

£	
NAV	143.18p
RETURN	+1.14%
SHARE PRICE*	148.13p
Opening NAV per £ share 98.25p	

€	
NAV	2.0622
RETURN	+1.02%
SHARE PRICE*	2.1600
Opening NAV per € share €1.8325	

US\$	
NAV	2.5764
RETURN	+1.15%
SHARE PRICE*	2.6475
Opening NAV per US\$ share US\$2.2158	

A\$	
NAV	3.6029
RETURN	+1.28%
SHARE PRICE*	3.6450
Opening NAV per A\$ share A\$3.4055	

Note: *Closing mid-price at month end.

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.

PERFORMANCE DATA

	JANUARY(%)	YTD (%)	ITD\$** (%)	VOLATILITY\$** (%)	SHARPE\$**^1
DEXION ABSOLUTE £ SHARE NAV	1.14	1.14	9.66	3.12	1.67
DEXION ABSOLUTE € SHARE NAV	1.02	1.02	7.74	3.70	1.35
DEXION ABSOLUTE US\$ SHARE NAV	1.15	1.15	9.99	3.72	1.42
DEXION ABSOLUTE A\$ SHARE NAV	1.28	1.28	-	-	-
HFRI FUND OF FUNDS INDEX (US\$)	1.26	1.26	9.22	3.68	1.73
MSCI WORLD INDEX GROSS (TR) (US\$)	1.20	1.20	19.56	9.06	1.85
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	-1.28	-1.28	5.79	6.85	0.43

\$ 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 (4.45%) for DAB £, average 1M EUR LIBOR since June 2005 (2.73%) for DAB €, average 1M USD LIBOR since June 2005 (4.71%) for DAB US\$ and average 1M USD LIBOR since December 2002 (2.84%) for US\$ indices. ^ MSCI World Index and JPM Global Gov't Bond Index annualised since December 2002 and HFRI Fund of Funds Index annualised from 1st January 2003.

Source: Bloomberg (data), Dexion Capital (calculation)

MONTHLY COMMENTARY

Most global equity markets produced strong returns with the NASDAQ leading the way in the US. The DJIA set new highs driven by good fourth quarter earnings and positive economic reports and the Fed kept interest rates steady. Globally, most developed equity markets performed well. European bourses were up, but the UK sustained a small loss amid reports of higher inflation levels. Asian markets were mixed, Japan and India were positive while Taiwan, Korea and Thailand declined. Credit markets witnessed continued spread tightening and commodity markets continued their losing streak as crude oil, coal and numerous base metals traded lower. The US Dollar appreciated over +1% versus the Euro and the Yen, but weakened slightly with respect to Sterling.

Long/Short Equities: +1.6%. Most managers generated profits from the continued rally across nearly all US and European equity sectors. One manager benefited from pockets of weakness in Asian and emerging markets. Sector specialists, particularly those focused on industrials, technology, finance and healthcare, outpaced other sub-strategies. Cyclical managers gained from core holdings. Renewed strength in the technology sector resulted in gains, and alpha was generated from select short exposures. **Multi-Strategy Opportunistic: +2.0%.** Strong up-trends in corporate deals drove gains. Situations where bidding wars ensued were particularly profitable and more than one manager reaped outsized profits from the conclusion of a battle for a European steel group. Fundamentally-oriented positions in energy exploration and transportation companies performed well following strategic alliance news. **Long/Short Credit: +2.0%.** All managers posted gains aided by rising high yield and leveraged loan market valuations. Substantial profits were generated from a diverse group of industries including power generation, packaging, healthcare, chemicals and defence. **Macro: -0.4%.** Lacklustre performance stemmed from commodity-related losses which outweighed moderately positive results from other asset classes. A bullish stance in oil hurt when prices traded sharply lower on the news of increased reserves. Equity stakes in an ethanol producer also suffered declines. Positively, corporate developments sparked an explosion in the stock prices of select Canadian natural gas producers and oil exploration companies. Fixed income strategies continued to generate gains for one manager, primarily through European yield curve trading. **Activist: +2.4%.** Managers outperformed most major equity market indices with most gains generated by two US focused managers. One from a core holding within the auto parts sector, another from a core position in a prominent food manufacturer which enjoyed positive share price momentum. **Portfolio Hedge: +0.6%.** Despite the headwinds from a rising US equity market substantial alpha was delivered by short sellers from across a broad range of sectors. The largest contributor was a short position in an image sensor manufacturer. Other positives came from shorts in a financial services holding company and a weight management system provider. These were partially offset by the performance of our short credit manager, which incurred losses during the month amid general spread tightening.

Outlook During the first half of February we have witnessed continued equity strength in most regions and sectors which should benefit our long/short equities strategy. Our managers are paying particular attention to the US sub-prime mortgage market and its potential effects on the economy and the financial markets generally. We expect managers will continue to identify exploitable opportunities in the current global market environment.

