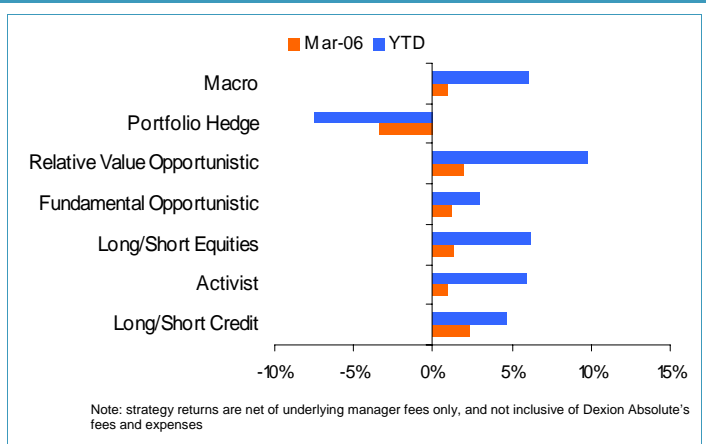


Overview

Dexion Absolute Limited is a Guernsey registered, closed-ended investment company listed on the London Stock Exchange. Consistent with Harris Alternatives' Aurora LP, whose investment rationale, methodology and portfolio management are shared by the Company, the Company no longer has a target return as part of its investment objective. The Company's investment objective is to generate consistent long-term capital appreciation with low volatility and little correlation with the general equity and bond markets through a portfolio having a diversified risk profile. The Company seeks to achieve this through investment in an actively managed portfolio of hedge funds diversified by investment strategy, style and manager. The Company's shares are denominated in Sterling, Euros and US Dollars and the Company implements a hedging policy to protect the Sterling and Euro value of its US Dollar denominated investments.

Monthly commentary

Global equity markets ended a strong first quarter with solid returns in March. U.S. equity markets brushed aside a challenging backdrop of rising commodity prices, weak economic reports, and a slowing real estate market as the Dow ended March with its best first-quarter gain since 2002, while the S&P 500 closed above 1,300 for the first time in nearly five years. Elsewhere, foreign equity markets continued their recent run of out-performance relative to U.S. markets. M&A activity lifted European markets, with a number of indices reaching multi-year highs during March. Meanwhile in Asia the Nikkei gained 5.7% and India advanced nearly 11%. In global bond markets, U.S. Treasuries and other government bonds suffered steep declines, but credit securities generally rose due to a spread tightening that resulted from a strong equity environment. In a complete reversal of what happened in February, the U.S. dollar lost ground versus the Euro, but gained against the yen. Finally, commodity prices were up across the board in March, with substantial movements in crude oil and metal prices.



All the Company's strategies were profitable with the exception of the portfolio hedge. **Long/short equities** managers recorded good gains. Geographic specialists were again the top performers as European and Asian-focused managers capitalized on favourable stock-picking environments. European specialists benefited from the continued strong performance of metals/mining and oil-services stocks, which advanced in line with rising prices in the underlying commodities. Our Asian specialist, in contrast, captured its largest gains from positions in its China/Hong Kong, Taiwan and Japanese portfolios. Elsewhere, technology stocks experienced strong appreciation and one specialist manager and a number of our generalists with long exposure to the sector were substantial contributors to performance. The **macro** strategy posted a positive return, despite a wide dispersion in individual managers' returns. One manager delivered spectacular performance as it generated considerable gains from holdings in steel and energy equities. Relative value plays in commodities, particularly metals, also contributed to its results during the month. In another manager's portfolio, directional yield curve trades in Europe and Japan added to profits. Mitigating these gains, a long U.S. Treasury position and a long JPY/USD trade created losses for one manager. **Long/short credit** produced the best return with all managers contributing to the gain. One of our managers reaped outsized profits from tactical long equity positions in large-cap technology stocks, including a software provider and a manufacturer of networking equipment. Other managers generated their profits in more traditional distressed securities. A number of our managers benefited from thematic investments in the debt and equity of distressed electrical power producers, both in the U.S. and Europe, as well as other energy-related enterprises. Amid a favourable backdrop for equity investing, our **activist** managers posted a solid return in March. Among the highlights during the month was one manager's investment in a leading provider of seismic data to the oil and gas industry, which benefited from the release of strong fourth quarter earnings. An abundance of corporate activity and a rally in energy and commodity prices resulted in strong performance from our **fundamental opportunistic** managers. Allocations to the oil-services, building materials, and industrial goods sectors were among the largest contributors to performance as persistent demand for goods and services lifted the prices of these securities. Additionally, holdings in select retailers also added to gains. The **portfolio hedge** strategy recorded a loss in March, ending a challenging quarter for this strategy. During the month, an expansion of investors' risk appetite was evident as speculative, lower-quality stocks sharply outperformed the broader markets. Such an environment is particularly difficult for managers who place a strong emphasis on identifying and shorting such companies. Our **relative value opportunistic** managers ended the quarter with another solid month. Energy/commodities trading was again a leading contributor to performance due to robust price appreciation and volatility, particularly in natural gas and metals positions. Elsewhere, convertible bond arbitrage and volatility strategies performed surprisingly well despite a less-than-accommodating backdrop.

