



Siberian Investment Co.

As the country heads for the polls the volatility created by the arrest of Mr Khodorkovsky remains, with the headlines dominated by analysis of the increasing power being wielded by the Kremlin in regards to big business. A necessary check, the manager feels, in a country notorious for its wealth and corruption. President Putin has drawn (forcefully) a line in the sand which in the long run will be positive as Russia's market economy develops with GDP expected to top 6% this year. Yukos remains exposed and we have brought down the Fund's holding in this name but otherwise most stocks have bounced quite healthily off their lows. Noticeably blue chips outperformed second tier stocks for only the second month this year, a feature of recent volatility and liquidity.

It seems post the Yukos debacle that dissident voices have stepped into line ahead of the elections on the 7th December. If the Unity Party wins a large majority this should mean a mandate for continuing the reform process which has allowed Russia to develop over the past three years. Background noise will drag on as the Kremlin seems intent of disarming Mr Khodokovsky of his stake in Yukos. This may already have begun with the news that Sibneft has suspended its merger with Yukos. On the face of it this bodes well for Sibneft and bad for Yukos, although both stocks dropped on the day, Sibneft has since rallied (the opposite to Yukos) and we feel comfortable with this holding.

Top 10 Holdings

Company	% NAV	Company	% NAV
Sibneft ADR	8.2	Lukoil ADR	5.7
Vostok Nafta	7.2	Rostelecom ADR & Pref	4.9
Unified Energy Systems (GDRs & Pref)	6.4	Sberbank	4.7
GMK Norilsk Nickel ADR	6.2	Novy Noft	4.3
Surgutneftegas ADR & ADR Pref	6.0	Megionneftegas	3.7
			57.3%

Siberian Investment Co. Performance

	<i>LG Fund</i>	<i>RTS Index</i>	<i>Micropal Russian Universe</i>
Last month	7.4	8.8	3.3
Last 3 months	7.0	2.8	8.6
Last 6 months	19.6	15.2	21.7
Year to date	54.8	50.4	59.8
Last 1 year	55.5	50.7	59.7
Last 2 years	170.9	141.6	133.6
Last 3 years	286.4	235.6	265.4
Last 4 years	441.7	363.1	346.5
Last 5 years	471.0	654.7	511.2
Last 6 years	42.8	58.9	49.4
Since inception	79.3	63.7	68.8

Micropal Ranking in Russia closed & open-ended funds

	<i>Last month</i>	<i>Last 3 months</i>	<i>Last 6 months</i>	<i>Last 1 year</i>	<i>Last 2 years</i>	<i>Last 3 years</i>	<i>Last 4 years</i>	<i>Last 5 years</i>	<i>Last 6 years</i>	<i>Since inception</i>
Sibinco	4	20	21	22	4	9	6	15	8	6
No. of funds	34	34	34	34	31	31	25	24	16	13

Sector Breakdown

Sector	% NAV
Oil & Gas	47.4
Energy	17.1
Telecommunications	13.0
Metals	9.9
Banking	4.7
Engineering	3.6
Shipping	1.5
Consumer	0.9
Chemicals	0.8
Funds	0.3
Cash	0.8
Total	100.0

Siberian Investment Co.

INVESTMENT OBJECTIVE

The principal investment objective of the Fund is to provide Shareholders with long-term capital appreciation through investment primarily in a diversified portfolio of traded securities of Russian companies whose principal business activities are in the regions of the Russian Federation located east of the Ural Mountains.

LLOYD GEORGE MANAGEMENT

Lloyd George Management is an independent company predominantly owned by its senior management team. We have additional shareholders in the United States, Germany and Japan. Established by Robert Lloyd George in 1991, Lloyd George Management provides investment management in Asian and emerging markets equities for both private clients and institutional investors. The company comprises a team of highly experienced fund managers each offering a specialised area of knowledge, the senior management team having an average of 16 years investment experience.



EDWARD ROBERTSON - FUND MANAGER

Prior to joining Lloyd George Management, Edward Robertson moved to Hong Kong in 1992, where he lived for five years working for the South China Morning Post and subsequently for Cazenove & Co. and Nava Standard Chartered Securities where he was responsible for Sales of South East Asian securities to institutional clients. In 1999, he joined Lloyd George Management where he runs the Siberian Fund and covers the EMEA region.

General information

The Siberian Investment Co. is a closed-ended designated investment company incorporated in Ireland.

This is neither an offer to sell nor a solicitation of any offer to buy shares in any fund managed by us. Any offering is made only pursuant to the relevant information memorandum, together with the current financial statements of the relevant fund, if available, and the relevant subscription application, all of which must be read to their entirety. No offer to purchase shares will be made or accepted prior to receipt by the offeree of these documents and the completion of all appropriate documentation. The shares have not and will not be registered for sale, and there will be no public offering of the shares. No offer to sell (or solicitation of an offer to buy) will be made in any jurisdiction in which such offer or solicitation would be unlawful. Past performance of a fund is no guarantee as to its performance in the future.

Inception date:	February 1997
NAV per share	US\$17.93
No. of shares	1,791,369
Fund size	US\$31.12 million
Cash holding (%NAV)	0.8%
Number of holdings	38

Fund information as at 27th November 2003

For further information, please contact:

Dominic Johnson
Marketing & Sales
Lloyd George Management (Europe) Ltd.
25 Grosvenor Street, London W1K 4QN

Tel: (44) 020 7495 8688 Fax: (44) 020 7495 8651
Email: info@uk.lloydgeorge.com

Lloyd George Management (Europe) Ltd. is authorised and regulated by the Financial Services Authority