

CAPRICORN PERFORMER FUND



OBJECTIVE

The Capricorn Performer Fund is a South African long/short equity hedge fund. The Fund has a strong focus on long term capital appreciation, targeting an absolute return in excess of cash. The Fund aims to provide returns with lower volatility and lower drawdowns than equities.

	Current NAV	1 month %	6 month %	1 year %	3 year %	Annualised since launch	Since launch %
CPF	R562m	(3.3%)	(5.1%)	11.2%	75.1%	24.4%	131.0%

MANAGER'S COMMENTS

April proved to be another challenging month for our stocks. The Fund lost 3.3% while the FTSE/JSE All Share Index returned 1.7%. The dispersion within the market was again significant, which was driven by a risk on rally after the Federal Reserve kept rates on hold. The lower for longer rates combined with better than expected economic data from China spurred a strong rally in emerging market currencies and commodities.

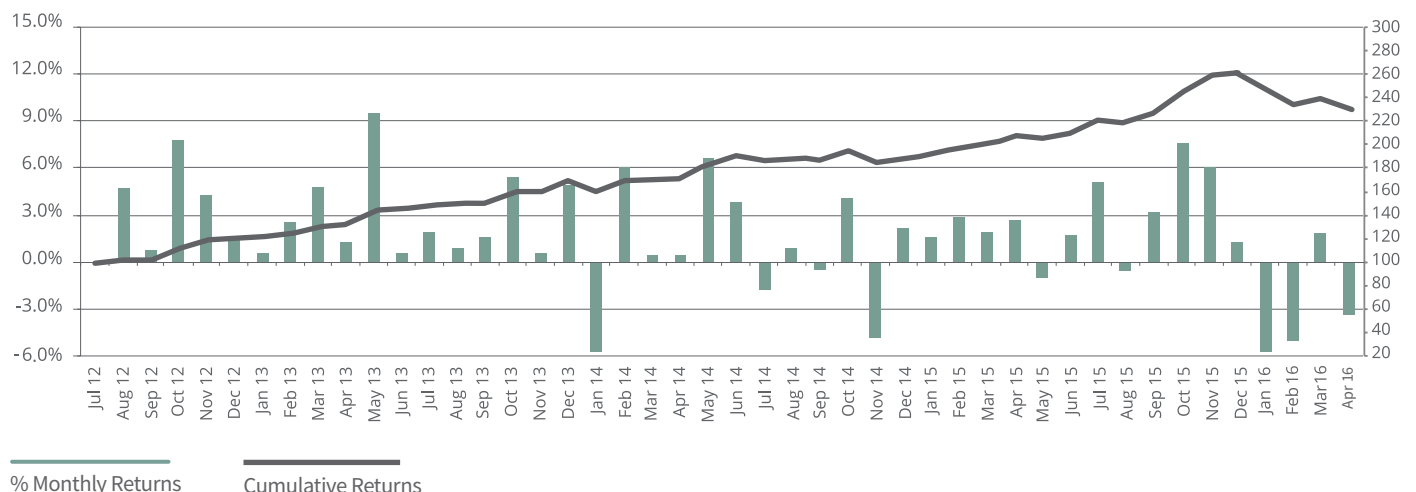
Disappointingly losses were incurred in both our long and short positions. Two of our highest conviction long positions, Naspers and Steinhoff, suffered severe drawdowns. Happily our losses in these positions were mitigated as we put derivative structures in place to protect our downside in these two positions.

Our short book was under severe pressure as the South African industrial complex performed strongly in tandem with the appreciating Rand. We believe that this rally was purely driven by sentiment and that the fundamental drivers of these companies have not changed. We are thus keeping our positions in these companies until we can see real change in their business environment.

We continue to see the current market conditions as a correction in a longer term thematic trend. We are however cognisant that these conditions may present themselves for an extended period and have thus taken steps to reduce our gross exposures across our portfolios. We have identified where we believe the market may be vulnerable once these conditions recede and will increase our exposure once we are more comfortable with the market environment.



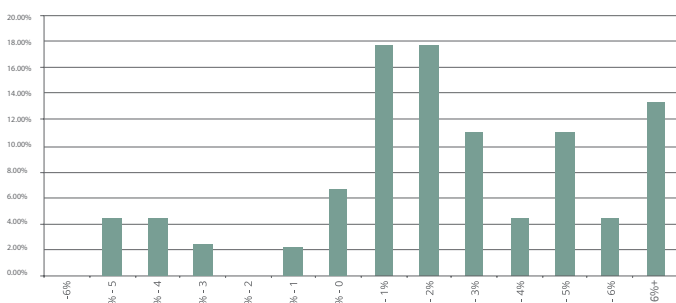
Historical Monthly Returns



CAPRICORN PERFORMER FUND CONTINUED



Frequency distribution of Returns



Statistics

Assets Under Management (R Million)	562m
Gross exposure	188%
Net Exposure	56%
% of positive months	80%
% of negative months	20%
Annualised monthly volatility (historic)	12.0%
Average positive monthly return	3.2%
Average negative monthly return	(3.1%)
Sharpe Ratio	1.5
Maximum monthly drawdown	(5.7%)
Maximum cumulative drawdown	(11.7%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012								4.7%	0.8%	7.8%	4.3%	1.4%	20.4%
2013	0.6%	2.5%	4.8%	1.3%	9.5%	0.6%	2.0%	0.9%	1.6%	5.5%	0.6%	5.0%	40.6%
2014	(5.7%)	6.2%	0.5%	0.5%	6.6%	3.9%	(1.7%)	0.9%	(0.4%)	4.1%	(4.8%)	2.2%	11.9%
2015	1.7%	2.9%	2.0%	2.7%	(0.9%)	1.8%	5.1%	(0.5%)	3.3%	7.6%	6.1%	1.3%	38.0%
2016	(5.7%)	(4.9%)	1.9%	(3.3%)									(11.7%)

Important Information

Past performance is no guarantee of future returns - values can go up and down. The information contained above has been prepared by Capricorn Fund Managers (Pty) Limited and is unaudited. Returns as shown are the weighted average of all issued series.

CONTACT INFORMATION

Investment Manager

Capricorn Fund Managers (Pty) Limited
 Capricorn House
 32 Impala Rd
 Chislehurst
 2196
 South Africa

For enquiries please contact

Andrew Crawford
 T: +27 11 666 0716
 E: andrewc@capricorncapital.com

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