

Al Ahli Gulf Fund

FACT SHEET - FEBRUARY 2006



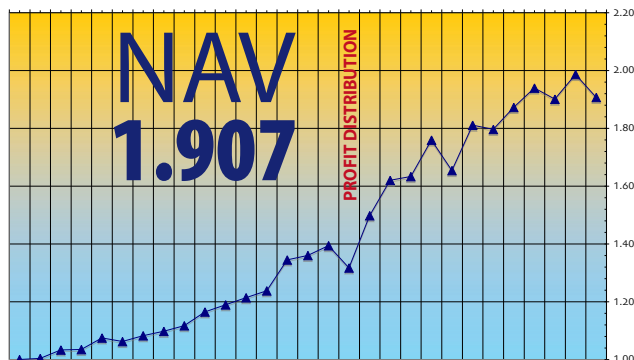
Al Ahli
Gulf Fund

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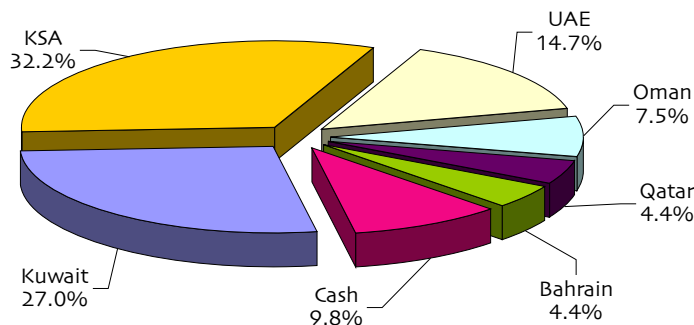
Fund Objective

To achieve long-term capital appreciation through investing in the shares of companies listed across all GCC exchanges by realizing outstanding investment returns with an acceptable level of investment risk.

Performance Chart



GCC Market Allocations



Performance Summary

| NAV | Feb'06 | YTD'06 | 2005 ⁽¹⁾ | 2004 | Since Inception ⁽²⁾ |
|----------|--------|--------|---------------------|--------|--------------------------------|
| KD 1.907 | -3.98% | +0.31% | +53.05% | +31.6% | +108.67% |

(1) Inclusive of 2004 dividends distributed during 2005 (2) Inclusive of dividends distributed since inception

Monthly Performance

| Jan'06 | Feb'06 | Mar'06 | Apr'06 | May'06 | Jun'06 |
|--------|--------|--------|--------|--------|--------|
| +4.46% | -3.98% | | | | |
| Jul'06 | Aug'06 | Sep'06 | Oct'06 | Nov'06 | Dec'06 |
| | | | | | |

Country Manager Market Per.

| Country | Manager | Market Per. | |
|---------|------------------------|-------------|---------|
| | | MTD | YTD |
| Kuwait | Al Ahli Bank of Kuwait | -2.17% | +1.34% |
| KSA | Saudi British Bank | -0.43% | +12.13% |
| UAE | NBAD/Shuaa Capital | -9.56% | -9.74% |
| Oman | Bank Muscat | -2.91% | +8.47% |
| Qatar | Shuaa Capital/Taib | -16.18% | -20.18% |
| Bahrain | Taib Bank | -2.85% | +3.72% |

Top 3 Positions / Market

| Kuwait | KSA | UAE |
|-------------|---------------|----------|
| MTC | SABIC | Emaar |
| Bayan | STC | Etisalat |
| NRE | Al Rajhi | NBAD |
| Oman | Qatar | Bahrain |
| Bank Muscat | Indust. Qat. | BCFC |
| NBO | QNB | AUB |
| OIB | Qatar Telecom | GFH |

Executive Summary

| Fund Type: | Open-ended | | | | |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------------|----------|----------|
| Subscription /Redemption: | Monthly | | | | |
| Launch Date: | November 2003 | | | | |
| Management Fees: | 1.25% | | | | |
| Incentive Fees: | 10% over 10% Hurdle | | | | |
| Manager: | Al Ahli Bank of Kuwait | | | | |
| Custodian: | Kuwait Clearing Co. | | | | |
| Nominal Price: | KD 1.000 / Unit | | | | |
| Next Dealing Date: | 27 th March 2006 | | | | |
| Last Dealing Price: | KD 1.906673 / Unit | | | | |
| Dividends distributed: | <table border="1"> <thead> <tr> <th>2004</th> <th>Since Inception</th> </tr> </thead> <tbody> <tr> <td>KD 0.180</td> <td>KD 0.180</td> </tr> </tbody> </table> | 2004 | Since Inception | KD 0.180 | KD 0.180 |
| 2004 | Since Inception | | | | |
| KD 0.180 | KD 0.180 | | | | |

GCC Market Review

The month of February saw a much-needed correction in all the GCC markets. The Saudi market was the best performer while the Qatari market returned the worst performance. During the month selling pressures were witnessed across most of the sectors in the GCC markets with the Saudi Market being the only exception where only the Telecom sector had underperformed. The GCC market capitalization stood at approx. US\$ 1.25 trillion.

After a stellar 2005 performance, we are of the opinion that some of the stocks in the GCC markets had been much overvalued and hence a correction was inevitable and much expected, with the correction likely to continue for a couple of months. This would in turn create a more realistic environment in the GCC stock markets.

Overall, we continue to believe that the Fundamentals in the GCC markets still remain strong with continuing high oil prices, huge liquidity, and huge local Govt. budget surpluses etc.

Fund Review

The negative breath in the GCC markets was also witnessed in the Fund's performance during the month. The Fund's exposure to the Qatari market was the worst affected; however it should be noted that the Fund's exposure to the Qatari market is a conservative 5%.

During the month we continued to strengthen the Fund's exposure to the Kuwaiti market by adding new undervalued stocks, while maintaining the allocation to the other GCC markets.

Overall, we continue to believe that the Fund's current GCC allocations are well poised to benefit the maximum once the GCC markets return to a bullish environment.