



K2 ASSET MANAGEMENT
HOLDINGS LTD

The Manager, Announcements
Companies Office
ASX Limited
4th Floor, 20 Bridge Street
SYDNEY NSW 2000
By E-lodgment

2 January 2009

Dear Madam,

**K2 Asset Management Holdings Ltd (KAM)
Monthly FUM and Fund Performance**

The estimated net asset value, monthly performance, financial year to date performance, net applications and redemptions and total funds under management of the funds managed by K2 Asset Management Ltd as at 1 January 2009 are set out below.

K2 Funds	December NAV estimate	December performance estimate	Financial year to date* performance estimate	Net in/outflow estimate \$million	FUM estimate \$million
K2 Asian Absolute Return Fund	122.98	5.18%	-17.62%	-2.2 AUD	124.1 AUD
K2 Australian Absolute Return Fund	137.98	3.38%	-8.76%	0.8 AUD	199.5 AUD
K2 Select International Absolute Return Fund	108.18	5.09%	-15.13%	-1.5 AUD	112.2 AUD
Mandated Funds					
Peak Asian Absolute Return Fund Limited	165.30	5.91%	-34.24%	0 USD	7.3 USD
Private Mandates	Confidential				
Total				-2.9 AUD	463.6 AUD

The above information is unaudited, and the Peak Asian Absolute Return Fund Limited data is based on Series 1 returns.

**Year to date figures are based on a financial year ended 30 June for the K2 Funds, and a financial year ended 31 December for the Mandated Funds.*

Yours sincerely

Ruth McClelland
Company Secretary