

Press Release – For immediate release

Fund launches help boost alternative UCITS assets to EUR 129 billion - Alix Capital report reveals

- UCITS hedge funds AUM increased by +7.5% in Q2 2012 contributing to an increase of 18.3% for the last 12 months
- The total assets managed by UCITS hedge funds has now reached EUR 129 billion
- The 20 largest funds now accounts for EUR 64.9 billion assets under management (AUM)
- Sixteen new single manager funds were launched in Q2, increasing the total number of single manager funds to 776
- 50.3% of all single UCITS hedge funds display positive performance since the beginning of the year
- Fixed Income is still the largest strategy with EUR 40.6 billion AUM

The latest quarterly research on the UCITS hedge funds industry published by Alix Capital, the Geneva-based provider of the UCITS Alternatives Index (UAI) family of indices, reveals a 7.5% increase in the total assets managed by UCITS hedge funds to EUR 129 billion, an increase of 18.3% over the last 12 months.

The report provides in-depth information on 776 single manager alternative UCITS funds and 78 alternative UCITS fund of funds, covering strategy breakdown, fund and advisor location, liquidity, asset flows, assets under management (AUM) and performance.

Louis Zanolin, CEO of Alix Capital, says: "As predicted, we have continued to see a growth in the total assets managed by UCITS hedge funds in the second quarter of 2012 and this is a trend which we expect to continue for the remainder of the year. Investors are attracted by UCITS funds for bringing an increased investment choice which is reflected in the rise in the number of fund launches in Q2. Moreover, the need for transparency, liquidity and regulatory oversight that UCITS funds provide is another significant reason for the growth of this industry which has seen substantial inflows in the last three years."

Highlights of the report are summarised below:

The total assets managed by UCITS hedge funds have continued to grow during the second quarter, passing from EUR 120 billion to EUR 129 billion. The strategies that witnessed the strongest assets growth are CTA (+26%) and Macro (+17%).

Sixteen new funds were launched this quarter and four were closed so increasing the global number of funds from 764 at the end of March 2012 to 776 at the end of June 2012.

The 20 largest single manager funds now account for 64.9 billion assets under management or 50.2% of total assets. The portion of funds with more than EUR 100m continues to rise and now represent 34.3% of all single funds. (chart 1)

Since the beginning of the year, 50.27% of all single UCITS hedge funds display positive performance with the best performing UCITS hedge funds being the Renaissance Ottoman Fund (Emerging Market) up 21.48%, followed by the Credit Suisse Global Carry Selector Fund (Volatility) up 20.32% and Thames River Global High Yield Bond (Fixed Income) up 18.90%.

In the funds of UCITS hedge funds space the top performer is the Goldman Sachs Dynamic Alternative Strategies up 2.28% since the beginning of the year. Two new funds of UCITS hedge funds were launched in the second quarter bringing the total to 78. The level of assets under management has remained stable just above EUR 3

billion. Credit Suisse Asset Management is the largest funds of UCITS hedge funds manager with EUR 483 million. (chart 2)

Compared to Q1, the three largest strategies remain the same: Fixed Income, Long/Short Equity and Macro with Euro 40.6 billion, 22.2 billion, 18.8 billion respectively. These three strategies are also the largest in terms of number of funds with 217 Long/Short Equity funds, 141 Macro funds and 95 Fixed Income funds. (chart 3)

At the end of Q2 2012, the liquidity profile of single UCITS hedge funds remains stable in the Q2, with 83% offering daily liquidity, 16.4% weekly and 0.6% bi-monthly. Luxemburg, France and Ireland continue to be the most popular domiciles for UCITS hedge funds with 45.7%, 18.5% and 17.4% market share respectively.

About the UAI Quarterly Industry Report

The UAI Quarterly Industry Report is the most comprehensive research support dedicated to the UCITS hedge funds industry. It includes more than 100 pages with full color charts describing the historical and current state of the UCITS hedge funds world. The Report provides in-depth specific information such as strategy composition, funds and advisor location, liquidity, trends in asset flows, assets under management, performances and names of the best performing funds in each strategy.

The UAI Quarterly Industry Report is the perfect tool to use as reference handbook for all market participants willing to have access to the most comprehensive information about the UCITS hedge funds universe. The manager performance and AUM ranking is a powerful tool for competition monitoring and marketing presentations. The Report is published quarterly and delivered electronically in PDF and PowerPoint format and can be purchased on <http://www.alternative-ucits.com/page-report.html>

About the UCITS Alternative Indices

With 854 constituent funds as of June 2012 totaling EUR 129 billion assets under management, the UCITS Alternative Index (UAI) series are the industry's leading benchmarks for the UCITS hedge funds universe. The UAI family is currently composed of 19 different benchmarks tracking the returns of both global and strategy specific UCITS hedge funds. The performance of the various UCITS Alternative Indices can be viewed at www.ucits-alternative.com. Alix Capital is the exclusive index provider of UCITS Alternative Indices. UCITS Alternative Index is a registered trademark.

