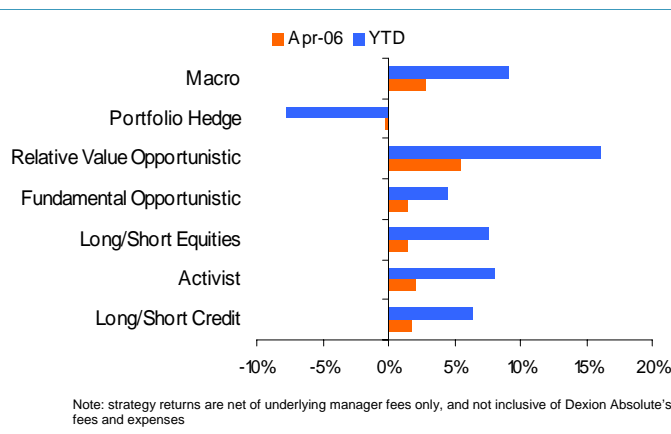


Overview

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 April generally higher, with Asian markets posting the strongest results. In the U.S., large-cap indices recorded solid gains due to favourable corporate earnings releases, positive economic reports and expectations of a pause in the Fed's rate increases. European bourses generally traded higher, albeit at a slower pace than in recent months. In Asia, robust corporate earnings and accelerating economic growth benefited equity markets. In fixed-income markets, U.S. Treasuries suffered continued weakness, but credit performed well due to spread tightening resulting from favourable earnings reports. The U.S. dollar retreated sharply in April following the Washington G7 meeting, falling 4.3% and 3.4% versus the Euro and Yen, respectively. Commodities continued their recent run-up, with crude oil rising nearly 8% and gold reaching its highest level since



October 1980. Each of our **long/short equities** subgroups was profitable in April, leading to a solid return from the strategy. Highlights from the generalists were gains from exposures to the energy sector and stock-specific events. The geographic (non-U.S.) specialists continued their recent run of robust performance, with notable profits being generated by a U.K.-focused manager investing in mid-sized resource companies. Our healthcare sector specialist reported losses incurred from long exposure to biotech stocks, one of the weakest sectors during April. Our **macro** managers delivered another strong month of performance, with gains generated across a multitude of asset classes, and especially in emerging market equity positions in Eastern Europe and Asia. Elsewhere, G3 curve steepening trades and positions in Japanese equities performed well. Long positions in energy-related securities and short U.S. dollar positions were also significant generators of returns. An abundance of corporate activity continued to drive returns for our **fundamental opportunistic** managers. Positions in select retailers were key contributors to performance, while holdings in financial services stocks were again significant drivers of performance. The rise in natural resources and energy prices lifted our managers' holdings in companies involved in the production of these commodities. Amid a backdrop of narrowing credit spreads, our **long/short credit** strategy produced a positive return during April. The managers' holdings in the telecom and technology sectors were among the most notable contributors to performance, while positions in energy and natural resources were also beneficial. Airline investments, however, were a drag on performance as escalating jet fuel costs negatively impacted the industry's profitability. Our **activists** delivered strong returns in April as a result of constructive company-specific events and a favourable equity market. Among the drivers of performance during the month were positions in the shares of a biotechnology firm, a seismic data provider to North American oil and gas markets, and a media and entertainment company. The **portfolio hedge** strategy ended April with a small loss in the face of rising equity markets. The month was uneventful for the Company's managers with few instances of significant losses in individual short positions. Our **relative value opportunistic** managers recorded the strongest portfolio strategy performance during April. As for much of 2006, energy and commodities trading was the leading contributor to performance during the month, benefiting from increased volatility in the energy and metals markets. In credit trading, distressed securities and convertible bond arbitrage were profitable. Long/short equities were profitable in aggregate, across sectors and geographical regions.

Outlook - In May there have been corrections in a number of markets. As investors reduce risk in their portfolios, global equity and bond markets have declined, with non-U.S. and emerging markets especially hard hit. Meanwhile, commodities have experienced a dramatic sell-off after an extended period of sharply rising prices. In this challenging environment, the Company's underlying managers are cautiously seeking buying opportunities, while the portfolio's diversification and allocation to dedicated portfolio hedge managers should help it to weather the volatility.

