

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 369m	2.0%	8.0%	18.7%	N/A	30.2%	102.2%

MANAGER'S COMMENTS

March proved to be an excellent month for the fund, returning 2% with the JSE All Share Index down 1.3% on a total return basis.

The shorts within the book protected the fund well, whilst a large portion of our longs managed to perform strongly. Steinhoff was the largest contributor to long performance off the back of the completion of the Pepkor deal as well as the approaching Frankfurt listing. Naspers delivered excellent returns as a result of accelerating Q4 results from their investment Tencent which continues to expand its internet platform. Discovery broke all-time highs after producing great results, but more importantly after announcing that they are going ahead with the building out of a banking business. In addition to the three large contributors detailed above we had good combined performance from our chosen retail and property investments.

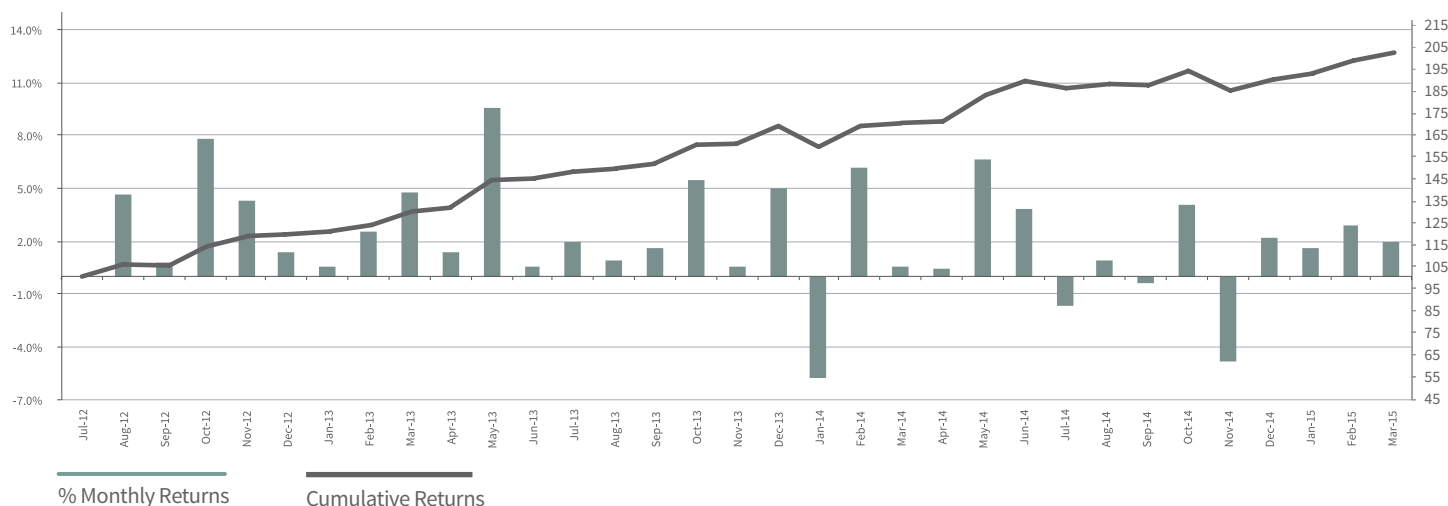
The main driver of performance on the short side was our exposure to South African Iron Ore producers. The price of iron ore has collapsed and the high cost producers listed in South Africa are exposed to this downside on a geared basis. The supply of international iron ore

continues to come online in an aggressive manner and is very low cost in nature. We are bearish on this space and used passive flows that got these stocks up between 10% and 30% during the month to increase our positions substantially. Additionally we benefitted from shorts in select South African consumer as well as Industrial names which traded weakly during the month.

The major detractor from performance were shorts in the SA Life space as well as longs in the International Industrial side. We remain cautious on the South African domestic economy and continue to favour companies with exposure to an offshore earnings base.

After a strong reporting season for the funds we move into a quieter period for markets from a news flow perspective. This can create some fairly random moves, driven largely by capital flows rather than fundamentals, which may provide opportunities that we will look to capitalise on.

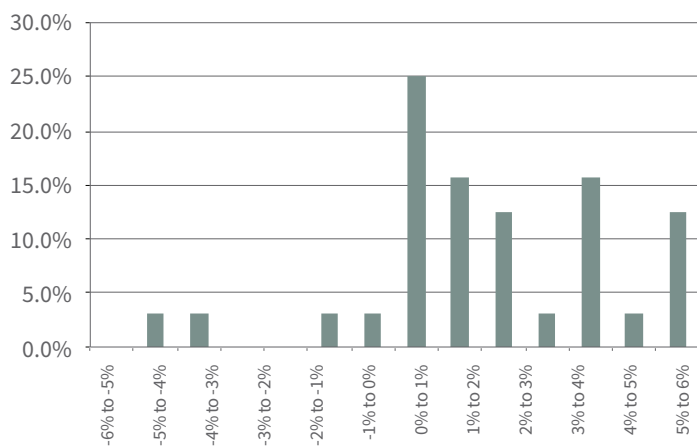
Historical Monthly Returns



CAPRICORN PERFORMER FUND CONTINUED



Frequency distribution of Returns



Statistics

Assets Under Management (R Million)	369m
Gross exposure	236%
Net Exposure	69%
% of positive months	87%
% of negative months	13%
Annualised monthly volatility (historic)	11.1%
Average positive monthly return	3.0%
Average negative monthly return	(3.2%)
Sharpe Ratio	2.1
Maximum monthly drawdown	(5.7%)
Maximum cumulative drawdown	(5.7%)

	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%										6.7%

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

Licensed by the Financial Services Board
 License number: 863