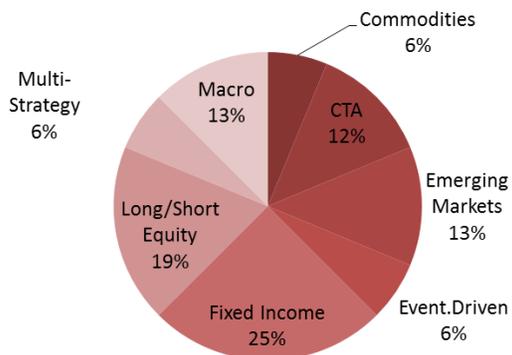
About Alix Capital

Alix Capital is a Geneva-based investment company specialising in alternative investments. Founded by a team of experienced alternative investment specialists, Alix Capital provides research and advisory services to the institutional investor community in the field of absolute return investing. The Company is responsible for the calculation, licensing, and marketing of the UCITS Alternative Indices. www.ucits-alternative.com.

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Chart 1

New fund launches by strategy in Q2 2012



Domicile of funds launched in Q2 2012

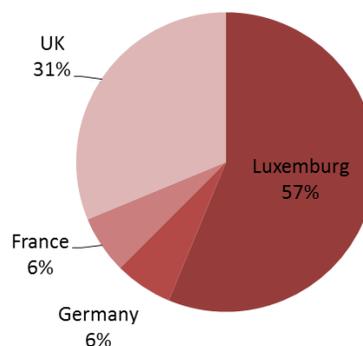
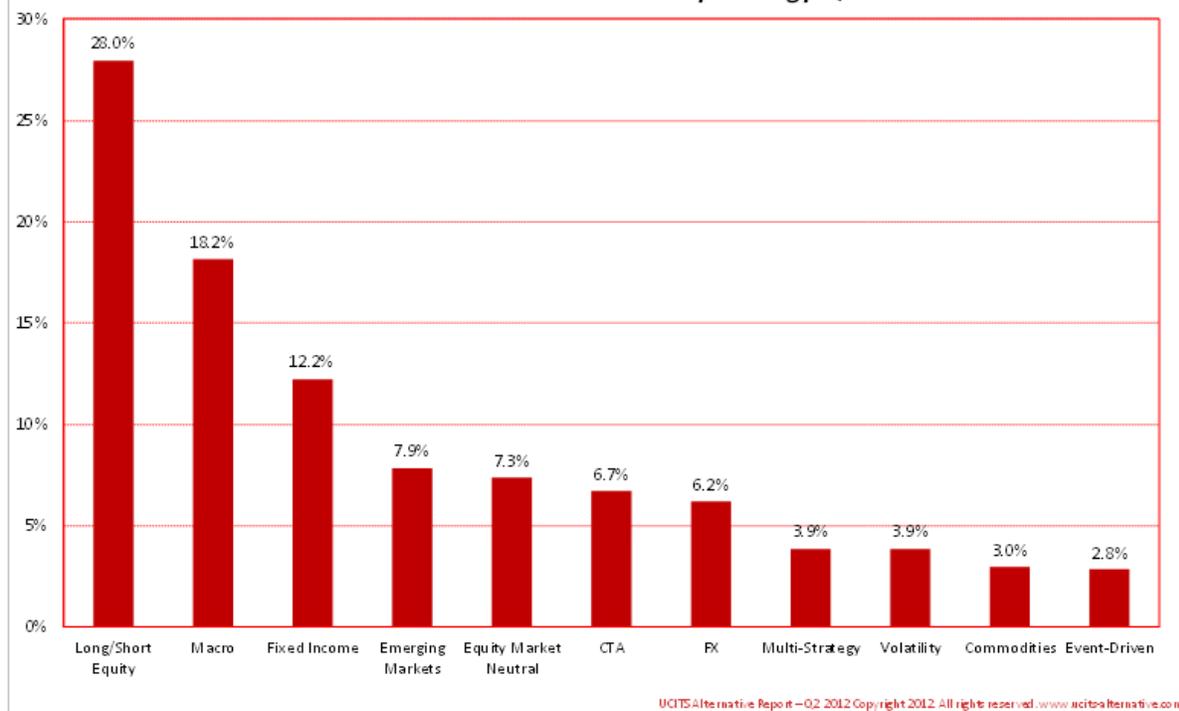


Chart 2

Distribution of Number of Funds by Strategy Q2 2012



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