

20th January 2006

Trading Update

RAB Capital plc (“RAB”) is pleased to announce an unaudited estimate of results for 2005.

Turnover for the year was at least £54m (up 49% on the £36.2m for 2004) and pre-tax profits are expected to exceed £25m (up 43% on the £17.5m for 2004). Pre-tax profits include realised investment gains of just over £7m, compared to £4.13m in 2004.

Assets under management as at 31 December 2005 were \$2.62 billion. This represents an increase of 50% compared to the \$1.75 billion which was reported for 31 December 2004.

Although April, May and October were difficult months, all of RAB’s leading funds performed well in 2005, as did the AIM-traded RAB Special Situations Company. Trading for the RAB Capital Group was positive in both the third and fourth quarters and, in the first six months since its acquisition, Cross Asset Management made a positive contribution to earnings.

The estimated 43% increase in pre-tax profits was achieved despite a higher level of costs. The increased costs largely reflected the launch of new funds, certain non-cash accounting charges made under UITF 17, and investment to strengthen the infrastructure of the business. This

Notes for Editors – RAB Capital plc

Founded in 1999, RAB Capital has grown into a multi-strategy absolute return investment management company with \$2.62 billion under management.

RAB Capital currently manages fifteen single strategy hedge funds, two funds-of-funds, three hedged investment funds and an AIM-listed closed-end investment company, the RAB Special Situations Company.

RAB Capital's philosophy is to find highly talented investment managers and provide them with a strong institutional platform where they can successfully dedicate themselves to running focused investment strategies.

RAB Capital plc is a constituent of the FTSE AIM UK 50 Index and is authorised and regulated by the Financial Services Authority. The website is www.rabcap.com.