

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	R605m	6.4%	(4.8%)	19.5%	70.1%	25.8%	145.8%

MANAGER'S COMMENTS

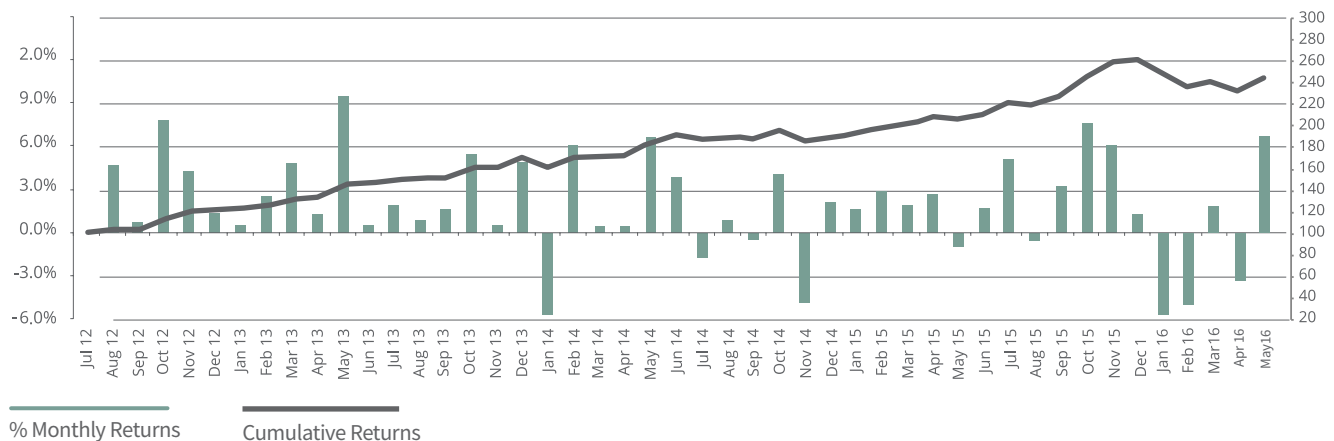
The fund delivered a positive return of 6.4% for the month, reversing the underperformance of the previous month. The FTSE/JSE All Share Index returned 1.8% in May while the Rand weakened by 10.4% against the dollar. The strengthening dollar caused commodity prices to pare some of their gains and this was further compounded by Chinese authorities stepping in to curb the excessive trading by speculators in commodities like iron ore and steel.

Profits were generated in both the long and the short books. Naspers continued to perform on the back of very strong numbers reported by Tencent, who continue to successfully add more services on its installed user platforms. These additional services make the revenue generating potential of Tencent a truly exciting prospect. We generated profits across the board in our short book especially in those names which caused the most pain in the previous month. Our shorts in the South African industrial space proved profitable as lacklustre earnings were reported in those counters, which supported our view that the economic climate has not yet turned positive for local industry.

Although we are very pleased with the month for our investors, the volatility of the fund remains front of mind. The construction of the book is being thoroughly interrogated to ensure that it has a balanced profile. We continue to run very low gross exposure in the face of this volatility, and will participate in dislocations presented in a cautious manner.



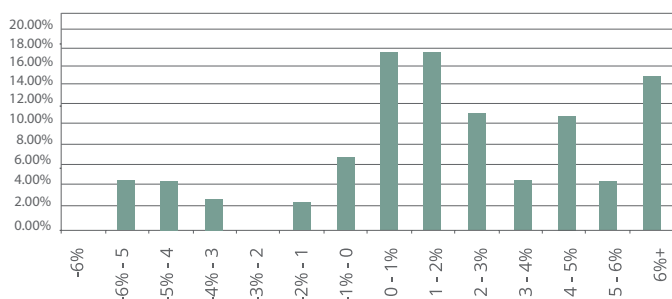
Historical Monthly Returns



CAPRICORN PERFORMER FUND CONTINUED



Frequency distribution of Returns



Statistics

Assets Under Management (R Million)	605m
Gross exposure	158%
Net Exposure	52%
% of positive months	80%
% of negative months	20%
Annualised monthly volatility (historic)	12.1%
Average positive monthly return	3.3%
Average negative monthly return	(3.1%)
Sharpe Ratio	1.6
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%)	6.4%								(6.0%)

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.

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