

Unit price: US\$79.57

Data as at 31st August 2007



September 2007

Siberian Investment Co.

Although relations between Russia and the West continue to deteriorate, with the new issue being access to resources in the Arctic, the Russian market was fairly resilient during the turbulent month of August. The RTSI declined by 3.7% whilst Turkey fell 11.5% and Hungary decreased by 10%. The Moscow market was protected against external shocks by the strong fundamentals still underpinning the economy. The fund holds Surgutneftegaz, an oil and natural gas company operating mainly in Western Siberia, which increased by 10.6%. The company announced positive results and rumours continued that minority shareholders would have their shares purchased by Gazprom or Rosneft. The Fund has bought shares in a major potash producer in Russia. Silvinit has access to the second largest potash resource in the world and is ideally placed to sell into the Asian markets where demand for potash is rising as food demand increases. Primorsk Shipping has been sold for the fund after the management made an offer for the shares.

Sector Breakdown

Sector	% NAV
Oil & Gas	24.4
Utilities	20.8
Telecommunications	12.1
Metals	10.5
Banking	7.2
Engineering	6.7
Chemicals	2.8
Shipping	2.5
Funds	0.4
Others	9.6
Cash	3.0
Total	100.0%

Top 10 Holdings

Company	% NAV
Dagestan Regional Generation	5.7
Sberbank Rossii Pref	5.6
Rosneft OJSC	5.5
RAO UES of Russia GDR	5.0
Chelyab Tube-Roll	4.5
Comstar United Tel GDR	4.2
Ufaneftkhim Rub	3.8
Irkutskenergo	3.6
Sibirtelecom Rub	3.4
Baltic Oil Terminals	3.3
Total	44.6%

Siberian Investment Co. Performance

	LG Fund	RTS Index	Micropal Russian Universe
Last month	-3.8	-3.7	-3.8
Last 3 months	7.1	7.8	6.4
Last 6 months	5.5	3.3	5.3
Year to date	10.7	-0.1	6.7
Last 1 year	34.4	18.0	27.5
Last 2 years	114.8	117.7	109.4
Last 3 years	282.6	228.4	223.6
Last 4 years	374.8	265.3	311.4
Last 5 years	661.4	474.1	576.6
Last 6 years	1183.4	843.6	909.3
Last 7 years	1454.1	699.9	908.8
Last 8 years	2325.9	1682.2	1788.3
Last 9 years	2561.2	2937.8	2630.2
Last 10 years	359.7	287.3	309.6
Since inception	695.7	481.8	499.1

Since inception (February 1997) +695.7%



Micropal Ranking in Russia closed & open-ended funds

	Last month	Last 3 months	Last 6 months	Year to date	Last 1 year	Last 2 years	Last 3 years	Last 4 years	Last 5 years	Last 6 years	Last 7 years	Last 8 years	Last 9 years	Last 10 years	Since Inception
Sibinco	13	9	13	6	5	10	3	5	5	4	2	3	5	3	2
No. of funds	27	27	27	27	27	27	23	20	18	17	17	13	12	7	6

Financial data in US\$ as at 31st August 2007

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.



ROBERT LLOYD GEORGE - CO-FUND MANAGER

Robert Lloyd George, Chairman and CEO, was educated at Oxford University and began his investment career in London in 1974. After working in the Paris Stock Exchange and in banking in Brazil, he joined the Fiduciary Trust Company of New York to work on international investments for the UN Pension Fund. Robert was Managing Director of Indosuez Asia Investment Services in Hong Kong from 1984, before founding Lloyd George Management in 1991. He has published three books including 'The East West Pendulum'.



TIMOTHY HAY - CO-FUND MANAGER

Timothy Hay, (IMC), Fund Manager, joined Lloyd George Management in London in 2003. He is a graduate of the University of Manchester with BA (Hons) in Economics and Economic History and has spent the past four years covering EMEA for LGM London. He has a thorough first-hand understanding of the different markets he covers as a result of numerous visits to the region. He has worked very closely on the LG GEM Smaller Companies fund, helping it to win 1st place in the Standard & Poor's Equity GEM Sector Awards for 2006. In addition, he manages our Siberian Fund which specialises in Russian equities with a focus on gas and oil.

General information

The Siberian Investment Co. is an open-ended fund, registered 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
Open ended fund:	Since December 2003
Dealing day:	Every Tuesday
Minimum subscription:	€250,000
Redemptions:	Monthly
Investment manager fee:	1.5%
Annual performance fee:	10% with 15% hurdle rate
Fund Size as at 31/08/2007:	US\$53.48 million

For further information, please contact:

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