



18 September, 2008
ASX/MEDIA ANNOUNCEMENT

HFA HOLDINGS – COMPANY UPDATE

Following recent events in global investment markets, the Board of HFA Holdings Limited (ASX: HFA) would like to provide an update on the company's position and performance.

Fund Performance Above Relevant Indices

HFA Holdings Limited has no direct exposure to Lehmann Brothers and the performance of the underlying funds managed by the Group has not been materially affected by this event.

The most recent performance data for the key LHP Funds (representing approx 75% of total AUM) are attached to this announcement in Appendices 1, 2 and 3.

Positive Investment Flows

The net investment fund flows of HFA Asset Management (HFAAM) and Lighthouse Investment Partners (LHP) to date are positive, as outlined in the table below.

	Mar Qtr 2008	June Qtr 2008	Sept Qtr 2008 est
Net inflows (A\$m)	+\$116.07	+\$215.87	+\$125.04*

*To 31 August 2008.

In addition, HFAAM and LHP have not experienced any significant change to historical redemption activity from their funds.

Group Assets Under Management

Since 30 June 2008 Group assets under management have increased by 10% to A\$10.4b as at 31 August 2008 (assuming a USD conversion rate at 0.80).

HFA is an "absolute return" fund manager and the Board believes the current market conditions continue to present the opportunities available to the company through a greater appreciation by investors of the capital preservation qualities of absolute return investing.

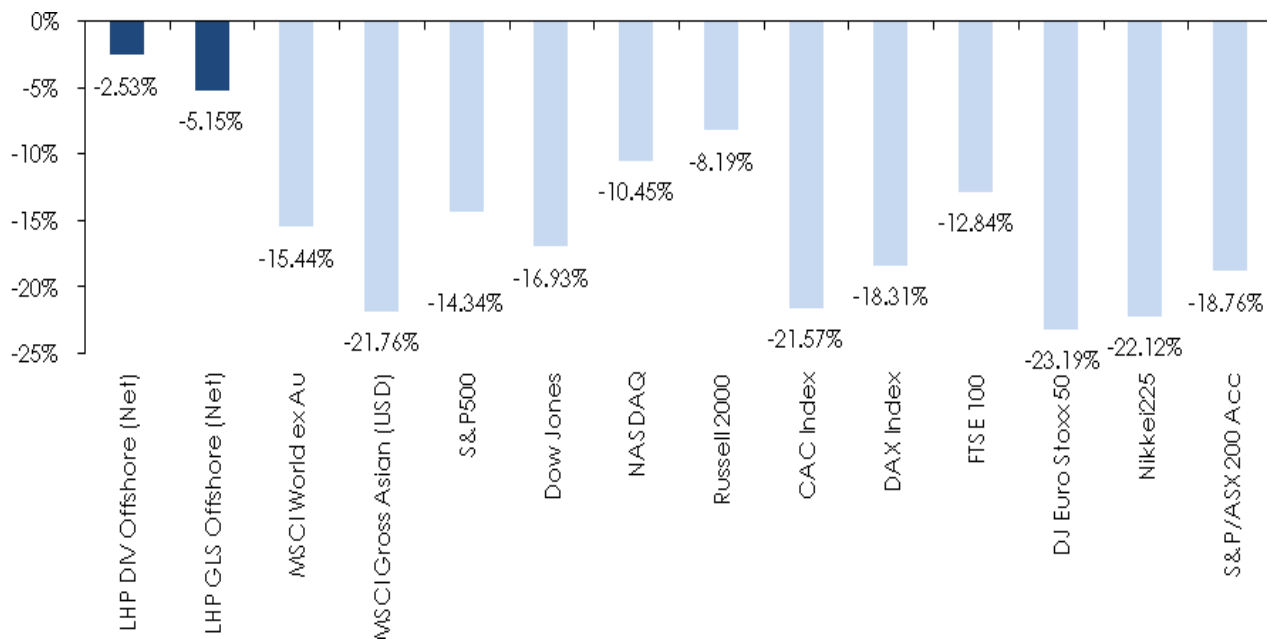
HFA remains well positioned to maximise the opportunities presented by an industry-wide shift from traditional (long-only) strategies to alternative investments. We believe that compelling investment opportunities will be presented once calm returns to the markets and these opportunities may provide the possibility for material upside in fund performance and inflows.

ENDS

Media Enquiries:
Spencer Young
Chief Executive Officer
HFA Holdings Limited
(02) 8302 3316

Appendix 1

The table below shows the returns of the Lighthouse Partners Diversified Fund and Global Long Short Fund (Net of all Fees) compared to global market indices for the period from 1 October 2007 to 31 August 2008.

