

RAB CAPITAL PLC – CONFIDENTIAL UNTIL RELEASED

TRADING UPDATE – 19 NOVEMBER 2004

The Board of RAB Capital plc is pleased to announce that the business has so far progressed well during the second half of 2004, after the difficult summer period reported in the interim statement of 28 July. As a consequence, pre-tax profits for the full year to 31 December 2004 are expected to exceed those of the last full financial period, which ran for 13 months to 31 December 2003.

The greatest contributions to this performance have come from the Special Situations, UK, Energy and High Yield Bond strategies, whilst Global Macro has found trading conditions difficult. The RAB Energy Fund, which was launched in June this year, has now passed the important milestone of \$100 million of assets under management.

Mark Fawcett (ex-ABN AMRO, American Express Asset Management and Gartmore) joined the Company in November, to work with Nick Reid as a Senior Fund Manager on the RAB Japan strategy. We have also developed a new, Emerging Europe strategy, which will be managed by Leila Kardouche and Pavel Kolouch (both ex- Schroders), and we plan to launch the RAB Emerging Europe Fund in mid-December.

We continue to work on further development of the business and have reached agreement to recruit managers for an Energy Commodity Fund, which will invest in commodity derivatives with a particular focus on Energy-related investments.

Notes for Editors - RAB Capital plc

RAB Capital is a London based investment management company, founded in 1999. The Company floated on AIM in March 2004.

RAB Capital specialises in absolute return funds and as at 30 June 2004 had approximately \$1.48 billion of assets under management. The Company currently manages nine hedge fund strategies; Europe, Special Situations, High Yield, UK, Global Macro, Fund of Funds, North American, Japan and Energy. RAB Capital also provides advisory and distribution services within the hedge fund industry.

RAB Capital's philosophy is to find highly talented investment managers and provide them with an environment where they can successfully dedicate themselves to running focused investment strategies. Core strategies focus on capital preservation and consistent absolute returns. RAB Capital has 53 employees, 25 of whom are investment professionals.

RAB Capital plc is authorised and regulated by the Financial Services Authority.

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