

Media Release
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DAMAN UAE VALUE FUND, IFA KHALEEJI FUND TURN IN IMPRESSIVE PERFORMANCE FOR 2004

Daman dividend increases to AED5 per share for the fourth quarter; total dividend touches AED15.75 for full year

DUBAI- The Daman UAE Value Fund, a specialized mutual fund that invests in UAE stocks, has registered an impressive performance for the year ending 2004, recording 83.88% growth with the Net Asset Value standing at AED258.34 on January 1, 2005, against AED149.06 at the beginning of year 2004. The NAV was AED226.13 on December 1, 2004.

The Fund announced its results for the year 2004 at a press conference held in Dubai today. The success of the fund has also enabled the Managers to declare a total dividend return of AED15.75 for the whole year, a dividend yield of 6.09%. Similarly, for the fourth quarter, a dividend of AED5 per share has also been declared by the Fund managers.

“These excellent results follow tremendous corporate performance and a relatively low valuation of the UAE equities coupled with strong economic fundamentals and growing oil revenues, therefore, we are pleased that our results have validated our focus on Daman’s strategies.” said Mr. Shehab M Gargash, Managing Director, Daman Investments.

“Emphasizing our commitment to ensure investors come to receive the benefits of the fund’s performance, we have increased our dividend payment to AED5 for the fourth quarter.” Mr. Shehab Gargash said and added “This is in line with our vision which is the cornerstone for our mounting success.”

Since its inception on July 1, 2001, the fund has grown by 197.34%. This is mainly due to the Fund’s investment strategies, creating dividend payments that have increased progressively from AED 2.00 per share, following the first quarter of operations to AED 5.00 per share, for the fourth Quarter of 2004. Over its life, the total dividend distributed so far has also touched AED39.00, per share, once again reiterating the sound economic planning of its managers.

IFA Khaleeji Fund Records Impressive Growth

Meanwhile, the IFA Khaleeji Fund (IFA) notched a 21.7% growth since its inception on 3rd March, 2004, with the Net Asset Value standing at US\$ 121.70 on December 31, 2004. For December alone, the fund recorded a growth of 10.67%, against the benchmark GIC Composite Index that registered a rise of 1.83%. The NAV of this fund was US\$ 109.96 on November 30, 2004. This

regional Fund provides a single entry vehicle for regional and international investors into the six GCC markets and Iraq.

“The number of IPOs that are set to enter the market will also widen the scope of the market and provide the necessary balance in the currently top-heavy market,” said Mr. Mohammed Al Awar, Fund Manager, Daman UAE Value Fund.

At present, on the macro economic front, the UAE stock market is backed by close to \$60 billion investments in the real estate sector, and several billions from the oil windfall.

The value of shares traded during 2004 rose to Dh67.105 billion compared to Dh7.9 billion traded in 2003, while the market capitalization of UAE stocks surged to Dh355.20 billion, a 98 per cent increase over the previous year.

Ends///

DAMAN UAE VALUE FUND COMPARATIVE PERFORMANCE
As of December, 31st 2004

	Daman UAE Value Fund	Benchmark NBAD Index
NAV, January 1 st , 2005	AED 258.34	8482.04
NAV, December 1 st , 2004	AED 226.13	7253.95
Percentage Change, December 2004	16.46 %	16.93 %
Year To Date fund growth, 2004	83.88 %	88.41 %
Fund growth since inception	197.34 %	245.22 %
Dividend distributed during 2004	AED 15.75	-
Dividends since Inception	AED 39.00	-
Dividend Yield, 2004	6.09 %	1.61 %

About Daman UAE Value Fund:

Daman UAE Value Fund is a closed-end, offshore mutual fund focused on the UAE stock market. It was launched on 1st July 2001 with shares valued at a par value of AED100. The Fund commissions an independent audit of its Net Asset Value (NAV) at the end of each month, and releases monthly NAV statements. The Fund has announced dividends totaling AED 39 per share since inception, the most recent being AED 5.00 per share for the fourth quarter of 2004.

Daman UAE Value Fund is a Mauritius-registered public company. The Fund's governance structure is designed to ensure maximum transparency and accountability to shareholders.

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