

**MAKASEB EMIRATES EQUITY FUND**

**STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE SIX MONTHS ENDED JUNE 30, 2007**

	<b>US \$</b>
NET ASSETS AT THE BEGINNING OF THE PERIOD	<b>41,024,296.00</b>
<b>INCOME</b>	
Dividends	1,098,385.67
Realized capital Gain/Loss	(2,545,295.67)
Bank Interest	-
Sundry Income	-
FX Gain/Loss	(1.42)
<b>Total Income</b>	<b>(1,446,911.42)</b>
<b>EXPENSES</b>	
Advertisement Charges	(2,863.19)
Bank Charges	(922.99)
Legal Fees	(389.43)
Miscellaneous Expenses	(7,871.80)
Registration Fees	(5,337.31)
Custody Fees	(41,921.56)
Management Fees	(297,206.73)
Admin Fees	(51,404.46)
Transaction Charges	(4,635.00)
Audit Fees	(1,983.56)
Registrar Fees	(5,918.94)
<b>Total Expenses</b>	<b>(420,454.97)</b>
<b>NET REALIZED PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(1,867,366.39)</b>
Change in net unrealized appreciation/(depreciation) on Investments	7,648,022.97
<b>NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>5,780,656.58</b>
<b>MOVEMENT OF CAPITAL</b>	
Issue of Shares	3,080,111.18
Redemption of Shares	(12,225,263.63)
<b>NET ASSETS AT THE END OF THE PERIOD</b>	<b>37,659,800.13</b>

*Prepared by Gulf Investment Corporation Kuwait, Fund Administrator & Custodian.*

**MAKASEB EMIRATES EQUITY FUND**

**STATEMENT OF NET ASSETS**

**AT JUNE 30, 2007**

	<b>US \$</b>
<b>ASSETS</b>	
Investment in Securities at Market Value	37,253,330.29
Cash	(185,843.90)
Amounts Receivable on sale of Investments	792,522.55
Amounts receivable on subscriptions	-
Interest and dividends receivable	-
Other receivables	
	<b>37,860,008.94</b>
<b>LIABILITIES</b>	
Amounts payable on purchase of Investments	-
Amount payable on redemptions	-
Bank overdraft	-
Unrealized loss on forward foreign exchange contracts	-
Management Fees Payable	146,951.84
Other fees and charges Payable	53,256.97
Other Liabilities	-
	<b>200,208.81</b>
<b>Total Net Assets</b>	<b>37,659,800.13</b>

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