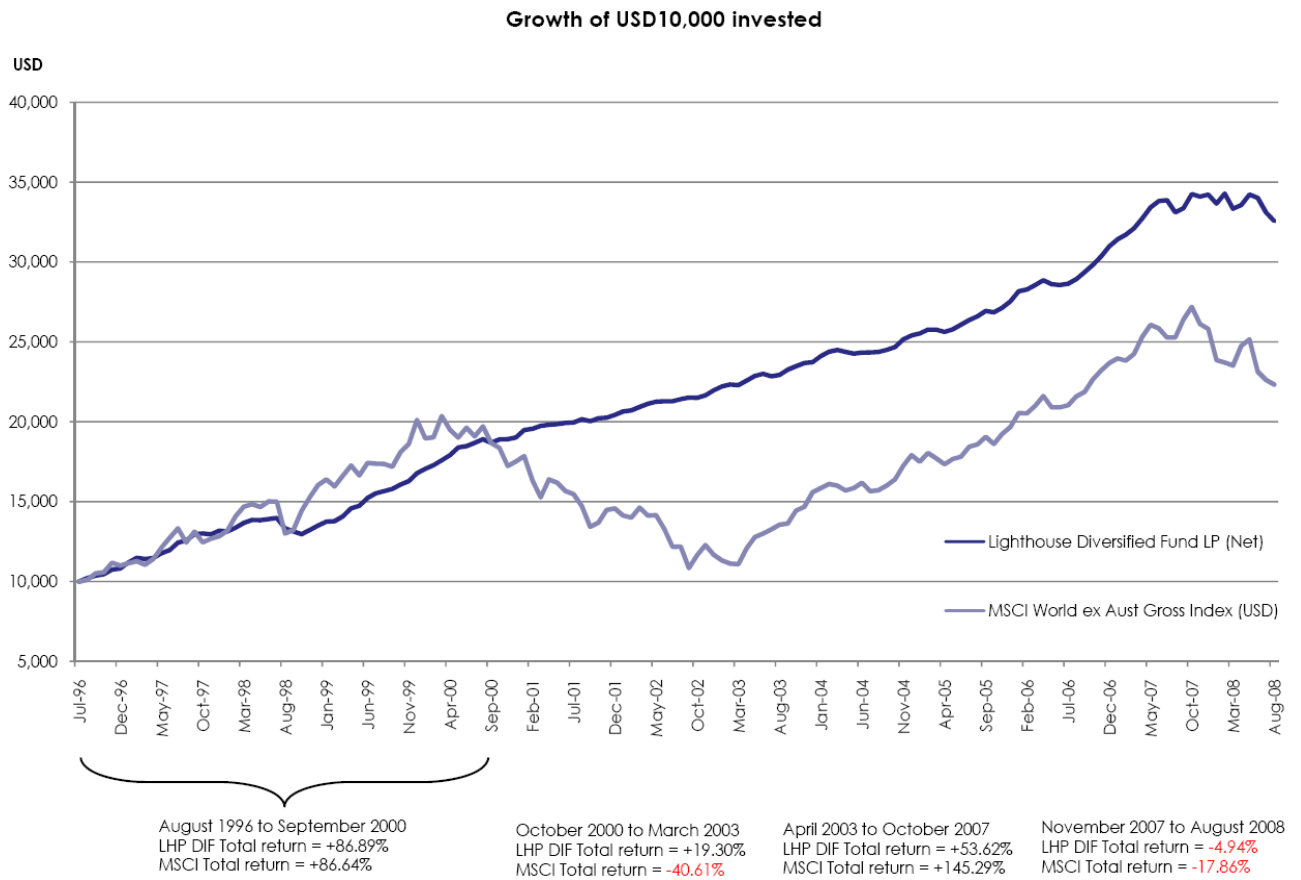


Aug-08	LHP DIV Offshore (Net)	LHP GLS Offshore (Net)	MSCI World ex Au	S&P500	Dow Jones	S&P/ASX 200 Acc
1 Month	-1.80%	-0.35%	-1.27%	1.45%	1.45%	4.09%
3 Months	-4.67%	-2.37%	-11.22%	-7.89%	-8.66%	-8.07%
6 Months	-4.75%	-3.55%	-5.78%	-2.57%	-5.89%	-5.67%
12 Months	-1.38%	-3.68%	-11.65%	-11.14%	-13.58%	-14.24%
2 Years	5.27%	7.74%	1.70%	1.15%	0.71%	4.40%
3 Years	5.88%	7.58%	6.31%	3.66%	3.27%	9.43%
4 Years	6.56%	9.40%	9.17%	5.82%	3.21%	14.36%
5 Years	6.22%	N/A	10.49%	6.92%	4.16%	14.69%
Inception p.a.	6.04%		8.38%		Since Inception Return are different for various Funds	
Inception Total	55.99%		45.60%			

Inception Refers to Feb 01 for LHP DIV Offshore (Net), Jan 04 for LHP GLS Offshore (Net).

Appendix 2

The below graph shows the growth of \$10,000 if invested in the Lighthouse Diversified Fund (Net of all Fees) at inception in August 1996.



Appendix 3

The below graph shows the growth of \$10,000 if invested in the Lighthouse Global Long Short Fund (Net of all Fees) at inception in December 2003.

