

# SICO Gulf Equity Fund

Fact Sheet - February 28, 2007

NAV US\$95.38 ↑ 2.1%

## Manager's Commentary

With the exception of Saudi Arabia, the rest of the GCC markets remained rangebound during the month. Saudi Arabia rebounded strongly (+16.1%) after recording four consecutive months of negative returns.

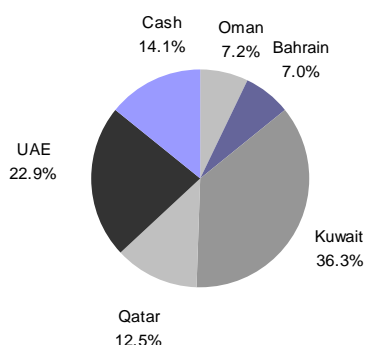
The NAV of SICO Gulf Equity Fund increased by 2.1% for the month owing to its high exposure to blue chip companies in Kuwait, Qatar and the UAE. Specifically, the fund benefited from the rise in Aldar Properties (+20.2%), MTC (+20.1%), Industries Qatar (+14.3%) and Burgan Bank (+6.9%). During the month, we continued trimming our exposure to some of our Omani holdings which reported below expected full year numbers and at the same time increased exposure in Industries Qatar (IQ). IQ is one of the leading petrochemical companies in the region and is expected to benefit from the completion of various expansion projects over the next couple of years.

The fund has a 14.1% allocation to cash which we will deploy as and when opportunities arise. We will take advantage of corrections in the regional markets by investing in blue chip companies that trade below their fair values. At the same time, we will also continue to exit positions in stocks that touch their intrinsic or fair values.

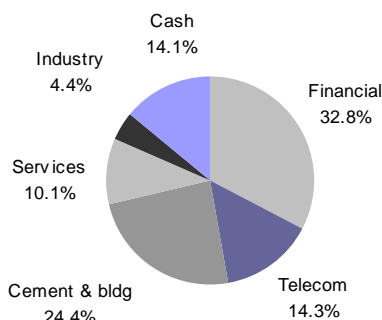
## Fund Statistics

|                                   |                |
|-----------------------------------|----------------|
| Price Earnings Multiple 2006 (x)  | 11.4           |
| Dividend Yield 2005 (%)           | 3.7            |
| Number of Holdings                | 29             |
| Annualized Return (%)             | -4.6           |
| Largest Monthly Gain (%)          | 5.7% (Aug 06)  |
| Largest Monthly Loss (%)          | -9.2% (Nov 06) |
| % of Positive Months              | 50.0%          |
| Annualized Standard Deviation (%) | 15.9           |
| Sharpe Ratio                      | n/a            |
| Maximum Drawdown (%)              | -9.2           |

## Country Allocation



## Sector Allocation



\* For further information contact Marketing at: [marketing@sicobahrain.com](mailto:marketing@sicobahrain.com)

## Investment Objective

The Fund seeks to achieve long-term capital appreciation by investing principally in equity securities listed on the stock markets of the GCC Countries excluding Saudi Arabia.

## Fund Returns (%)

|                   | Fund | MSCI Ex Saudi Index |
|-------------------|------|---------------------|
| February 2007     | 2.1  | 3.2                 |
| Year to Date 2007 | 2.7  | 2.0                 |
| Last 3 months     | 6.4  | 7.1                 |
| Last 6 months     | 4.1  | -2.5                |
| 2006 (Mar - Dec)  | -7.2 | -18.8               |
| Since Inception   | -4.6 | -17.2               |

## Top Holdings

| Name             | Country | (%) |
|------------------|---------|-----|
| Emaar Properties | UAE     | 9.1 |
| MTC              | Kuwait  | 7.7 |
| Agility          | Kuwait  | 5.4 |

## Fund Information

|                           |                                     |
|---------------------------|-------------------------------------|
| Launch Date               | March, 2006                         |
| Management Fee            | 1.5%                                |
| Performance Fee           | 10% over 10% pa                     |
| Subscription & Redemption | Monthly                             |
| Subscription Deadline     | Five Business days before month end |
| Redemption Deadline       | Ten Business days before month end  |
| Minimum Subscription      | US\$100,000                         |
| Reuters Code              | <SICO>                              |
| Fund Listing              | Bahrain Stock Exchange              |
| Custodian                 | SICO Funds Services                 |
| Auditors                  | Price Waterhouse Cooper             |

## Management Team

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Investment Bank **sico**