

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 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, US Dollars and Australian Dollars. The Company invests in underlying assets which are predominantly US Dollar denominated and the Company implements a hedging policy in an attempt to reduce the impact of currency fluctuations on the Sterling, Euro and Australian Dollar Shares.

Monthly commentary

Global markets enjoyed another month of positive performance in November with most regions and asset classes adding to gains from the previous month. In US equity markets, the major stock indices extended their winning streak, with the S&P 500 and the NASDAQ up more than 10% since the start of July, bolstered by robust M&A activity alongside generally benign economic conditions. Elsewhere, European bourses were mixed amid divergent rates of growth and inflation reported by members of the EU. This contributed to the ECB's decision not to raise interest rates, while the BoE responded to inflationary pressures in the UK by raising rates a quarter of a percent. In comparison, Asian markets fared better, with the exception of Japanese equities which were stymied by weak consumer spending and a perceived increase in deflation risk. Credit markets gained in November despite an early sell-off triggered by concerns that the US economy may be overheating. In commodities, crude oil and natural gas traded higher, as did most metals. Finally, the US Dollar declined under pressure from slowing growth in the US and concerns that central banks worldwide may diversify away from the greenback.

Long/Short Equities: +2.4%. All but one of our managers delivered positive returns this month, with our sector specialist sub-strategy showing the largest gains, followed closely by our geographic specialists. The transportation, energy, and technology sectors proved to be lucrative areas of investment for many of our managers. Overseas, our UK specialist led the way through, for example, short positions in the retail and financial sectors. **Long/Short Credit: +2.7%.** All of our long/short credit managers were profitable in November due to a combination of debt security selection, continued strength in the high yield credit market and rising equity prices. The rally in technology related equities resulted in outsized gains for one manager, while debt in a variety of transportation companies performed well as business picked up and M&A activity increased. **Fundamental Opportunistic: +2.2%.** A flurry of corporate takeovers, improved fundamentals and a broad-based rally in equities contributed to a profitable November for all of our fundamental opportunistic managers. Many of our managers experienced positive moves from long holdings in mining, steel production, healthcare, telecommunications and gaming industries. For example, positions in an international steel manufacturer appreciated markedly following the announcement of a buyout offer from a competitor. **Macro: +1.8%.** This strategy ended the month with a solid performance that, for a number of managers, was driven by exposure to commodity and currency markets. Gold, base metals and oil were notable commodity sectors, while currency trades benefited from the US Dollar decline. Emerging markets derived profits from Brazilian debt and currencies, and from Russian equities, while one manager saw losses arising from bearish positions in US equity indices. **Activist: +1.9%.** Favourable equity markets amplified gains from our managers' efforts in November and contributed to strong performance from our activist strategy. All of our managers ended the month with positive returns, which were generated from a variety of sectors. Notable individual stocks which were profitable operate in movie rentals, healthcare and tobacco. **Portfolio Hedge: -2.2%.** Facing the headwind of a rising equity market, our portfolio hedge strategy incurred a drawdown in November. Although most sectors were challenging for our managers amid the broad-based advance of stocks, technology and consumer discretionary investments proved to be the most difficult areas. **Relative Value Opportunistic: +2.3%.** Our relative value opportunistic strategy generated robust performance in November from a variety of trading strategies and geographic regions. Investments in equity derivatives and convertible bond arbitrage performed well, partly benefiting from the rally in certain Asian equity markets. Event-driven opportunities were plentiful in November, while other strategies that enjoyed gains were merger arbitrage and special situations, both in the US and in Europe.

Outlook - As we come to the end of 2006, global equity markets have experienced a strong recovery from mid-year lows. Our fundamentally-based strategies, particularly our long/short equities, long/short credit and activist managers were able to take advantage of this and are poised to end the year with healthy gains. Looking ahead to next year, we believe that our managers in those strategies should continue to identify opportunities for outsized gains, as will our fundamental opportunistic and macro managers, while our portfolio hedge strategy should help to weather future periods of market uncertainty.

Performance data

	November (%)	YTD ¹ (%)	ITDs ^{*2} (%)	Volatility ^{*2} (%)	Sharpe ^{*1,2}
Dexion Absolute £ Share NAV	1.44	6.71	9.40	3.16	1.58
Dexion Absolute € Share NAV	1.30	5.03	6.99	3.87	1.13
Dexion Absolute US\$ Share NAV	1.53	7.36	9.31	3.90	1.20
Dexion Absolute A\$ Share NAV	1.54	3.02	-	-	-
HFRI Fund of Funds Index (US\$)	1.85	8.43	8.78	3.71	1.63
MSCI World Index Gross (TR) (US\$)	2.50	18.22	19.48	9.25	1.81
JPM Global Gov't Bond Index (TR) (US\$)	2.66	7.98	6.91	6.82	0.61

£
NAV 139.70p
Return +1.44%
Share price* 140.75p

€
NAV €2.0166
Return +1.30%
Share price* €2.0288

US\$
NAV \$2.5135
Return +1.53%
Share price* \$2.5313

A\$
NAV \$3.5084
Return +1.54%
Share price* \$3.4950

Note:

* Closing mid-price at month end.
Opening NAV per £ share 98.25p,
€ Share €1.8325, US\$ Share
US\$2.2158 and A\$ Share A\$3.4055.

