

NEW STAR ABSOLUTE RETURN FUND PCC LIMITED

(A closed-ended investment company incorporated in Guernsey with registered number 45060 under the provisions of The Companies (Guernsey) Law 1994 to 1996 and the Protected Cell Companies Ordinance 1997 to 1998, as amended)

4th February 2008

Change to management arrangements

The Company announces that, with effect from 1 February 2008, the arrangements for the calculation and payment of management and performance fees to its investment manager will be altered such that they are calculated and paid by New Star Multi Strategy Master Hedge Fund Limited (the "Master Fund") rather than by the Company. Substantially all of the Company's assets are invested in the Master Fund.

This change is being introduced to ensure equitable treatment between the two cells upon conversions and other cash movements. The economic effect for Shareholders is minimal.

Enquiries

Ravi Anand / Robert Peel

New Star Asset Management – investment adviser

Tel: +44 (0) 20 7225 9200

Susan Walker

KPMG Corporate Finance – nominated adviser

Tel: +44 (0) 20 7311 1000

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