



Media Release

Australian Hedge Fund Industry Healthy and Thriving

Link between hedge funds and fallen property companies 'misleading'

Sydney, 20 July 2007 – AIMA Australia, the Australian chapter of the Alternative Investment Management Association, the leading global hedge fund and alternative investment industry association, today underscored the strength and stability of the Australian hedge fund industry, while hitting back at claims that the hedge fund industry is linked to the collapse of certain Australian property companies.

AIMA has highlighted that the Australian hedge fund industry is made up of over 80 managers deploying a broad array of absolute return strategies. Hedge fund managers offering investment products to Australian investors must meet the same regulation, ongoing compliance and governance standards that apply to all other AFS licensed investment managers.

AIMA Australia Chairman, Kim Ivey, said: *"Most investors and their advisors see that hedge funds bring important diversification benefits and provide contrasting sources of returns to those of traditional managers - whose typical objective is to achieve returns closely linked to asset sector benchmarks".*

With over \$63 Billion in assets invested in hedge funds, the Australian hedge fund industry is one of the largest in the Asian region. Accompanying this growth in assets has also been a significant increase in the last 12 months in the number of different hedge fund strategies available to Australian investors.

Mr Ivey also said that recent media commentary linking the collapse of Australian property companies with the hedge fund industry was incorrect and highly misleading.

"We would consider none of the failed property companies as a hedge fund manager. These property investment companies are not part of the hedge fund industry and their problems are specifically related to the property industry".



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About AIMA Australia

AIMA Australia is the Australian chapter of the Alternative Investment Management Association, the leading global hedge fund and alternative investment industry association. Founded in 1990, AIMA is a not-for-profit global trade association with corporate membership in 46 countries. AIMA role is to represent members from the hedge funds, managed futures and managed currency funds industries. In Australia AIMA has over 60 members and globally over 1000 corporate members (servicing in excess of 3000 individuals). AIMA is responsible for; developing global tools for the benefit of members, institutional investors and regulators; increasing investor education; promoting best practice; and liaising with regulators and other organisations to ensure the responsible use of alternative investments. AIMA's membership includes fund of funds managers, institutional investors, hedge fund managers, prime brokers, exchanges, fund administrators, auditors, lawyers and other specialist service providers.

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