Key facts

Manager

Dexion Capital
(Guernsey) Limited

Investment
Advisor

Harris Alternatives LLC

Investment
Consultant

Dexion Capital plc

Total net assets
£780.2m

Management Fee
1.50%

Performance Fee
10%
(trigger 3%)

Contact details

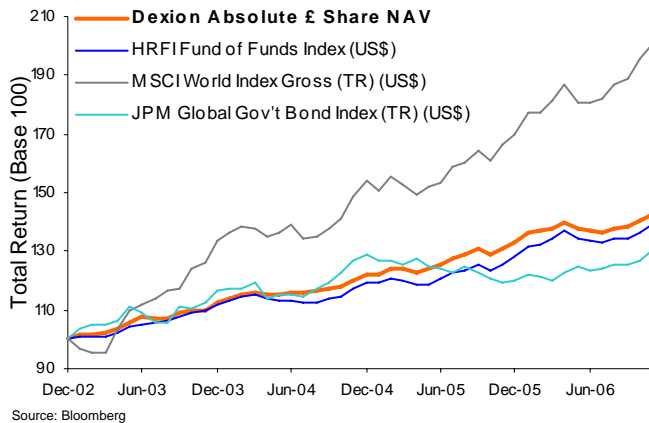
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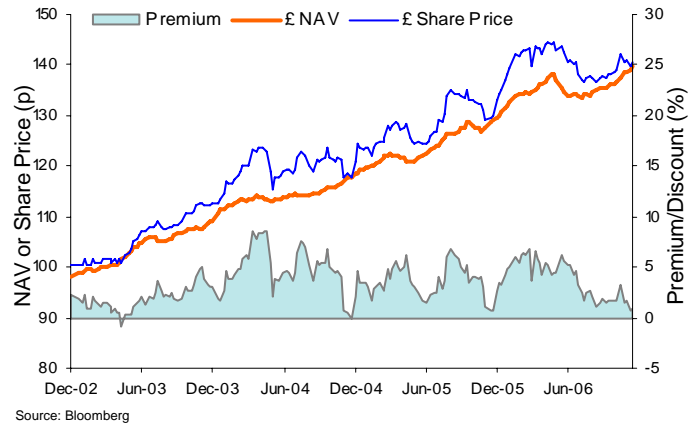
Website
www.dexionabsolute.com

¹ Cumulative performance from inception for DAB A\$ Shares. ² Insufficient data points for DAB A\$ Shares. * Annualised from inception date of DAB £, DAB € and DAB US\$, based on monthly data. ^ Risk free rate is average 1M GBP LIBOR since December 2002 (4.42%) for DAB £, average 1M EUR LIBOR since June 2005 (2.63%) for DAB €, average 1M USD LIBOR since June 2005 (4.64%) for DAB US\$ and average 1M USD LIBOR since December 2002 (2.74%) for US\$ indices. * MSCI World Index and JPM Global Gov't Bond Index annualised from inception date of DAB £ and HFRI Fund of Funds Index annualised from 1st January 2003. Source: Bloomberg (data), Dexion Capital (calculation)

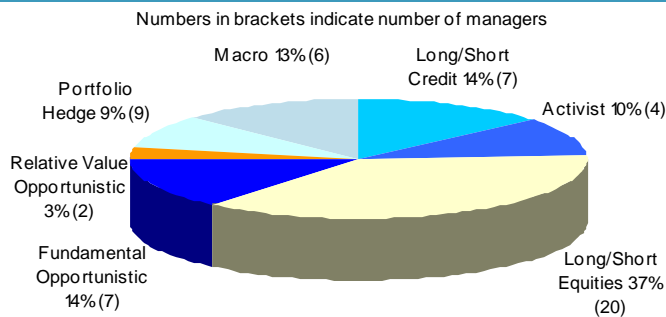
Net asset value performance



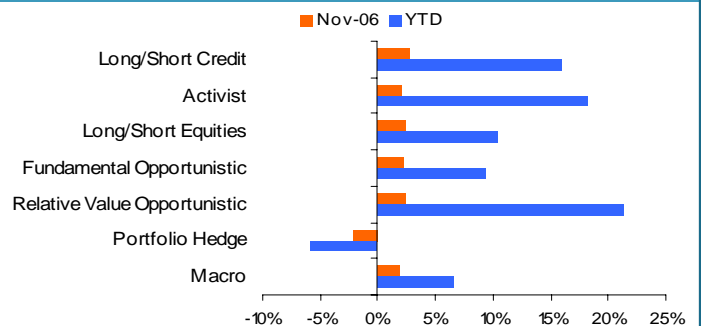
Share price performance



Portfolio as of 1 December 2006



Performance by strategy



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

Note: strategy returns are in US\$ and 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
2006	2.54	0.28	0.71	1.42	-1.52	-0.78	-0.08	0.83	0.35	1.39	1.44		6.71
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
€	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2006	2.26	0.15	0.52	1.31	-1.68	-0.91	-0.04	0.55	0.21	1.30	1.30		5.03
2005	-	-	-	-	-	-	1.28	0.67	1.64	-1.58	1.16	1.54	4.78
US\$	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2006	2.58	0.25	0.71	1.54	-1.45	-0.71	-0.01	0.92	0.38	1.45	1.53		7.36
2005	-	-	-	-	-	-	1.37	0.82	1.74	-1.41	1.32	1.72	5.66
A\$	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2006	-	-	-	-	-	-	-	-	-	1.46	1.54		3.02

Share Class	Inception date	Bloomberg	Reuters	ISIN	Sedol	Total net assets
£	19 Dec 2002	DAB LN	DAB.L	GB0032287020	3228702	£580.82m
€	28 Jun 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€141.00m
US\$	28 Jun 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	US\$148.93m
A\$	26 Sep 2006	DABA LN	DABA.L	GB00B1BPPM77	B1BPPM7	A\$71.53m

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Your attention is drawn to the Risk Factors set out in the Company's prospectus dated 11 August 2006 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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