

THE BILLION DOLLAR MAN
EDWARD LAMPERT LEADS *INSTITUTIONAL INVESTOR'S ALPHA'S* RANKING
OF THE WORLD'S 25 HIGHEST-PAID HEDGE FUND MANAGERS IN 2004

FOR IMMEDIATE RELEASE

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NEW YORK – Edward Lampert of Greenwich, Connecticut-based ESL Investments earned an estimated \$1.02 Billion in 2004, making him No. 1 in the latest ranking by *Institutional Investor's Alpha* of the world's most highly paid hedge fund managers. Lampert, the first to crack the \$1 billion mark in our four-year-old survey, was hardly the only hedge fund manager to break the bank despite decidedly lackluster returns for hedge funds as a group. Award-winning geometrician, James Simons of East Setauket, New York-based Renaissance Technologies Corp moves up a notch on our rich list to take second place, followed by Bruce Kovner of Caxton Associates at no. 3 and Steven Cohen of SAC Capital Advisors at No. 4. Meanwhile, Appaloosa Management's David Tepper dropped 3 spots to No. 5 and last year's top spot George Soros, drops to #6 with \$305 million in earnings down from \$750.

In all, the 25 hedge fund managers on our rich list reaped an average of \$251 million from fees and from gains on their investments in their funds. By comparison, the CEO of a typical top 500 U.S. corporation hauled in a measly \$10 million last year.

The top ten earners in the hedge fund industry for 2004 were:

1	\$1.02 billion	Edward Lampert	ESL INVESTMENTS
2	\$670 million	James Simons	RENAISSANCE TECHNOLOGIES CORP.
3	\$550 million	Bruce Kovner	CAXTON ASSOCIATES
4	\$450million	Steven Cohen	SAC CAPITAL ADVISORS
5	\$420 million	David Tepper	APPALOOSA MANAGEMENT
6	\$305 million	George Soros	SOROS FUND MANAGEMENT
7	\$300 million	PaulTudor JonesII	TUDOR INVESTMENT CORP.
8	\$240million	Kenneth Griffin	CITADEL INVESTMENT GROUP
9	\$225 million	Raymond Dalio	BRIDGEWATER ASSOCIATES
10	\$205 million	Israel Englander	MILLENNIUM PARTNERS

Alpha's formula for determining which hedge fund managers earned the most was based on two key factors: their share of the fees generated by the funds they managed, and their gains on their own capital in the funds. These numbers were arrived at based on knowledge or estimates of the firms' capital at the beginning of the year, their performances, their fee structures and managers' ownership stakes. In making these judgments, // tried to choose conservative estimates.

For the complete article and more details on the ranking, please visit www.institutionalinvestor.com/pr.

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