Outlook - Our outlook has not changed materially from several months ago. We continue to find that most strategies offer attractive opportunities, especially the stock-selection strategies that rely on fundamental analysis. We remain optimistic that our macro and fundamental opportunistic managers will continue to profit from areas of market dislocation. Although hampered by historically tight credit spreads, our long/short credit managers continue to identify sufficient opportunities and deliver attractive, if unspectacular, returns.

Performance data

	March (%)	YTD ¹ (%)	ITD* (%)	Volatility* (%)	Sharpe** [^]
Dexion Absolute £ Share NAV	0.71	3.55	10.41	3.00	2.03
FT All Share (TR) (£)	3.79	8.09	19.81	10.17	1.52
FT Govt All Stocks (TR) (£)	-1.42	-0.61	4.88	3.54	0.15
Dexion Absolute €Share NAV	0.52	2.95	10.63	3.86	2.17
MSCI Eurozone (TR) (€)	2.84	9.59	33.35	9.42	3.30
JPMorgan Eurozone Govt Bond Index (€)	-1.42	-1.86	-2.31	2.86	-1.60
Dexion Absolute US\$ Share NAV	0.71	3.56	12.75	3.92	2.20
MSCI World (TR) (US\$)	2.24	6.72	24.53	7.35	2.78
JPMorgan World Govt Bond Index (US\$)	-1.21	-0.41	-4.62	4.88	-1.79
HFRI Fund of Funds Index (US\$)	1.45	4.73	9.49	3.51	2.07

¹ Cumulative performance from inception for € and \$ Shares. * Annualised from inception date of DAB £, DAB € and DAB \$, based on monthly data. ^ Risk free rate is average 1M GBP LIBOR since December 2002 (4.34%) for GBP investments, average 1M EUR LIBOR since July 2005 (2.28%) for EUR investments, average 1M USD LIBOR since July 2005 (4.11%) for Dexion Absolute US\$ class and average 1M USD LIBOR since December 2002 (2.22%) for USD indices. Source: Bloomberg (data), Dexion Capital (calculation)

£

NAV 135.57p
Return +0.71%
Share price* 143.50p

€

NAV €1.9768
Return +0.52%
Share price* €2.0875

\$

NAV \$2.4245
Return +0.71%
Share price* \$2.5300

Note:
* Closing mid-price at month end.
Opening NAV per £ share 98.25p,
€ Share €1.8325 and \$ Share \$2.2158.

Key facts

Manager

Dexion Capital (Guernsey) Limited

Investment Advisor

Harris Alternatives LLC

Investment Consultant

Dexion Capital plc

Total net assets £541.8m

Management Fee 1.50%

Performance Fee 10% (trigger 3%)

