

LLOYD GEORGE MANAGEMENT

Specialist Investors in Asia and Global Emerging Markets



Fund Details

Fund manager	Irina Chistyakova
Domicile	Dublin
Benchmark	RTS Index
Launch date	6 February 1997
Fund size	US\$1.79m
Price	US\$31.15
Min. initial investment	EUR250,000
Subsequent subscription	NS
Dealing day	weekly on Tuesday
*redemption is 2nd Tuesday of each month	
Investment management fee	1.5%
Performance fee	10% with 15% hurdle rate

Fund Codes

Sedol	0040147
ISIN	IE0000401475
Bloomberg Ticker	SIBINCA ID

Administrator / Custodian

Northern Trust International Fund Administration Services (Ireland) Limited

Georges Court, 54-62 Townsend Street,
Dublin 2, Ireland

Telephone	(3531) 434 5000
Fax	(3531) 434 5233

Contact Details

Lloyd George Management

Lloyd George Management (Europe)
Limited, 65 Curzon Street, London
W1J 8PE

Telephone	+44 (0)20 7408 7688
Fax	+44 (0)20 7495 8651
Email	info@uk.lloydgeorge.com
Website	www.lloydgeorge.com

Dealing Details

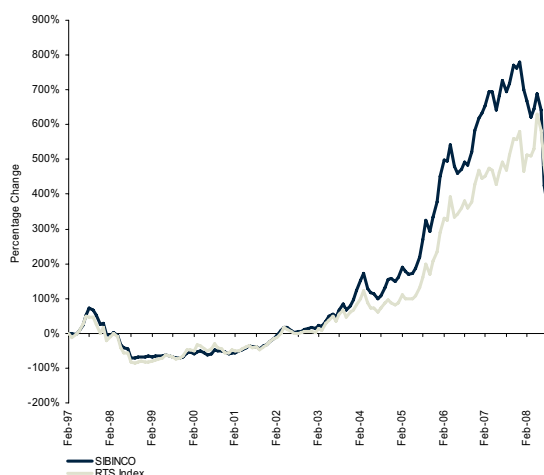
Dealing instructions need to be received not later than 5:00pm two Business Day prior to the Dealing Day.

NAV information of this fund and other LG funds can be found on Reuters, page LGMHA and Bloomberg, page LGMX. Funds are dealt on a forward pricing basis and the published information is for indication only.

Investment Objective

The principle 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.

Performance Since Launch



*Performance data of The Siberian Investment Company Plc are in US\$ terms and net of investment management fee and performance fee. The fund performance figures includes dividend/income reinvestment and the benchmark is a price return index that does not include reinvestment of dividend/income. Investors should be aware that past performance should not be considered a guide to future performance.

Performance Overview (%)

	Fund	Benchmark
Since Inception	211.5	259.2
Last mth	-31.0	-26.4
Last 3 mths	-58.0	-47.4
Last 6 mths	-56.8	-41.0
YTD	-64.6	-47.1
CY 2007	22.5	19.2
CY 2006	50.7	70.7
CY 2005	90.5	83.3
CY 2004	26.8	8.3
CY 2003	70.6	58.0
CY 2002	54.0	38.1
CY 2001	83.0	81.5
CY 2000	-8.3	-18.2

Top Ten Holdings

Company	Sector	% NAV
Rosneft OJSC	Oil & Gas	8.2
Sakhaneftegaz	Oil & Gas	8.1
Mobile Telesystems	Oil & Gas	7.4
Gazprom ADR	Energy	5.1
TMK GDR	Energy	4.5
Sberbank	Financials	4.4
OGK - 5	Utilities	4.0
Novatek	Oil & Gas	4.0
X5 Retail GDR	Consumer Staples	3.8
Lukoil Holdings	Oil & Gas	3.8
Total		53.3
No. of Holdings		29

Market Cap (US\$bn)

	Fund	Benchmark
< 1 bn	31.4%	2.7%
1-5 bn	18.0%	12.0%
> 5 bn	50.6%	85.3%
Weighted average (US\$bn)	24.2	54.5

Risk Statistics

	Since inception
Alpha	0.18
Ann. volatility (fund)	37.89
Ann. volatility (benchmark)	49.38
Sharpe ratio	0.18
Tracking error (ex post)	27.83
Information ratio	-0.05

*Please note that for periods of less than three years, data may not be statistically significant.

Source: Lloyd George Management. All data as at last business day of the previous month (30.09.2008) unless otherwise stated. The price of units of the Fund and the income from them may fluctuate and is not guaranteed. All performance is calculated on a NAV to NAV basis. Past performance is not indicative of future performance. This factsheet is for information purposes only and is based on sources believed to be reliable. It should not be construed as an invitation to purchase or sell shares of the Fund. This information is for sole use of intended recipients and must not be copied or the information disseminated in whole or part to third parties without the written consent of the issuer. LGM accepts no liability for any loss or damage caused by reliance on or use of the information in this factsheet. Benchmark data source: RTS Index.



