

£	
NAV	151.70p
RETURN	-1.35%
SHARE PRICE*	151.625p
Opening NAV per £ share 98.25p	

€	
NAV	2.1371
RETURN	-1.41%
SHARE PRICE*	2.0900
Opening NAV per € share €1.8325	

US\$	
NAV	2.6843
RETURN	-1.49%
SHARE PRICE*	2.6250
Opening NAV per US\$ share US\$2.2158	

A\$	
NAV	3.8702
RETURN	-1.19%
SHARE PRICE*	3.8450
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

	AUGUST(%)	YTD (%)	ITD** (%)	VOLATILITY** (%)	SHARPE**^1
DEXION ABSOLUTE £ SHARE NAV	-1.35	-5.36	7.97	4.19	0.75
DEXION ABSOLUTE € SHARE NAV	-1.41	-6.01	4.98	5.01	0.30
DEXION ABSOLUTE US\$ SHARE NAV	-1.49	-6.72	6.24	5.18	0.34
DEXION ABSOLUTE A\$ SHARE NAV	-1.19	-4.23	6.90	5.60	0.03
HFRI FUND OF FUNDS INDEX (US\$)	-1.39	-6.36	6.93	4.67	0.79
MSCI WORLD INDEX GROSS (TR) (US\$)	-1.36	-13.61	12.40	10.55	0.87
JPM GLOBAL GOV'T BOND INDEX (TR) (US\$)	-1.73	3.07	6.85	6.86	0.53

* Annualised from inception date of DAB £, DAB €, DAB US\$ and DAB A\$, based on monthly data. ^ Risk free rate is average 1M GBP LIBOR since December 2002 (4.81%) for DAB £, average 1M EUR LIBOR since June 2005 (3.47%) for DAB €, average 1M USD LIBOR since June 2005 (4.47%) for DAB US\$, average 1M AUD LIBOR since September 2006 (6.74%) for DAB A\$ and average 1M USD LIBOR since December 2002 (3.22%) for US\$ indices. ^1 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

August was dominated by the rapid decline in crude oil prices and the gains that this fuelled in US equity markets. At the same time, other regions faced economic declines, along with an 8% rally in the US Dollar over Sterling and a 6% gain against the Euro. Asian markets reacted negatively to the deteriorating economic situation within the region, as did most emerging markets, due to a slowing global economy and lagging commodity prices. Overall, credit markets were surprisingly quiet in the face of rapid currency movements and rising economic uncertainty. Along with crude oil, natural gas continued to fall from record highs, while the 3% drop in silver prices highlighted the sharp pullback in most metals.

Long/Short Equities: -1.08%. Amid volatile global equity markets the generalist sub-strategy experienced losses that were broadly distributed across market sectors. Sector specialists experienced mixed results, with losses from financial and technology managers offsetting gains from those focused on basic industries and healthcare. Our global financials specialist suffered from long exposure to financial institutions in emerging markets. Finally, our geographic specialists endured a difficult month as non-US markets and currencies weakened, especially in Asia. Financial and real estate companies in China and Korea were responsible for much of the damage, while market hedges provided only partial protection. **Multi-Strategy Opportunistic: -2.25%.** Managers with long positions in mining companies sustained losses as declines in commodity prices had an adverse effect. Investments in the energy sector also detracted from performance amid declining oil prices. Short exposure to US consumer and retail companies resulted in losses after those industries rallied on upbeat US GDP and employment data. Rapid currency movements resulted in lower valuations for a number of European holdings. **Long/Short Credit: -1.44%.** Credit markets were subdued as participants cautiously evaluated the near-term condition of global financial markets. Credit spreads widened, to the detriment of our managers' debt holdings, despite scraps of positive US economic data and reduced pressure on corporate income statements from lower commodity prices. Reduced leveraged loan activity contributed to an uneventful month for managers with holdings in those instruments. **Portfolio Hedge: -2.96%.** The rise in the US equity market following the prior month's sell-off was challenging for managers in this strategy. The short credit component generated positive returns as spreads continued to widen, while equity short sellers posted losses across the board, for example from short exposure to the US consumer discretionary sector, which rallied in August. **Macro: -1.65%.** This strategy incurred a loss due to rapid movements in commodity prices and in currencies. Our emerging markets manager posted a weak return as a result of losses in equities and currencies. At the same time, our commodities specialist offset much of this loss through strong tactical and relative value trading in energy, base metals and agriculture. **Activist: +1.38%.** Small cap equities rallied creating a favourable environment for activists, and positive quarterly profit reports triggered rallies in consumer discretionary equities.

Outlook Markets remain in a state of flux as monetary policymakers and government regulators rush to stitch together a solution to this crisis that goes beyond the palliative actions taken by the US Federal Reserve and US Treasury to prop up Fannie Mae, Freddie Mac and AIG. In the face of this upheaval, our managers are prudently controlling their risk exposures in order to preserve investors' capital in preparation for the opportunities that should emerge in the wake of this chaotic period.