Performance data

	April (%)	YTD ¹ (%)	ITD* (%)	Volatility* (%)	Sharpe** [^]
Dexion Absolute £ Share NAV	1.42	5.03	10.61	2.98	2.11
FT All Share (TR) (£)	1.06	9.24	19.64	10.04	1.52
FT Govt All Stocks (TR) (£)	-1.29	-1.88	4.35	3.61	0.00
Dexion Absolute €Share NAV	1.31	4.30	11.24	3.67	2.43
MSCI Eurozone (TR) (€)	0.15	9.75	29.80	9.24	2.98
JPMorgan Eurozone Govt Bond Index (€)	-0.85	-2.70	-3.08	2.79	-1.93
Dexion Absolute US\$ Share NAV	1.54	5.16	13.47	3.74	2.48
MSCI World (TR) (US\$)	3.09	10.01	26.36	7.06	3.14
JPMorgan World Govt Bond Index (US\$)	2.19	1.77	-1.64	5.40	-1.08
HFRI Fund of Funds Index (US\$)	1.76	6.80	9.89	3.52	2.16

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 (2.31%) for EUR investments, average 1M USD LIBOR since July 2005 (4.18%) for Dexion Absolute US\$ class and average 1M USD LIBOR since December 2002 (2.28%) for USD indices. Source: Bloomberg (data), Dexion Capital (calculation)

£

NAV 137.50p
Return +1.42%
Share price* 144.38p

€

NAV €2.0026
Return +1.31%
Share price* €2.0850

\$

NAV \$2.4619
Return +1.54%
Share price* \$2.5400

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
£546.4m

Management Fee
1.50%

Performance Fee
10%
(trigger 3%)

Contact details

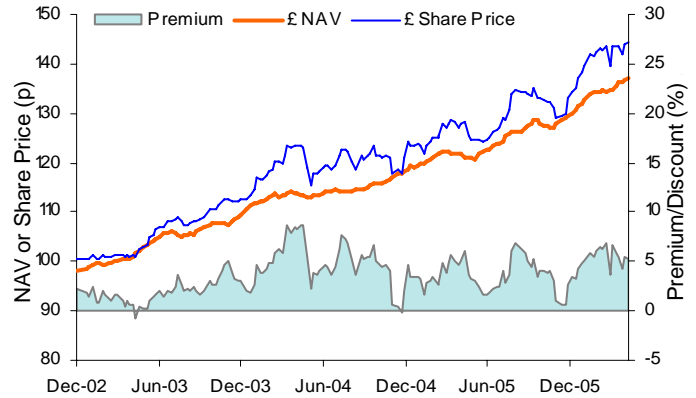
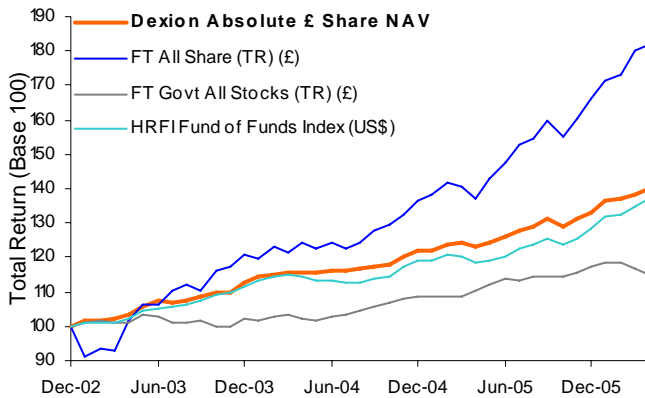
Dexion Absolute Limited
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info@dexionabsolute.com

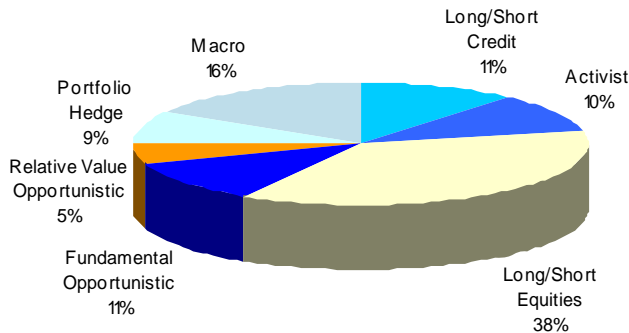
Website
www.dexionabsolute.com

Net Asset Value performance

Share price performance



Portfolio as of 1 May 2006

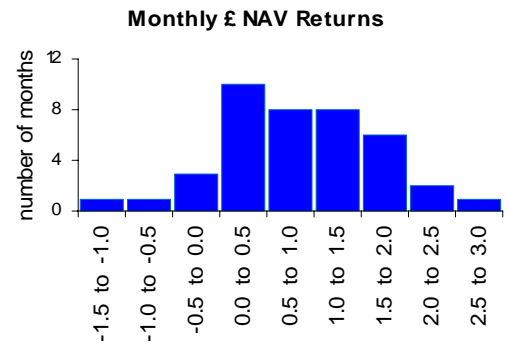


	Number of funds
Long/Short Credit	6
Activist	5
Long/Short Equities	19
Fundamental Opportunistic	6
Relative Value Opportunistic	3
Portfolio Hedge	9
Macro	7
Total	55

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	1.42									5.03
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													
2006	2.26	0.15	0.52	1.31									4.30
2005	-	-	-	-	-	-	1.28	0.67	1.64	-1.58	1.16	1.54	4.78
USD													
2006	2.58	0.25	0.71	1.54									5.16
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	£416.49m
EUR	28 Jun 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€108.19m
USD	28 Jun 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	\$100.07m

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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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