors later this year.

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NOTES TO THE EDITORS:

About Pengana Capital Ltd

Pengana Capital Ltd ("Pengana") is a diversified funds management business focused on delivering exceptional long term returns to its investors. It has approximately AUD\$1 billion in funds under management through ten funds, focusing on three central investment strategies – equities, volatility and bonds.

Pengana is headquartered in Sydney, Australia, with additional offices in Melbourne, Singapore, Edinburgh, London, Chicago and Lakeville (Connecticut). Pengana has approximately 50 staff members including over 35 investment professionals. Pengana is owned by its directors and staff with National Australia Bank having a minority strategic stake in the company.

Pengana's performance and innovation has been recognised by AIMA's Australia Hedge Fund Awards (2008), the Money Management awards (2008, 2007, 2006) and Standard & Poor's fund manager awards (2007).

For further information visit www.pengana.com.