

Fact Sheet for December 2007

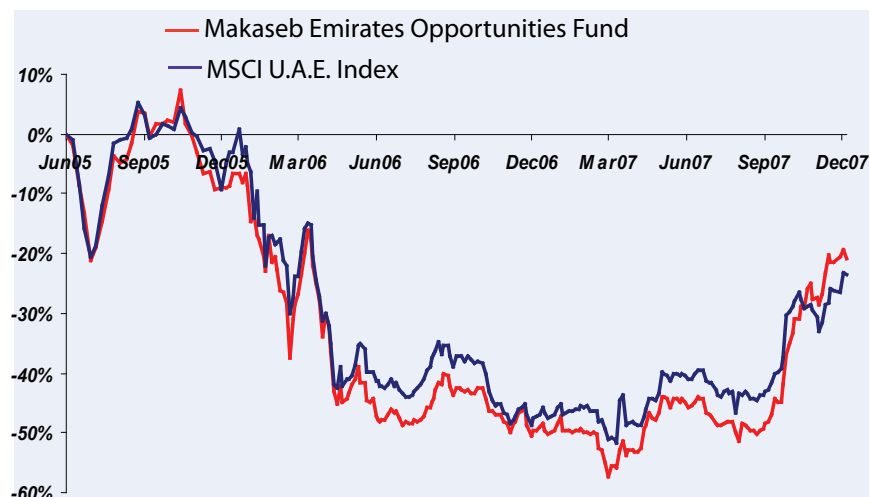
Investment Objective

Makaseb Emirates Opportunities Fund (MEOF) aims to achieve long term capital appreciation through investment primarily in shares listed on the UAE stock exchanges by using a dynamic asset allocation strategy. The MEOF portfolio is constructed after careful evaluation of market factors including liquidity and price action to determine the optimum market exposure. The monitoring and adjustment of market exposure is dynamic, in order to take into account changing market dynamics.

Fund Information

| | |
|--------------------|--|
| Fund type | Open-End Fund |
| Domicile | Bahrain |
| Currency | US Dollar |
| Regulator | Central Bank of Bahrain |
| Net Asset Value | Each Sunday and Wednesday |
| Investment Manager | Mashreqbank psc |
| Share Registrar | KeyPoint Consulting W.L.L., Bahrain |
| Administrator | Gulf Investment Corporation |
| Custodian | Gulf Investment Corporation |
| Auditor | Deloitte & Touche |
| Primary listing | Bahrain Stock Exchange |
| Subscription | Each Monday and Thursday |
| Redemption | Each Monday and Thursday |
| Management fee | 2% p.a. |

