

Overview

Dexion Absolute Limited is a Guernsey registered, closed-ended investment company listed on the London Stock Exchange.

The Company's investment objective is to provide shareholders with consistent capital appreciation, with a target US dollar annualised return of 12 per cent. to 15 per cent. in any three to five year period, independent of equity market direction and with low volatility, by investing in an actively managed portfolio of hedge funds.

The Company's shares are denominated in Sterling and the Company implements a hedging policy to protect the Sterling value of its US Dollar denominated investments.

NAV: 120.82p

Apr return: -0.87%

Share price: 128.25p*

*Closing mid-price on 29 April 2005.
Opening NAV per share 98.25p

Performance review

Global financial markets generally produced negative results in April. In the U.S., equity markets posted losses due to a number of concerns, including disappointing economic reports, stagflation fears, and a cloudy corporate earnings outlook. European, Asian and emerging market equities all suffered sharp declines. The downgrade in GM debt by Moody's, together with the concerns that hampered equity markets, spilled over to credit markets and led to a spread widening in April, especially in non-investment grade issues,

	Apr %	YTD %	ITD* %	Volatility* %	Sharpe ratio*^
Dexion Absolute NAV	-0.87	1.01	9.27	2.77	1.83
FT All Share TR £	-2.26	0.72	14.58	11.00	0.94
FT Govt All Stocks TR £	1.52	1.44	4.33	3.61	0.03
HFRI Fund of Funds Index \$	-1.33	-0.54	7.60	3.24	1.87

* Annualised from inception date of DAB, based on monthly data. ^ Risk free rate is average of 1M GBP LIBOR (4.21%) for GBP investments, average of 1M USD LIBOR (1.54%) for USD investments. Averages calculated using daily data from inception date of DAB. Source: Bloomberg (data), Dexion (calculation)

which reached levels not witnessed since August 2004. Amid a general flight-to-quality, treasuries rallied during the month. The falls in global equity markets negatively impacted Dexion Absolute's **hedged equities** managers. Long positions in basic-materials companies were the largest detractors from performance. Other areas of weakness were long positions in the retail, technology, and healthcare sectors. For the second consecutive month, short positions, particularly in technology and materials, were the most additive to performance, partially offsetting losses incurred from long equity positions. The **opportunistic** strategy experienced a setback in April. Value and event-driven equities were among the most adversely-affected areas with a number of disappointing earnings announcements contributing to difficulty for several fundamentally-driven opportunities. Steel and commodity-related positions faltered due to concerns that prices have peaked. **Distressed** managers experienced a modest loss during the month, due to widening credit spreads across the spectrum of rating categories. Uncertainty in the U.S. automotive industry, accompanied by an increasing number of rating agency downgrades cast a pall upon the market. **Tactical trading** managers posted a negative return in April. Losses emanated from bearish interest-rate positions, which suffered in mid-month, as evidence of slowing growth in the U.S. led many to cover short positions. Foreign-exchange trading yielded mixed results. The Company's **short-selling** managers added to their first quarter gains with their strongest monthly return of the year in April. The equity market decline was clearly a major factor, but it was good stock selection that resulted in significant alpha generation. Although the challenging equity market conditions in April resulted in losses for our **equity strategies** managers, their predominantly long-only portfolios outperformed most major U.S. equity indices. Finally our **relative value** managers' multi-strategy approach exhibited few portfolio diversification benefits in April, as there were almost no sanctuaries for positive performance. On the heels of one of the most challenging U.S. convertible bond arbitrage environments in March, April was possibly the worst single month of performance ever for the strategy as negative sentiment related to the liquidations of convertible bond portfolios, costly interest-rate hedges, and continued deterioration in the credit markets overwhelmed the strategy.

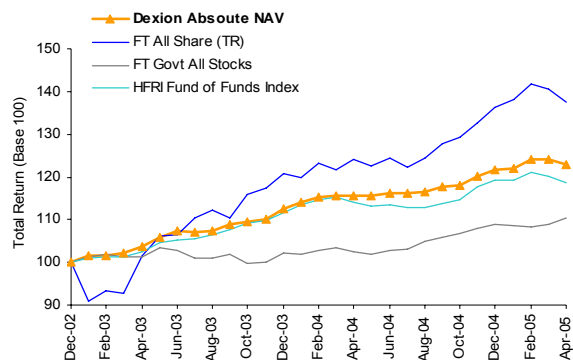
Outlook

There has been much negative press, including a number of unsubstantiated rumours, circulating about the industry in May. While the Company has had little negative impact resulting from positions in various GM-related securities, the full effect of these events has not yet fully played out. Following the decline in several asset classes, the Company's managers are poised to capture any opportunities that may arise from the recent upheavals in global markets.

Key facts

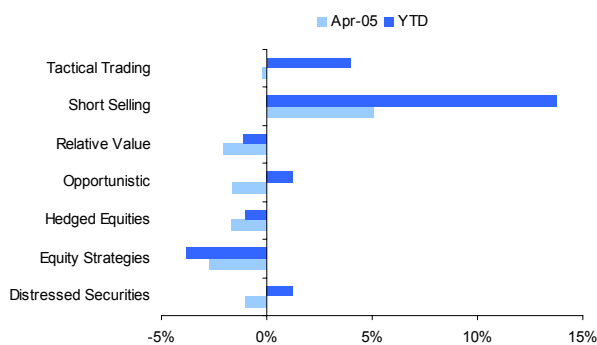
Manager	Dexion Capital (Guernsey) Ltd	Bloomberg	DAB LN
Investment Advisor	Harris Alternatives LLC	Reuters	DAB.L
Investment Consultant	Dexion Capital Plc	ISIN	GB0032287020
Inception date	19 December 2002	SEDOL	3228702
Total net assets	£253.3m		

Comparative Performance



Source: Bloomberg

Performance attribution

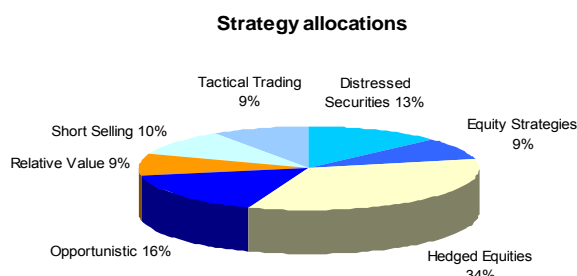


Note: strategy returns are net of underlying manager fees only, and not inclusive of Dexion Absolute's fees and expenses

Historical NAV performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2005	0.29	1.54	0.06	-0.87									1.01
2004	1.39	0.96	0.38	-0.18	0.03	0.61	-0.06	0.39	0.86	0.41	1.70	1.38	8.13
2003	1.44	0.02	0.78	1.37	2.11	1.56	-0.48	0.27	1.48	0.72	0.31	2.39	12.59

Portfolio as of 1 May 2005



	Number of funds
Distressed securities	5
Equity strategies	4
Hedged equities	18
Opportunistic	7
Relative value	4
Short selling	8
Tactical trading	4
Total	50

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Your attention is drawn to the Risk Factors set out in Part I of the Dexion Absolute prospectus dated 3 June 2004.

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