

PRESS RELEASE

CHEYNE CAPITAL MANAGEMENT (UK) LLP LAUNCHES UCITS UMBRELLA FUND

Cheyne Capital Management (UK) LLP announces the launch of the Cheyne Select UCITS Fund Plc, a UCITS III compliant umbrella fund. Cheyne is the investment manager to the fund with JP Morgan in Ireland acting as Administrator and Custodian. The Cheyne Select Convertibles Fund is the first in a series of classes that Cheyne will be rolling out over the next year.

Convertibles are interest-paying securities, similar to corporate bonds, in which investors have the option to exchange the securities for a predetermined number of shares in the relevant company. The hybrid nature of the securities offers investors advantages particular to both bonds and equities. Like bonds, they offer the potential for interest income and downside protection and like equities, convertibles have the potential for capital appreciation.

By placing these securities within a UCITS fund, Cheyne will offer a wide range of investors exposure to this asset class within the new UCITS framework. UCITS legislation, established under a European Directive, regulates risk, liquidity, diversification, eligible asset constraints and counterparty exposure.

Jonathan Lourie, co-founder and Chief Executive said: "With over 14 years of experience in convertible securities investing, we are delighted to be adding to Cheyne's diverse range of product offerings with the launch of this new convertibles UCITS product. It represents an attractive opportunity for a wider range of investors to access this exciting strategy."

Chris Goekjian, Chief Investment Officer, commented: "Convertible bonds provide an appealing combination of upside potential and downside protection and are a compelling asset class for diversification in any asset allocation model."

The fund is regulated by the Irish Financial Services Regulatory Authority.

About Cheyne Capital

Cheyne Capital is one of Europe's leading alternative asset managers. Cheyne Capital Management (UK) LLP is authorised and regulated by the UK FSA and, along with other parts of the group, is a registered investment adviser with the US SEC. Cheyne launched its first fund in 2000 and today manages net assets of approximately \$6 billion across a diversified suite of products. Cheyne currently employs approximately 170 people with its primary offices in London and Bermuda.