



PRESS RELEASE

4 June 2007

**SHARIAH COMPLIANT 130/30 ACCOUNT UP 7.01% THROUGH MAY 2007**

Shariah Capital is pleased to report the investment performance of its first Shariah compliant separately-managed account that follows a 130/30 quantitative hedge fund strategy. Since its inception in March, 2007, the account has realized a 7.01% net return through 31 May 2007.

According to a Wall Street Journal article on March 27, 2007, this account is the first strategy to use hedging techniques under a classical Islamic Arboon structure as approved by the Organization of the Islamic Conference (OIC) Fiqh Academy. It also is the first strategy to use Shariah Capital's refined and expanded screening criteria as well as its industry-first Shariah compliant short-sale solutions.

Shariah Capital chose to launch its platform of Shariah compliant hedge fund managers with a 130/30 strategy to reflect the demand by Islamic investors for a strategy now actively employed by conventional institutional investors. According to the June 1, 2007 issue of Pensions & Investments magazine, 130/30 products have attracted \$30-60 billion of assets over the past 2-3 years. Estimates are that these amounts could grow to \$500 billion to \$1 trillion by 2010 as more asset managers use 130/30 strategies as a substitute for, or to supplement, large cap equity portfolios.

"As we expected, the Shariah solution we spent years putting in place has passed the test of active trading with flying colors," said Eric Meyer, chairman and CEO of Shariah Capital. "After almost three months without execution or settlement issues, we now are in a position to approach best-of-breed managers with confidence that our operational process works."

Mr. Meyer continued: "The strong investment performance is a testament to the two-to-threefold increase in approved stocks resulting from Shariah Capital's screens versus the smaller universe of stocks cleared by standard screens currently used in the industry. To my heartfelt satisfaction, Shariah Capital has answered the question convincingly of whether a Shariah compliant hedge fund, using our screens and short-sale methodologies, can meet all regulatory and standard prime brokerage requirements -- and still deliver competitive results. Today, we are reporting that it can and that it does."

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Shaykh Yusuf Talal DeLorenzo, Shariah Capital's Chief Shariah Officer, added: "The successful implementation of such a bold and dramatic idea as a Shariah compliant hedge fund – from the drawing board to the trading floor – is a testament to the vision, creativity and perseverance of our team. From the Shariah compliance side, no corners were cut. No "i" was left undotted. Our Shariah solutions met not only the letter but also the spirit of Islamic law. These performance results are a watershed event for the Islamic finance industry."

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Past performance is not indicative of future results.

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