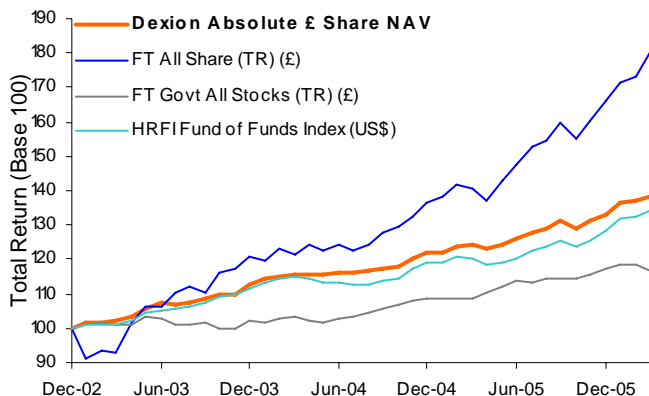
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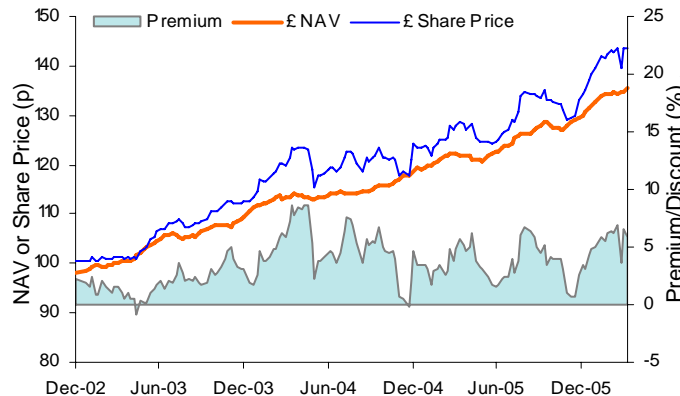
Website www.dexionabsolute.com

Net Asset Value performance



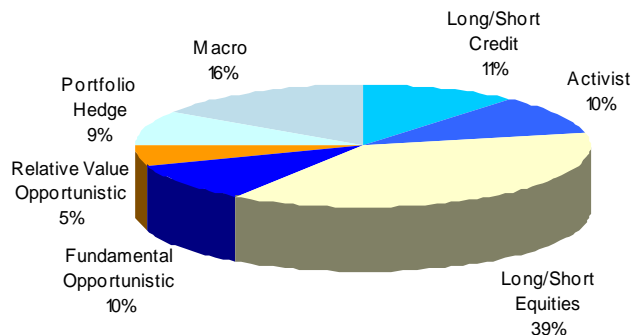
Source: Bloomberg

Share price performance



Source: Bloomberg

Portfolio as of 1 April 2006

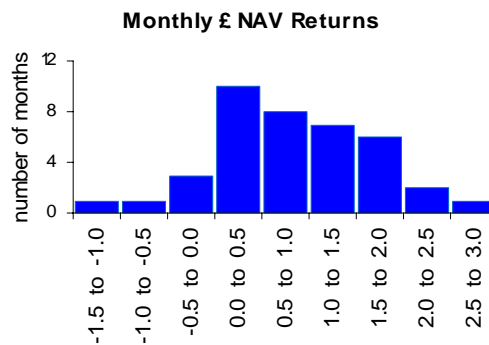


Category	Number of funds
Long/Short Credit	6
Activist	5
Long/Short Equities	19
Fundamental Opportunistic	5
Relative Value Opportunistic	3
Portfolio Hedge	9
Macro	7
Total	54

Note: Allocations are net of cash effect and include, for portfolio hedge only, the delta-adjusted exposure derived from option hedges, if any.

Historical NAV performance (%)

GBP	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2006	2.54	0.28	0.71										3.55
2005	0.29	1.54	0.06	-0.87	0.88	1.38	1.51	0.86	1.75	-1.41	1.40	1.72	9.46
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
EUR													Year
2006	2.26	0.15	0.52										2.95
2005	-	-	-	-	-	-	1.28	0.67	1.64	-1.58	1.16	1.54	4.78
USD													Year
2006	2.58	0.25	0.71										3.56
2005	-	-	-	-	-	-	1.37	0.82	1.74	-1.41	1.32	1.72	5.66



Share Class	Inception date	Bloomberg	Reuters	ISIN	Sedol	Total net assets
GBP	19 Dec 2002	DAB LN	DAB.L	GB0032287020	3228702	£410.64m
EUR	28 Jun 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€106.80m
USD	28 Jun 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	\$98.55m

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Your attention is drawn to the Risk Factors set out in the Dexion Absolute prospectus dated 26 October 2005 and the fact that no securities are currently being offered by the Company and that certain information in the above prospectus may now be out of date.

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