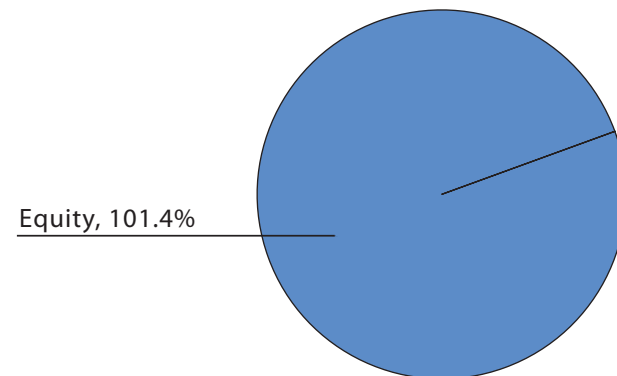
Performance Chart since inception



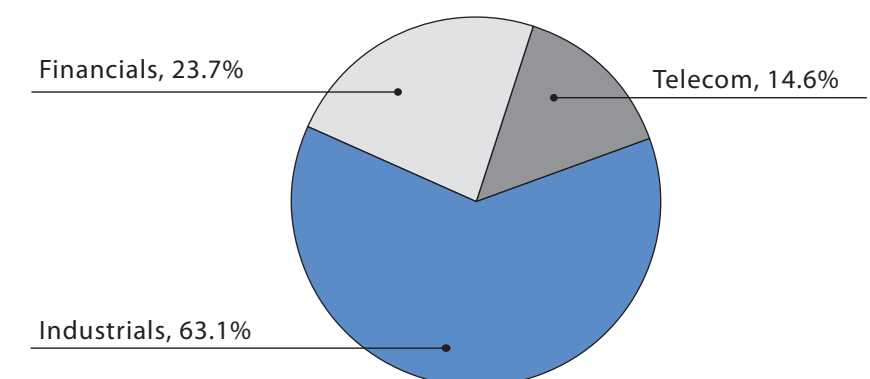
Performance Summary

| | MEOF | MSCI UAE Index |
|--------------------------------|-----------|----------------|
| NAV (December 30, 2007) | US\$ 7.93 | |
| Since inception (Jun 26, 2005) | -20.7% | -23.5% |
| YTD-2007 | 56.9% | 44.6% |
| December 07 | 10.9% | 14.2% |
| Year 2006 | -44.5% | -44.5% |
| Year 2005 | -8.9% | -4.9% |
| No. of Holdings | 8 | 34 |
| Max. Monthly Gain | 33.3% | 26.2% |
| Max Monthly Loss | -12.9% | -16.4% |
| Beta | 0.8 | |
| R-Sq | 56.0% | |
| Ann. SD (Weekly returns) | 46.9% | 47.1% |
| Sharp Ratio | -0.6 | |
| Treynor Ratio | -0.3 | |
| Information Ratio | 0.1 | |

Asset Allocation



Sector Allocation



Fact Sheet for December 2007 Contd.

Top 3 Holdings

| Stock | Weight |
|------------------------------|--------|
| Air Arabia | 30.3% |
| Arab Technical Construction | 29.2% |
| Emirates Telecom Corporation | 14.6% |

Fund Codes:

WKN: A0J3RP

ISIN: BH000A0J3RP0

BLOOMBERG CODE: MAKEOFD BI

ZAWYA CODE: MAKEMRO.MF

Investment Manager & Sponsor:

Mashreqbank psc, Al Ghurair City,
7th Floor, P.O. Box 1250, Dubai, U.A.E.
Tel +9714 2078461

Registered Office:

14th Floor, City Gardens, P.O. Box 140, Manama,
Bahrain. Tel + 97317 535455

Fund Manager's Commentary

Your Fund rose 10.9% during December, lagging the benchmark return of 14%. Within the UAE, Dubai was up 13.9% while Abu Dhabi rose 12.9% over the same period. For the year, your Fund rose 56.9%, compared to a benchmark return of 44.6%. The Dubai Financial Market was up 44.9% over the same period, while Abu Dhabi advanced 52.7%.

As is evident from the performance data, 2007 turned out to be a very strong year, despite an extremely sluggish start. Abu Dhabi was essentially flat up to the end of April, while Dubai was unchanged for the year right up to the end of August. Two extremely strong months during October and December accounted for a bulk of the year's performance for both markets.

During the year, the currency regime in the UAE was the focus of very strong speculation regarding revaluation rumors. Contrary to expectations from pundits and investors alike, the dirham ended the year still firmly pegged to the US Dollar. We believe the medium term performance of both the UAE and regional markets will be heavily influenced by factors at play beyond the region. Led by the US and closely followed by the UK, challenges in the credit markets are likely to influence the policy response (in the form of lower interest rates, special relief for borrowers, etc) of the Fed and Bank of England. The emerging market universe (including Mena, and UAE) will be forced to keep pace (in terms of easier monetary policies) to avoid being priced out due to stronger currencies. The net result of this policy mix (which is not easy to time, but is quite likely to be played out over the medium term) is a bubble of monstrous proportions in emerging markets globally. For MENA, add the ingredients of record hydrocarbon prices, strong fiscal stimulus, and rapidly growing populations and the resulting mix should result in the ride of a lifetime.

We elaborate on our investment view in greater detail in our forthcoming strategy newsletter. Suffice to note here that although we expect regional markets including the UAE to be the beneficiary of the scenario above, volatility will also rise significantly and bull market corrections of up to 30% are quite possible. We wish all our investors a healthy and prosperous 2008.

January 09, 2008

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Disclaimer: Performance data quoted represents past performance: past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted.