The National Investor
TNI Tower/Zayed 1st str/Khalidya
P.O. Box 47435 - Abu Dhabi, UAE
Phone: +971 2 619 2300
Fax: +971 2 619 2400
www.tni.ae

TNI FUNDS

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>TNI UAE BLUE CHIP FUND</td>
<td>The Fund aims at achieving attractive risk-adjusted returns by investing in the equities of large companies primarily traded on the UAE official markets, and to a lesser extent in other GCC markets. The fund also allows for IPO subscriptions and pre-IPO investments.</td>
</tr>
<tr>
<td>TNI MENA REAL ESTATE ACTIVE FUND</td>
<td>The Fund aims at achieving attractive risk-adjusted returns through investments in the equities of firms engaged in real estate and that are publicly traded in the stock markets of the Middle Eastern and North African countries. The fund allows for IPO subscriptions and pre-IPO investments.</td>
</tr>
<tr>
<td>TNI DANA WOMEN FUND</td>
<td>The Fund aims at offering women investors access to the capital appreciation inherent in the local, regional and international securities markets. The Fund will mainly invest in equities listed in the GCC official markets, but can also include investments in securities traded on international markets.</td>
</tr>
</tbody>
</table>

Fund Manager
The National Investor
Contact: Walid Hayeck
PO Box 47435 Abu Dhabi - UAE
Phone: +971 2 619 2321
Fax: +971 2 619 2384
Email: whayeck@tni.ae

Administrator
Gulf Clearing Company
Contact: Ali Al-Laith
PO Box 2400 Manama - Bahrain
Phone: +973 17 218822
Fax: +973 17 210010
Email: gcc@batelco.com.bh

Auditors
KPMG
Contact: Munther Dajjani
PO Box 7613 Abu Dhabi - UAE
Phone: +971 2 634 3318
Fax: +971 2 632 7612

This “Investor Monthly Newsletter” is confidential to the addressee and should not be disclosed nor distributed to any third party without the prior consent of The National Investor (hereinafter referred to as “TNI” or the “Fund Manager”).

This newsletter is for information and does not constitute a prospectus or offering circular or an offer or invitation to subscribe for units in any of the above TNI funds. All TNI funds (the “Funds”) are available for subscription only on the basis of the relevant Private Placement Memorandum, Subscription Agreement and Application Form which are available only to investors that satisfy the applicable eligibility criteria for investment.

The Fund Manager does not and cannot guarantee the performance of the Funds, and the past performance of the Funds is not a guarantee of their future performance. Investment in any of the Funds carries significant risk of loss of capital and investors should review the terms of the Private Placement Memorandum, Subscription Agreement and Application Form with due care and appropriate professional advice.

Furthermore, it is understood that the Fund Manager does not give any advice and/or warranties, express or implied, and shall in no way be responsible or liable to any party for relying on any information with respect to the matters identified herein.
UAE General Indices Performance

<table>
<thead>
<tr>
<th>GCC Indices</th>
<th>Closing</th>
<th>Monthly%</th>
<th>YTD%</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAE</td>
<td>11,236.98</td>
<td>-4.7</td>
<td>-34.7</td>
</tr>
<tr>
<td>KSA</td>
<td>13,145.26</td>
<td>-13.2</td>
<td>-22.5</td>
</tr>
<tr>
<td>Kuwait</td>
<td>10,001.90</td>
<td>-0.8</td>
<td>-12.6</td>
</tr>
<tr>
<td>Oman</td>
<td>4,772.70</td>
<td>-3.0</td>
<td>-2.1</td>
</tr>
<tr>
<td>Qatar</td>
<td>8,938.61</td>
<td>-0.7</td>
<td>-30.9</td>
</tr>
<tr>
<td>Bahrain</td>
<td>2,116.51</td>
<td>+1.1</td>
<td>-6.8</td>
</tr>
</tbody>
</table>

UAE Stock Markets

During the month of June, the UAE market witnessed further drop and the NBAD Index lost around 5%. Dubai shed around 12% of its value due to the decline of major blue chips. Emaar, Dubai Islamic Bank and Dubai Investments Company were among the laggards. On the other hand, Abu Dhabi had a calmer stance. The Index lost around 4% only.

UAE investor sentiment is still bearish. Both markets in Dubai and Abu Dhabi are witnessing low volume due to the beginning of the summer season. Furthermore, investors are anxious for the second quarter results that will be published during the month of July. Although the results might not be as outstanding as last year’s, some stocks, mainly the giants, should be kept on the radar screen.

Other GCC Markets

GCC markets, except Kuwait and Bahrain were dragged to the negative territory mainly by the overall GCC investor sentiment. Saudi Arabia was the worst performer with a decline of more than 13%. Oman the second worst performer lost around 3% and the index closed at 4,772.7 points. Furthermore Qatar ended the month almost flat and lost only 0.7%. On the other hand, Kuwait and Bahrain ended the month up by 0.8% and 1.1% respectively.

MENA Real Estate Views

Bearish investors’ sentiment and the negative perception of most markets are keeping investors away from trading pits as seen by the recent drop in daily traded volumes. As thought by market analysts, good Q2 2006 results may be a turning point for most markets and can bring back some large institutional investors.

Although Kuwait real estate market lost some ground after election results were announced, it managed to reach a support level, giving the Kuwaiti real estate market the lowest valuations in the region. Not much action was witnessed on the front of the UAE real estate market as investors are still questioning valuation levels and growth prospects of most UAE’s real estate companies in spite of the latest announcements of mega real estate projects.

Important Notice

The Fund Manager does not and cannot guarantee the performance of the Fund, and the past performance of the Fund is not a guarantee of its future performance. Furthermore, it is understood that the Fund Manager does not give any advice and/or warranties, express or implied, and shall in no way be responsible or liable to any party for relying on any information with respect to the matters identified herein.
TNI UAE BLUE CHIP FUND
Fact Sheet

The National Investor
TNI Tower/Zayed 1st str / Khalidya
P.O. Box 47435 - Abu Dhabi, UAE
Phone: +971 2 619 2300
Fax: +971 2 619 2400
www.tni.ae

Asset Allocation

Performance

Return % change
MTM -2.9
YTD -27.1
Since Inception -18.3

Top 5 Holdings

Etisalat 6.9%
Emaar 6.5%
ADCB 5.8%
NBAD 5.3%
10 Large Cap Fund 5.1%

Contacts

Asset Management
Walid Hayeck +971 2 6192321
Farid Samji +971 2 6192333
Ali Adou +971 2 6192327
Licha Abdullah +971 2 6192346

Clients Advisory Group
Sara Mohammed +971 2 6192323
Arindam Bose +971 2 6192335

Fund Objectives

TNI UAE BLUE CHIP FUND aims at achieving attractive risk-adjusted returns through investing in equities of large companies primarily traded on the UAE official markets, and to a lesser extent in other GCC markets. The fund allows for IPO subscriptions and private equity pre-IPO investments.

Monthly Highlights

This month’s decline came mainly from Dubai Blue chips due to their high volatility. The Fund Manager maintained the fund’s equities exposure to 62% due to the following two important reasons. The first reason is that GCC markets are facing some selling pressures. The second reason, the most important, is that GCC investors’ sentiment is still bearish and most institutional investors are keen on staying away of the markets until further stabilization. The fund manager is waiting for the second quarter results which might be decisive to major Blue Chips in the region.

Fund Performance

UAE General Indices Performance

Since May - 05
TNI BCF -18.3%  NBAD Index -32.3%

Important Notice

The Fund Manager does not and cannot guarantee the performance of the Fund, and the past performance of the Fund is not a guarantee of its future performance. Furthermore, it is understood that the Fund Manager does not give any advice and/or warranties, express or implied, and shall in no way be responsible or liable to any party for relying on any information with respect to the matters identified herein.

General Information

First Closing Date 1st of May 2005
Base Currency AED
Minimum Investment AED 1 million
Custody & Admin Gulf Clearing Company
Auditors KPMG
Reuters TNIBCF
Bloomberg TNIUAEF UH

Subscription Fee 1%
Management Fee 2%
Performance Fee 15%
Hurdle Rate 1M EIBOR + 4%
Redemption Weekly
Redemption Fee 2%
Lock-up Period 1 year

NAV per Unit

<table>
<thead>
<tr>
<th>Year</th>
<th>30 Apr</th>
<th>31 May</th>
<th>30 Jun</th>
<th>31 Jul</th>
<th>31 Aug</th>
<th>30 Sep</th>
<th>31 Oct</th>
<th>30 Nov</th>
<th>31 Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>10.61</td>
<td>10.11</td>
<td>9.76</td>
<td>8.93</td>
<td>8.42</td>
<td>8.17</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

% Change

<table>
<thead>
<tr>
<th>Year</th>
<th>31 Jan</th>
<th>Feb-28</th>
<th>Mar-31</th>
<th>Apr-30</th>
<th>May-31</th>
<th>Jun-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>-5.4</td>
<td>-4.7</td>
<td>-3.4</td>
<td>-8.5</td>
<td>-5.7</td>
<td>-2.9</td>
</tr>
<tr>
<td>2006</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The National Investor
TNI Tower/Zayed 1st str / Khalidya
P.O. Box 47435 - Abu Dhabi, UAE
Phone: +971 2 619 2300
Fax: +971 2 619 2400
www.tni.ae

Asset Allocation

Cash/Cash Equivalent 33%
ADSM 33%
DFM 25%
Kuwait 9%

The National Investor
TNI Tower/Zayed 1st str / Khalidya
P.O. Box 47435 - Abu Dhabi, UAE
Phone: +971 2 619 2300
Fax: +971 2 619 2400
www.tni.ae

Asset Allocation

Cash/Cash Equivalent 33%
ADSM 33%
DFM 25%
Kuwait 9%

The National Investor
TNI Tower/Zayed 1st str / Khalidya
P.O. Box 47435 - Abu Dhabi, UAE
Phone: +971 2 619 2300
Fax: +971 2 619 2400
www.tni.ae

Asset Allocation

Cash/Cash Equivalent 33%
ADSM 33%
DFM 25%
Kuwait 9%

The National Investor
TNI Tower/Zayed 1st str / Khalidya
P.O. Box 47435 - Abu Dhabi, UAE
Phone: +971 2 619 2300
Fax: +971 2 619 2400
www.tni.ae

Asset Allocation

Cash/Cash Equivalent 33%
ADSM 33%
DFM 25%
Kuwait 9%

The National Investor
TNI Tower/Zayed 1st str / Khalidya
P.O. Box 47435 - Abu Dhabi, UAE
Phone: +971 2 619 2300
Fax: +971 2 619 2400
www.tni.ae

Asset Allocation

Cash/Cash Equivalent 33%
ADSM 33%
DFM 25%
Kuwait 9%
The National Investor
TNI Tower/ Zayed 1st str/Khalidiya
P.O. Box 47435 - Abu Dhabi, UAE
Phone: +971 2 619 2300
Fax: +971 2 619 2400
www.tni.ae

The Egyptian real estate market lost some of its value in the second half of the month, contributing negatively to the performance of MENA RREAF. Regional real estate companies are still suffering from the bearish sentiments weighing on regional markets.

Top 5 Holdings

ALDAR 9.5%
Emaar 9.1%
Sorouh 8.6%
SOLIDERE 7.4%
Nasr City Housing 4.6%

Important Notice

The Fund Manager does not and cannot guarantee the performance of the Fund, and the past performance of the Fund is not a guarantee of its future performance. Furthermore, it is understood that the Fund Manager does not give any advice and/or warranties, express or implied, and shall in no way be responsible or liable to any party for relying on any information with respect to the matters identified herein.

General Information

First Closing Date 1st of August 2005
Base Currency USD
Minimum Investment USD 250,000
Custody & Admin Gulf Clearing Company
Auditors KPMG
Reuters TNIMREF
Bloomberg TNIMREF UH
Subscription Fee 1%
Management Fee 2% Payable Quarterly in arrears
Performance Fee 15%
Hurdle Rate lesser of: 1M LIBOR + 4% or 10%
Redemption Bi-Weekly
Redemption Fee 2%
Lock-up Period 6 Months
TNI DANA WOMEN FUND
Fact Sheet

The National Investor
TNI Tower/Zayed 1st str/ Khalidia
P.O. Box 47435 - Abu Dhabi, UAE
Phone: +971 2 619 2300
Fax: +971 2 619 2400
www.tni.ae