SHARE CLASS

	INCEPTION DATE	BLOOMBERG	REUTERS	ISIN	SEDOL	TOTAL NET ASSETS
£	19 DEC 2002	DAB LN	DAB.L	GB0032287020	3228702	£1,103.67M
€	28 JUN 2005	DABE LN	DABx.L	GB00B0FXK920	B0FXK92	€201.91M
US\$	28 JUN 2005	DABU LN	DABu.L	GB00B0FXL332	B0FXL33	US\$244.51M
A\$	26 SEP 2006	DABA LN	DABA.L	GB00B1BPPM77	B1BPPM7	A\$92.19M

KEY FACTS

MANAGER

DEXION CAPITAL
(GUERNSEY) LIMITED

INVESTMENT ADVISER

HARRIS ALTERNATIVES LLC

INVESTMENT CONSULTANT

DEXION CAPITAL PLC

TOTAL NET ASSETS

£1,444.24M

MANAGEMENT FEE

1.50%

PERFORMANCE FEE

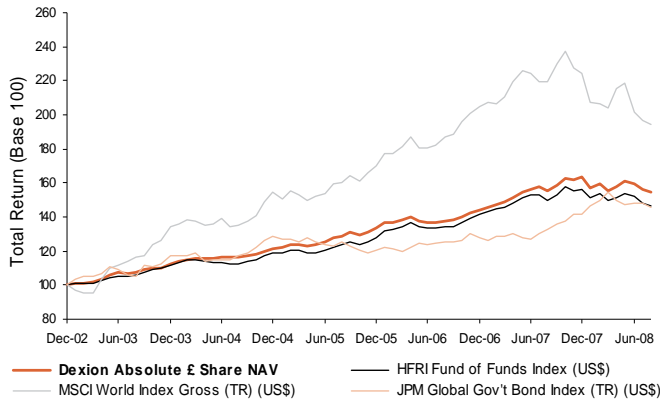
10%
(TRIGGER 3%)

CONTACT DETAILS

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ST PETER PORT
GUERNSEY

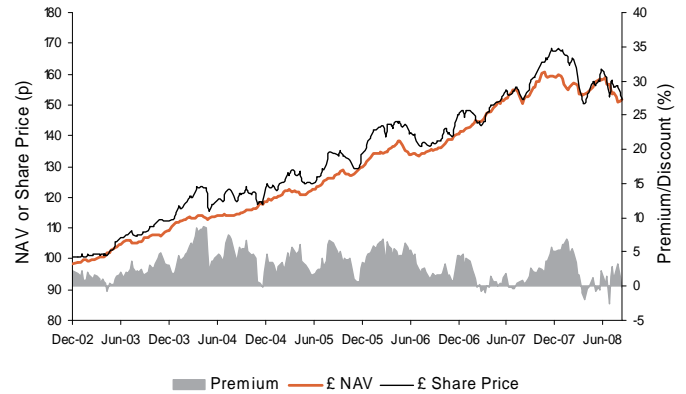
email clientservices@dexionabsolute.com
web www.dexionabsolute.com

NET ASSET VALUE PERFORMANCE



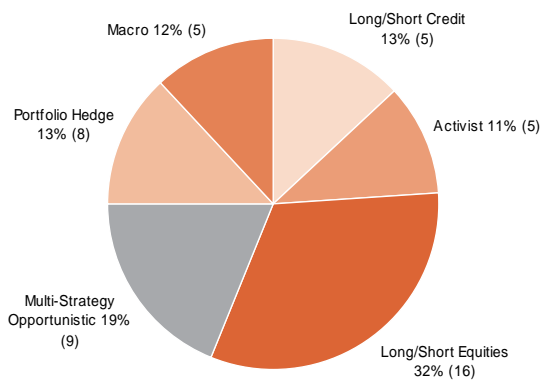
Source: Bloomberg

SHARE PRICE PERFORMANCE



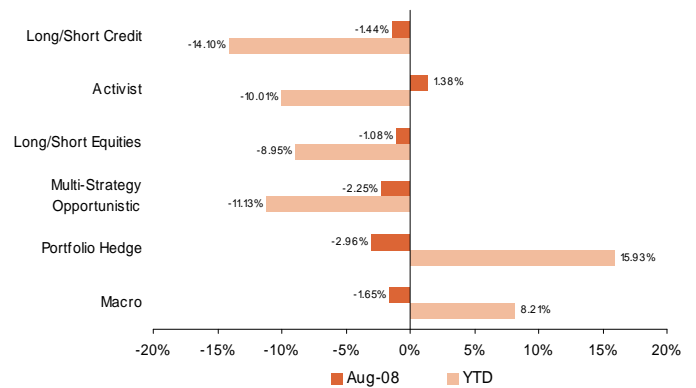
Source: Bloomberg

PORTFOLIO ALLOCATION AS OF 1 SEPTEMBER 2008



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
2008	-3.52	1.26	-2.34	1.21	2.27	-0.89	-1.99	-1.35					-5.36
2007	1.14	0.85	1.44	1.70	1.85	1.05	1.02	-1.43	2.08	2.73	-0.48	0.62	13.23
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
€													
2008	-3.62	1.18	-2.35	1.07	2.17	-0.97	-2.11	-1.41					-6.01
2007	1.02	0.73	1.29	1.59	1.72	0.92	0.91	-1.57	1.88	2.60	-0.65	0.45	11.38
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\$													
2008	-3.61	1.10	-2.52	0.98	2.05	-1.10	-2.21	-1.49					-6.72
2007	1.15	0.85	1.45	1.74	1.81	1.04	1.01	-1.46	2.06	2.73	-0.57	0.53	12.99
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
AS\$													
2008	-3.38	1.43	-2.23	1.37	2.41	-0.75	-1.82	-1.19					-4.23
2007	1.28	0.88	1.47	1.73	1.92	1.08	1.05	-1.45	1.96	2.67	-0.34	0.63	13.59
2006	-	-	-	-	-	-	-	-	-	1.46	1.54	1.40	4.46

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