

The Cayenne Trust plc

Interim Management Statement 31 July to 31 October 2011

Material Events

During the period under review the Company repurchased 1,191,388 Ordinary Shares at a weighted average price of 122.56p, which represented discounts to net asset value of between 3.4% and 5%. There are currently 2,345,945 Ordinary Shares held in treasury and these shares are available for purchase at a price representing a discount to Net Asset Value of 4% per share (NAV)

Since the Company's inception, it has had an account at MF Global which was used occasionally in 2006 and 2007. During the crisis of 2008 to 2009, the majority of the cash balance held at MF Global was moved to the Company's custodians, JP Morgan. In October 2011, this account was closed and remaining cash balance was returned. The Company therefore had no exposure to MF Global upon its recent collapse.

Financial Position

The net asset value of the Company at 31 October 2011 was £51,693,517 which equates to 125.30p per share. At the same date the mid-market price of the Company's shares was 120.00p. By way of comparison, at 31 July 2011 the net asset value and price of the Ordinary Shares were 133.78p and 129.00p respectively.

The Company has £14.95 million of 3.25% CULS outstanding. Stockholders have four opportunities per year to convert at a rate of 67.74 Ordinary Shares per £100 nominal of CULS until July 2016. Prior to conversion, the CULS act as gearing for shareholders amounting to 129% of equity, some of which is currently offset by holdings of cash and short-term securities.

At 31 October 2011, The Cayenne Trust had total assets of £66,579,932. At 09 November 2011, the latest date prior to the publication of this report, the NAV was 125.06p and the share price was 120.00p.

Financial Performance

The Company aims to achieve consistent positive absolute returns and, as such, performance should not be measured against stock market or other indices. If, however, investors consider that an index comparison is relevant, the Company's most relevant benchmark is the FTSE 350 Equity Investment Instruments Index. Over the last quarter, this index fell by 6.7%; while your Company's NAV declined by 6.4%.

Trust Details	31 October 2011
NAV per Share	125.30p
Mid-price per share	120.00p
Premium / (Discount)	(4.23%)
Net Assets	£51.69m
Gross Assets	£66.58m
Market Cap	£49.51m
Q3 NAV Return	(6.38)%
Q3 Share Price Return	(6.98)%
NAV IRR since inception (31/01/06)	3.29%
Share Price IRR since inception	2.95%
Financial Year-end	31 January
Ordinary Shares (TCT)	41,256,965
CULS (TCTL)	14,953,523
Management Fee	1%
Performance Fee	10% above hurdle rate
Hurdle Rate	5% per annum
High Water Mark (31/01/2012)	147.91

Top Ten Holdings	%
Apollo Fund plc	5.2
Law Debenture	4.6
Thames River MultiHedge	4.4
Pantheon Intl	3.9
Treasury China Trust	3.8
Caledonia	3.6
Utilico Investments	3.6
Edinburgh Dragon culs	3.5
F&C Private Equity	3.4
SVM Global	3.3
Total	39.3

Underlying Exposure	%
General Equity	44.1
Alternative Equity	28.3
Real Estate	10.6
Warrants/Sub Shares	2.0
Fixed Interest	7.6
Hedge Positions	1.1
Cash	6.4
Hedge Delta Exposure	(38.5)

The Company's Ordinary shares have a Premium Listing on the London Stock Exchange. The Company's NAV is released daily to the market via RNS. Up to date information concerning the Company's financial position can be found at www.thecayennetrust.com.