Asset Allocation

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAE</td>
<td>52.1%</td>
</tr>
<tr>
<td>Kuwait</td>
<td>5.1%</td>
</tr>
<tr>
<td>Egypt</td>
<td>2.7%</td>
</tr>
<tr>
<td>Lebanon</td>
<td>1.7%</td>
</tr>
<tr>
<td>Cash</td>
<td>37.5%</td>
</tr>
</tbody>
</table>

Performance

<table>
<thead>
<tr>
<th>Return</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTM</td>
<td>-0.8</td>
</tr>
<tr>
<td>YTD</td>
<td>-24.6</td>
</tr>
<tr>
<td>Since Inception</td>
<td>-6.1</td>
</tr>
</tbody>
</table>

Top 5 Holdings

- AIL Founders: 9.3%
- Aabar Founders: 9.9%
- Emaar: 9.1%
- Etisalat: 6.5%
- ALDAR: 3.9%

Contacts

Asset Management
Walid Hayeck: +971 2 6192321
Farid Samji: +971 2 6192333
Ali Adou: +971 2 6192327
Licha Abdullah: +971 2 6192346

Clients Advisory Group
Sara Mohammed: +971 2 6192323
Arindam Bose: +971 2 6192335

Important Notice

The Fund Manager does not and cannot guarantee the performance of the Fund, and the past performance of the Fund is not a guarantee of its future performance. Furthermore, it is understood that the Fund Manager does not give any advice and/or warranties, express or implied, and shall in no way be responsible or liable to any party for relying on any information with respect to the matters identified herein.

Fund Objectives

TNI DANA WOMEN FUND was established with the purpose of offering women investors access to the capital appreciation inherent in the local, regional and international securities markets. The asset allocation is managed dynamically and will change in accordance with prevailing market conditions. The aim of the Fund is to provide above average return while minimizing risks.

Monthly Highlights

The Fund displayed low volatility compared to regional markets during the preceding month losing an insignificant 0.8% as opposed to its closing of May 2006. The performance since inception stands at -6%, an outstanding figure given the severe losses incurred by most of MENA equity markets.

Fund Performance

NAV per Unit

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-2006</td>
<td>10.00</td>
<td>10.35</td>
<td>10.86</td>
<td>11.07</td>
<td>11.18</td>
<td>12.46</td>
<td>12.06</td>
<td>11.35</td>
<td>11.01</td>
<td>10.24</td>
<td>9.47</td>
</tr>
<tr>
<td>% Change</td>
<td>-</td>
<td>+3.5</td>
<td>+5.0</td>
<td>+1.9</td>
<td>+19.1</td>
<td>-5.5</td>
<td>-3.2</td>
<td>-5.9</td>
<td>-3.0</td>
<td>-6.9</td>
<td>-7.5</td>
</tr>
</tbody>
</table>

NAV per Unit: 9.39
% Change: -0.8

General Information

<table>
<thead>
<tr>
<th>Information</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Closing Date</td>
<td>1st of August 2005</td>
</tr>
<tr>
<td>Base Currency</td>
<td>AED</td>
</tr>
<tr>
<td>Minimum Investment</td>
<td>AED 500,000</td>
</tr>
<tr>
<td>Custody &amp; Admin</td>
<td>TNI</td>
</tr>
<tr>
<td>Auditors</td>
<td>KPMG</td>
</tr>
<tr>
<td>Reuters</td>
<td>TNI DWF</td>
</tr>
<tr>
<td>Bloomberg</td>
<td>TNI DWF UH</td>
</tr>
<tr>
<td>Subscription Fee</td>
<td>1%</td>
</tr>
<tr>
<td>Management Fee</td>
<td>2% Payable Quarterly in arrears</td>
</tr>
<tr>
<td>Performance Fee</td>
<td>20%</td>
</tr>
<tr>
<td>Hurdle Rate</td>
<td>1M EIBOR + 4%</td>
</tr>
<tr>
<td>Redemption</td>
<td>Monthly</td>
</tr>
<tr>
<td>Redemption Fee</td>
<td>2%</td>
</tr>
<tr>
<td>Lock-up Period</td>
<td>1 year</td>
</tr>
</tbody>
</table>

Since Aug-05
TNI DWF -6.1%