

Unit price: US\$76.82

Data as at 29<sup>th</sup> February 2008



March 2008

## Siberian Investment Co.

In February 2008, the Russian market recovered rising 8% on the back of rallying commodity prices and reversal of the January sell off. The Fund posted 2% return, underperforming the index mainly due to a 40% mark down in value of two large holdings whose trading was halted as a result of current investigation by the Russian tax authorities. On the positive side, however, the Fund benefited from its exposure to Evraz, which appreciated by 29.3%. Evraz, Russia's largest producer of long steel, has been a strong performer on the back of strong growth due to rallying commodity prices and accelerating demand for long steel from the construction industry. . Other holdings contributing most strongly to the fund were Norilsk Nickel (20.9%), Unified Energy Systems (18.6%), Rosneft (18.3%) and GAZ (12.8%). As for changes to the fund, we added Cat Oil, TMK, Polymetal and LSR Group and sold various positions in second and third tier stocks with limited earnings visibility and access to management, such as Mikhaylovskiy, Nizhnekamskneftekhim and Central Telecommunication. While the economic growth is expected to slow down in 2008 vs. 2007, the Russian market remains in our view an attractive investment opportunity, driven by accelerating consumer demand and private and public infrastructure spending. Furthermore, we believe that Russian macroeconomic growth would remain at healthy levels despite increasing fears of the U.S. recession and global slowdown. In the environment of deteriorating market sentiment, the fund's strategy is to achieve long-term capital growth through a selection of stocks with attractive valuations and stress-tested earnings growth, and increase its exposure to consumer and infrastructure-related stocks.

### Sector Breakdown

Sector	% NAV
Oil & Gas	23.0
Telecommunications	11.4
Metals	9.5
Banking	7.6
Utilities	6.7
Engineering	5.2
Chemicals	2.6
Energy	2.3
Materials	0.5
Others	12.9
Cash	18.3
<b>Total</b>	<b>100.0%</b>

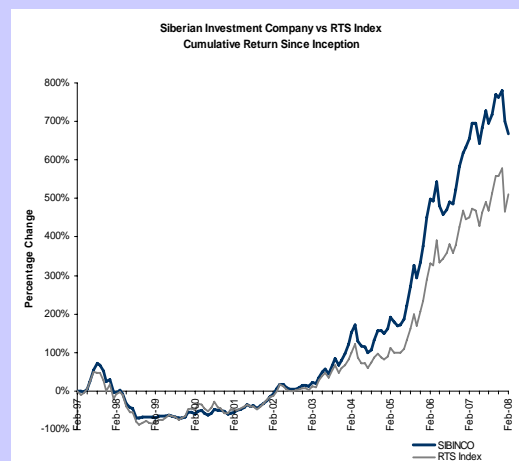
### Top 10 Holdings

Company	% NAV
Ufaneftekhimi Rub	6.5
Gazprom ADR	5.6
GAZ	5.2
Sberbank Rossii Pref	5.0
Avtovaz	4.7
Norilsk Nickel	4.6
Evraz Group SA	4.2
Mobile Telesystems	4.1
PIK Group	3.7
Rosneft OJSC	3.3
<b>Total</b>	<b>46.9%</b>

### Siberian Investment Co. Performance

	LG Fund	RTS Index	Micropal Russian Universe
Last month	-4.1	8.2	20.1
Last 3 months	-11.0	-7.0	-2.9
Last 6 months	-3.5	7.5	12.2
Year to date	-12.8	-9.9	-5.8
Last 1 year	1.8	11.1	16.7
Last 2 years	28.4	42.0	48.3
Last 3 years	164.3	188.1	174.9
Last 4 years	206.5	208.0	213.3
Last 5 years	528.6	442.5	509.3
Last 6 years	729.6	607.7	634.1
Last 7 years	1626.3	1167.3	1225.1
Last 8 years	1830.2	1156.1	1197.4
Last 9 years	2378.1	2792.4	2551.6
Last 10 years	710.3	567.5	531.8
Since inception	668.2	525.5	499.5

Since inception (February 1997) +668.2%



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	30	29	30	30	29	27	19	15	12	7	6	4	7	4	3
No. of funds	30	30	30	30	30	30	29	23	21	19	19	18	14	9	7

Financial data in US\$ as at 29th February 2008

# 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 Switzerland. 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 over 20 years of 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'.

## 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.*

<b>Inception date:</b>	February 1997
<b>Open ended fund:</b>	Since December 2003
<b>Dealing day:</b>	Every Tuesday
<b>Minimum subscription:</b>	€250,000
<b>Redemptions:</b>	Monthly
<b>Investment manager fee:</b>	1.5%
<b>Annual performance fee:</b>	10% with 15% hurdle rate
<b>Fund Size as at 29/02/2008:</b>	US\$22.84 million

## For further information, please contact:

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