

## INVESTMENT UPDATE March 2012

### Fund NTA & Performance

Cadence Offshore Fund NTA as at 31st March 2012:

NTA per share (Series AUD1) \$ 1,590.03  
 Net Performance March 2012 (Series AUD1) + 1.56%

### Monthly Detailed Performance

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	YTD
Cadence Cayman Fund	-2.70%	-0.28%	2.21%	6.06%	-9.07%	-2.61%	7.60%	4.02%	5.24%	4.70%	12.35%	2.01%	31.63%
All Ordinaries Acc Index	-5.85%	1.82%	5.83%	-1.18%	-7.57%	-2.60%	4.23%	-0.71%	5.02%	2.17%	-0.70%	3.80%	3.31%
	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	YTD
Cadence Cayman Fund	1.70%	3.78%	-2.52%	5.16%	-1.36%	1.64%	0.66%	2.98%	-1.60%	2.15%	2.20%	-0.19%	15.28%
All Ordinaries Acc Index	0.07%	2.19%	0.64%	-0.58%	-1.89%	-2.39%	-3.40%	-2.00%	-6.27%	7.17%	-3.43%	-1.57%	-11.43%
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	YTD
Cadence Cayman Fund	0.92%	2.22%	1.56%										4.77%
All Ordinaries Acc Index	5.23%	2.41%	1.15%										9.00%
* Net of all fees												<b>Accumulated return</b>	<b>59.00%</b>

### Portfolio Commentary

During March 2012 Cadence Cayman Fund returned a positive net performance of +1.56% compared to an increase in the All Ordinaries Accumulation Index of +1.15% and an increase in the Small Ordinaries Accumulation Index of +0.19%. For the two years and three months to 31<sup>st</sup> March 2012, the Fund has returned a positive net performance of +59.00% compared to a decrease in the All Ordinaries Accumulation Index of -0.27% and an increase in the Small Ordinaries Accumulation Index of +2.13% during the same period.

The fund finished the month 47.08% net long. The net exposure for February 2012 was 76.44%.

### Portfolio Sector Exposure

Sector	Long	Short	Net
Commercial & Professional Services	11.41%		11.41%
Software & Services	10.73%		10.73%
Diversified Financials	9.56%		9.56%
Banks	7.24%		7.24%
Capital Goods	6.33%		6.33%
Consumer Services	1.26%		1.26%
Energy	0.42%		0.42%
Materials	0.14%		0.14%
<b>Exposure</b>	<b>47.08%</b>	<b>0.00%</b>	<b>47.08%</b>
<b>Cash on Hand</b>			<b>52.92%</b>



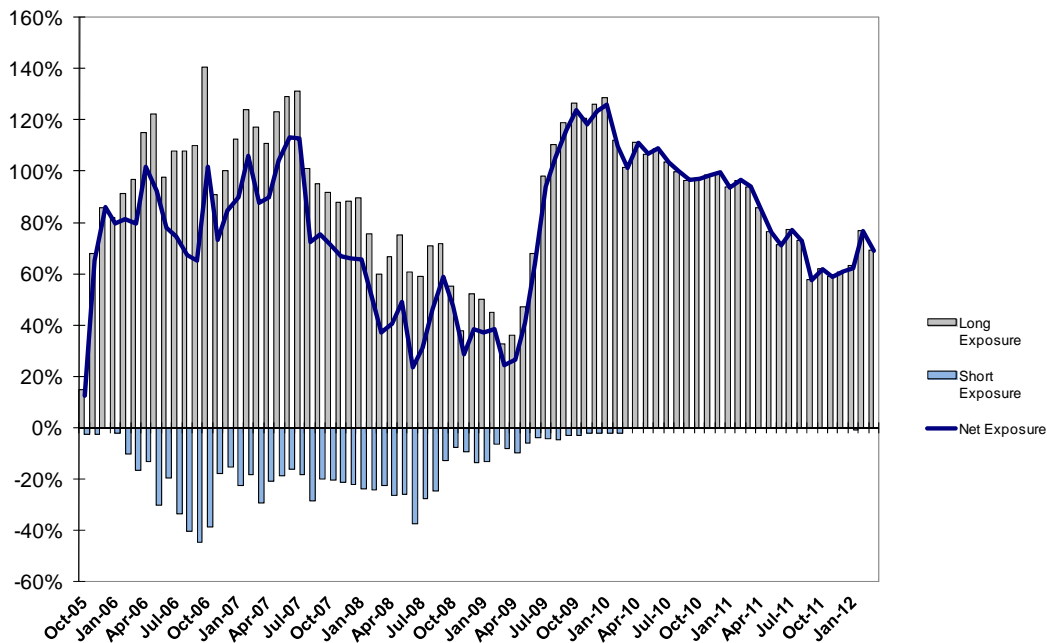
## Historic Strategy Performance & Exposure- 6 Years

Cadence Capital Limited is an ASX listed fund that has been operating the Cadence Long/ Short Australian equities strategy for over five years. Over time the Cadence Cayman Fund will replicate the positions and holdings of Cadence Capital Ltd. Detailed below is the 6 year performance and exposure history of Cadence Capital Limited (ASX Code CDM).

Performance* to 30th March 2012	CDM**	All Ords	Outperformance
1 Month	2.34%	1.15%	+1.19%
1 Year	30.35%	-6.20%	+36.55%
2 Years	78.52%	-1.70%	+80.22
3 Years	170.72%	41.57%	+129.15
4 Years	114.53%	-2.74%	+117.27
5 Years	90.90%	-8.59%	+99.49
Since Inception (78 months)	240.67%	26.57%	+214.10
Since Inception Annualised (78 months)	20.75%	3.69%	+17.06

\*Before Management and Performance Fees

\*\*Used the percentage increase in Post Tax NTA for May 2011



### Fund Facts

Minimum Investment:	AU\$ 500 000	Redemption Fees:	None
Subscription Frequency:	Monthly	High Water Mark:	Yes
Redemption Frequency:	Monthly	Strategy Size:	AU\$ 70 Million
Redemption Notice:	3 Months	Prime Broker:	Citigroup
Lock-up:	None	Administrator:	TMF Group
Management Fee:	1.5%	Fund Domicile:	Cayman Islands
Performance Fee:	20%	Legal Advisers (Cayman)	Walkers

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