SHARE CLASS

	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	19 DEC 2002	DAB LN	DAB.L	GB0032287020	3228702	£595.29m
€	28 JUN 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€143.60m
US\$	28 JUN 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	US\$153.28m
A\$	26 SEP 2006	DABA LN	DABA.L	GB00B1BPPM77	B1BPPM7	A\$73.58m

KEY FACTS

MANAGER

DEXION CAPITAL
(GUERNSEY) LIMITED

INVESTMENT ADVISER

HARRIS ALTERNATIVES LLC

INVESTMENT CONSULTANT

DEXION CAPITAL PLC

TOTAL NET ASSETS

£797.59M

MANAGEMENT FEE

1.50%

PERFORMANCE FEE

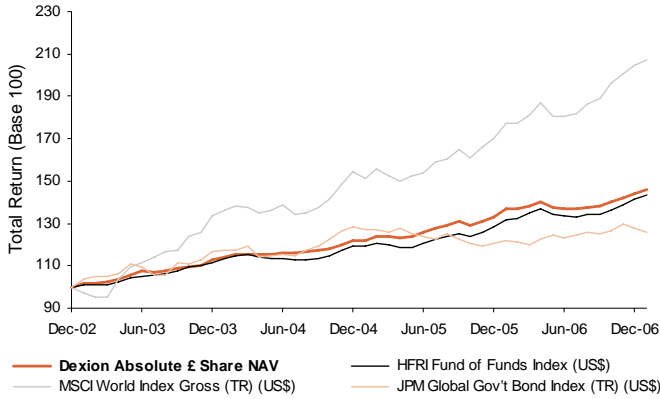
10%
(TRIGGER 3%)

CONTACT DETAILS

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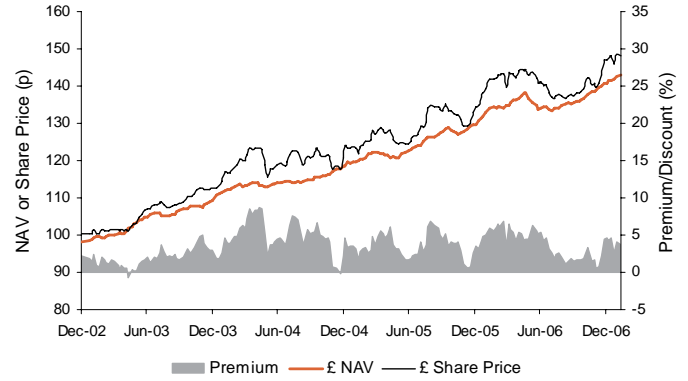
email clientservices@dexionabsolute.com
web www.dexionabsolute.com

NET ASSET VALUE PERFORMANCE



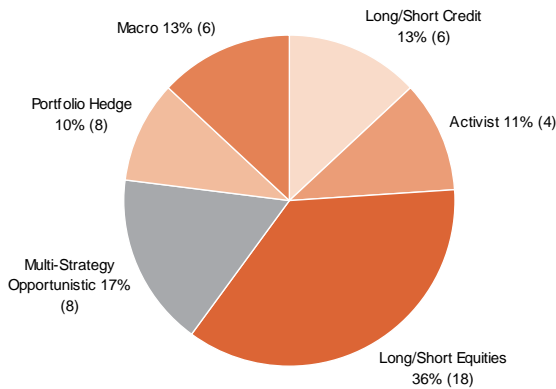
Source: Bloomberg

SHARE PRICE PERFORMANCE



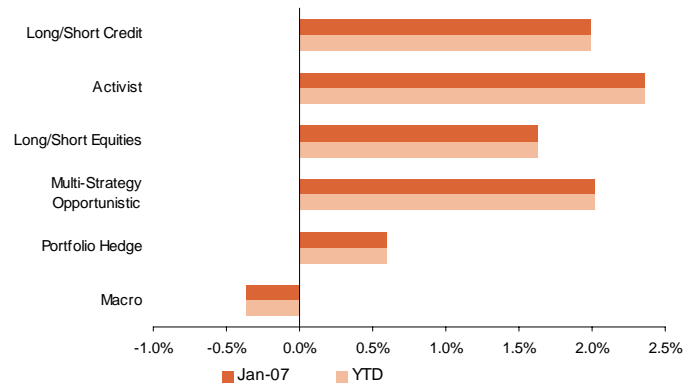
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 FEBRUARY 2007



Note: Allocations are net of cash effect and include, for portfolio hedge only, the delta-adjusted exposure derived from option hedges, if any. Numbers in brackets indicate number of managers.
Source: Harris Alternatives

PERFORMANCE BY STRATEGY



Note: Strategy returns are in US\$ and net of underlying manager fees only, and not inclusive of Dexion Absolute's fees and expenses.
Source: Harris Alternatives

HISTORICAL NAV PERFORMANCE (%)

£	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2007	1.14												1.14
2006	2.54	0.28	0.71	1.42	-1.52	-0.78	-0.08	0.83	0.35	1.39	1.44	1.34	8.13
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
€													
2007	1.02												1.02
2006	2.26	0.15	0.52	1.31	-1.68	-0.91	-0.04	0.55	0.21	1.30	1.30	1.23	6.32
2005	-	-	-	-	-	-	1.28	0.67	1.64	-1.58	1.16	1.54	4.78
US\$													
2007	1.15												1.15
2006	2.58	0.25	0.71	1.54	-1.45	-0.71	-0.01	0.92	0.38	1.45	1.53	1.33	8.79
2005	-	-	-	-	-	-	1.37	0.82	1.74	-1.41	1.32	1.72	5.66
A\$													
2007	1.28												1.28
2006	-	-	-	-	-	-	-	-	-	1.46	1.54	1.40	4.46

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