Investment Approach

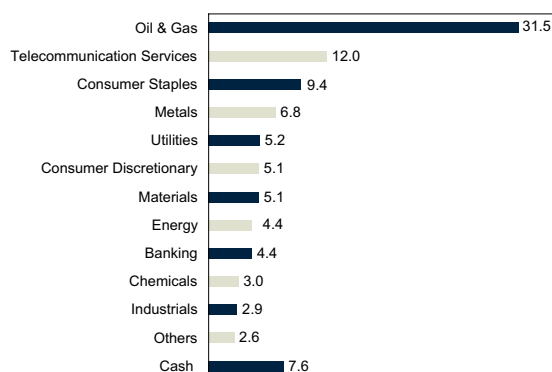
Lloyd George Management is an active manager and our investment approach emphasises bottom up stock selection, which we believe is our major opportunity to add value. We seek inefficiencies in the valuation of companies aim to invest in well managed, high quality, sustainable growth companies with strong capital management. This may include value or cyclical companies that are restructuring to follow a more sustainable growth path. Our intensive company research gives us the conviction of view to focus on the long term; to identify attractive investment opportunities independently of market indices and to invest across the market cap spectrum.

About Lloyd George Management

Lloyd George Management is an Asian and global emerging market specialist, established in 1991, with investment management as our sole activity. As at 30 June 2008, we had assets under management of US \$11.3bn, and we now have a team of 28 investment professionals, based in our offices in Hong Kong, Singapore, Mumbai, Tokyo, Oman, London and Florida. The focus of our investment is on active equity management and we are primarily stock driven investors. The majority of our assets are in long only mandates, although we do have two long short funds.

We manage a wide variety of mandates including Asia Pacific, Asia ex Japan, Developed Asia and Global Emerging Markets. In addition we have considerable experience in managing more specialist mandates including Greater China, India, Asian Natural Resources and Asian Small cap. For example, we have been managing Greater China mandates since 1993. Our client base is primarily institutional, although we deliver our services through both Funds and, for larger mandates, separate accounts. Lloyd George Management is a private company, majority owned by our executives, including our founder and Chief Executive, Robert Lloyd George.

Sector Breakdown



Fund Manager's Commentary

Fund Performance

In September, the Russian equity market was negatively affected by the global liquidity crisis, falling oil prices and continuous foreign capital outflows due to deteriorating investor confidence. Approximately \$20 bln of foreign capital has left the equity market as investors started re-assessing Russia's macro fundamentals and the strength of the future corporate earnings growth as oil prices have fallen from \$110/ bbl to \$90/bbl, its lowest point since January 2008. The Russian government had to step in to defend the Ruble, and provide over \$30 bln in liquidity to the Russian banking system as trading on RTS was shut several times in September. The Russian government has also committed to invest \$20 bln over 2 years into the Russian equity markets

In September, the Fund declined by 31.47% while the RTS decreased by 26.60%. The main reason for this underperformance was the Fund's overweight in materials and consumer discretionary which were down 43.75 and 29.3% respectively.

On the sector level, the Fund benefited from its underweight position and stock selection in financials.

The best performing stocks were Wimm-Bill-Dunn (dairy producer) and MTS (mobile operator), up 2.1% and down 16.7% respectively. Baltic Oil Terminal (3rd tier stock) was the worst performing stock declining by 60.9%.

Key Changes to the Portfolio

We have trimmed our positions across the portfolio to satisfy a \$4.25 million redemption. Furthermore, we have completely sold our positions in AFI Development, PIK Group and LSR, all property developers, due to deteriorating fundamentals in the industry that was amplified by the liquidity crisis and falling property prices.

Current Market Outlook

The global liquidity crisis has amplified imbalances within the Russian economy. While the Russian corporate debt levels are low (less than 40% of GDP), 46% (or \$500 bln) of Russian corporate debt is financed through private foreign issuances with 50% maturing by the end of 2009. Tight liquidity conditions at western banks and the inability of the Russian domestic market to provide necessary re-financing due to its size, push oligarchs to become forced sellers of their stakes thus putting further pressure on the equity market.

In the current low oil price environment, foreign investors are likely to re-assess the macroeconomic stability of the Russian economy and the resilience of its corporate earnings' growth in 2009. This could put further pressure of the equity market despite the attractive valuations.

In the near term, the Fund is adopting a defensive stance through focusing on companies with low EPS downgrade risk, healthy balance sheets and strong valuation support. On a sector basis, we would increase our exposure to defensive blue chip stocks such as telecom and utilities.

Longer term, the Fund will maintain its focus on achieving long-term capital appreciation through a selection of stocks with attractive valuations, sustainable earnings growth, cash flows and underleveraged balance sheets.

Risk warning

- Investment involves risk. Share prices may fall as well as rise.
- Funds invested in emerging markets and in smaller companies may involve a higher degree of risk.
- Exchange rates and currency fluctuations may affect the value of an investment.
- Investment in LGM Funds may be unlawful in some jurisdictions.
- This fact sheet is for general information only. Reference should be made to the Fund's offering documents for full details of the risks involved.