

SICO Gulf Equity Fund

Fact Sheet - February 28, 2010

NAV US\$100.71 ↑ 3.4%

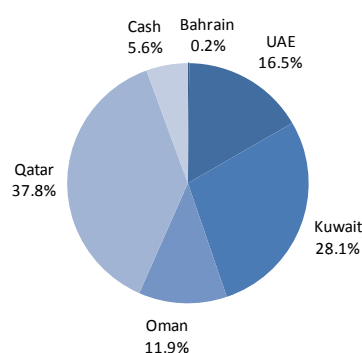
Manager's Commentary

The Gulf bourses ended the month on a positive note with all market posting positive returns. The Kuwaiti market, after declining 2.9% in January, rebounded strongly during the month and appreciated by 13.5% as measured by the official market cap weighted index. Zain (+40%) was the top performer with most of the gains being posted after Bharti Airtel announced that it had entered into exclusive discussions with the company to buy its African assets. Qatar was up 4.8%, while Abu Dhabi increased by 2.7%. The smaller markets of Oman and Bahrain continued their steady performance appreciating in the range of 2-3%. Dubai was the worst performing market inching up 0.2% as uncertainties regarding Dubai World's restructuring plans continued to hinder the market's overall performance.

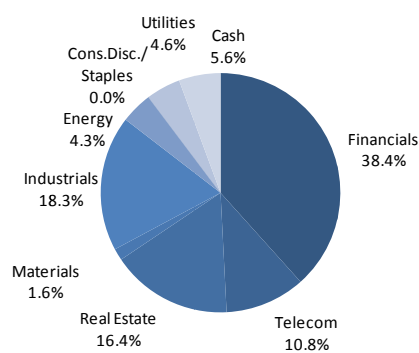
SICO Gulf Equity Fund was up 4.7% versus a 11.8% rise in the MSCI GCC ex Saudi Benchmark. Although the fund benefited from the rise in Qatari holdings, the performance was restricted due to our underweight position in Kuwaiti equities. Kuwait which constitutes around 55% of the benchmark contributed around 10% to the overall benchmark return for the month. Zain (+40.7%), NBK (+20.8%) and Kuwait Finance House (+13.5%) recorded strong returns as the development in Zain triggered a broad based rally in the overall Kuwaiti market.

During February, we invested in certain Kuwaiti companies that we believe have sound medium to long term prospects. As at the end of the month we have 5.6% in cash, which we intend to deploy as and when investment opportunities arise. Our exposure to fundamentally sound stocks should help us to outperform the benchmark in the medium to long term.

Country Allocation



Sector Allocation



Fund Statistics

Price Earnings Multiple TTM (x)	10.7
Price to Book Multiple Latest (x)	1.6
Dividend Yield 2008 (%)	5.5
Number of Holdings	29
Annualized Return (%)	0.2
Largest Monthly Gain (%)	12.6 (Apr 09)
Largest Monthly Loss (%)	-14.9 (Oct 08)
% of Positive Months	50
Maximum Drawdown- Peak to Trough (%)	-47.8
Length of Drawdown (months)	9
Recovery from recent trough (%)	27.1

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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 GCC Ex Saudi Index*
Feb 2010	4.7	11.8
YTD (Jan - Feb '10)	1.1	5.1
Last 3 months	-7.4	3.2
Last 6 months	-9.5	-9.9
Last 1 year	27.1	47.7
Last 3 years	5.6	-26.6
Last 5 years	n.a	n.a
2009	12.9	4.7
2008	-30.8	-52.7
2007	37.2	44.6
2006 (Mar - Dec)	-7.2	-19.6
Since Inception (Mar 06 - Feb 10)	0.7	-39.5

*This refers to MSCI GCC Ex Saudi USD Total Return Gross

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	LP65038264
Zawya Code	SICOGF.MF
Fund Listing	Bahrain Stock Exchange
Custodian/ Administrator	HSBC Middle East, Bahrain

Top Holdings

Name	Country	(%)
Industries Qatar	Qatar	7.3
Commercial Bank of Qatar	Qatar	5.4
Burgan Bank	Kuwait	5.2

Risk Statistics

Annualised Standard Deviation (%)	20.8
Sharpe Ratio	-0.2
Information Ratio	0.9
Beta	0.7
Alpha (%)	6.2

* For further information contact assetmanagement@sicobahrain.com