

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	R 311m	(1.7%)	16.7%	25.6%	N/A	36.5%	86.2%

MANAGER'S COMMENTS

We were disappointed that the fund was down 1.7% for the month. The gains in the portfolio came from Brait which continued its strong performance off the back of its results presented in June and remains a long term favoured position of the portfolio. Nampak is another position with significant African exposure, which has performed strongly since the recent unveiling of their new CEO and as they start delivering in Angola and Nigeria.

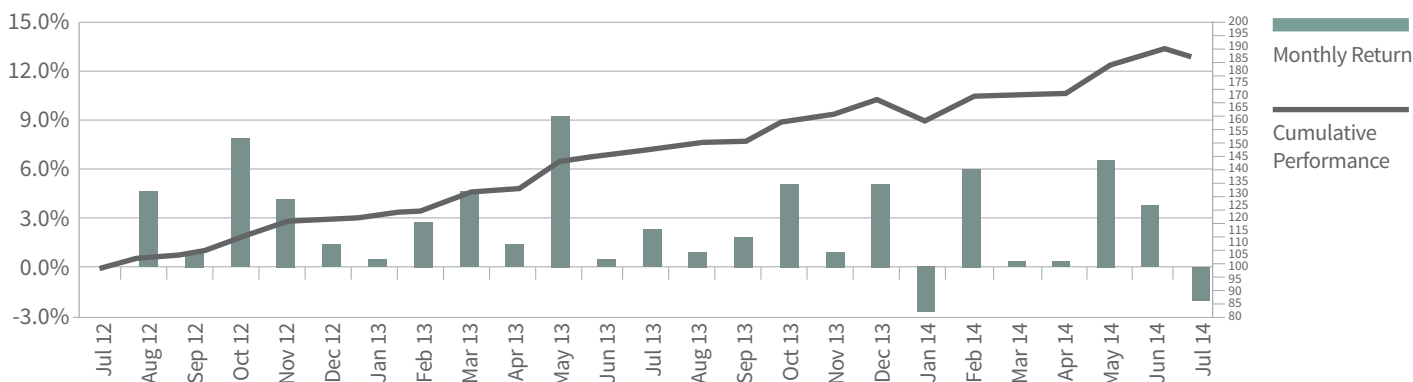
We were exposed to a retracement in core holding Steinhoff, which retreated off its all-time high post the very large rights issue to ready it ahead of the proposed European listing. We are very comfortable holding the stock into the listing and remains a firm favourite in the portfolio. Richemont also dragged down

the portfolio after below expectation results were released by their global luxury peers which led to weakness in the name. The biggest negative performance during the month was due to our short positions in local industrial stocks with exposure to the South African consumer. A view we continue to hold.

Looking ahead we have the results season in August which we expect will show the continued weakness of the domestic economy.

We continue to position the portfolio accordingly.

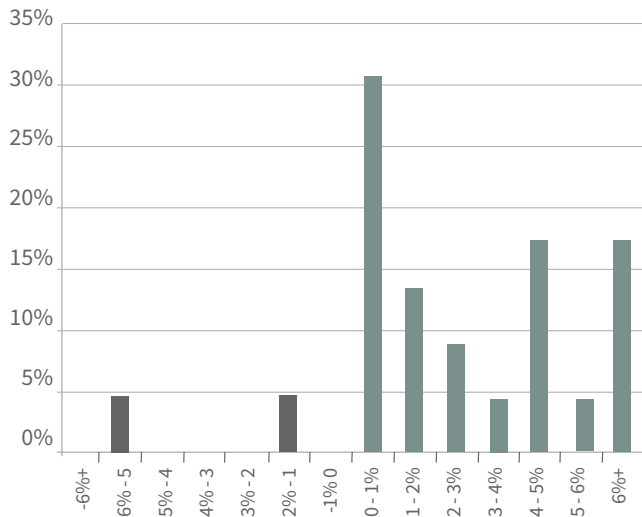
Simulated Historical Monthly Returns



CAPRICORN PERFORMER FUND CONTINUED



Frequency distribution of Returns



Statistics

Assets Under Management (R Million)	311m
Gross exposure	365%
Net Exposure	82%
% of positive months	92%
% of negative months	8%
Annualised monthly volatility (historic)	11.4%
Average positive monthly return	3.3%
Average negative monthly return	(3.7%)
Sharpe Ratio	2.5
Maximum monthly drawdown	(5.7%)
Maximum cumulative drawdown	(5.7%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2003							1.4%	1.1%	0.1%	3.6%	3.7%	4.7%	15.3%
2004	3.3%	(0.1%)	3.2%	0.4%	(3.8%)	1.0%	2.6%	4.2%	2.8%	6.1%	16.7%	4.6%	48.1%
2005	1.6%	6.2%	(1.7%)	1.6%	6.0%	1.5%	3.2%	5.5%	5.1%	0.8%	3.5%	4.2%	44.1%
2006	7.6%	1.7%	3.9%	1.6%	(1.7%)	1.7%	4.3%	1.9%	2.4%	1.3%	2.9%	4.5%	36.7%
2007	3.7%	3.1%	4.9%	3.0%	4.4%	1.5%	(2.6%)	0.6%	3.7%	6.2%	2.6%	2.1%	38.5%
2008	(6.3%)	7.9%	2.4%	4.6%	3.9%	0.1%	(6.9%)	(5.5%)	(6.3%)	(2.1%)	(0.1%)	0.1%	(9.1%)
2009	1.8%	0.0%	2.1%	(1.7%)	3.5%	0.2%	3.8%	(0.3%)	2.5%	5.2%	(0.9%)	4.4%	22.2%
2010	(3.7%)	4.3%	4.7%	(0.1%)	(6.4%)	(3.4%)	5.0%	(0.6%)	5.6%	1.1%	(1.9%)	1.1%	4.9%
2011	(2.7%)	3.3%	0.8%	3.4%	0.0%	(2.0%)	(0.2%)	1.5%	(0.9%)	5.5%	5.6%	(2.5%)	11.9%
2012	2.1%	5.9%	4.3%	4.1%	(2.1%)	2.6%	6.7%	4.7%	0.8%	7.8%	4.3%	1.4%	51.6%
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%)						10.0%

Notes: Italicized performance numbers are based on simulated returns. Returns during this period have been adjusted to account for a management fee of 1.25% per annum and a performance fee of 20% above a hurdle of CPI.

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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