



# Investor Fact Sheet

May 2008  
(final)



## Tera Capital Fund

### Fund Information

**Strategy:** Tera is a hedge fund of funds that invests in long equity hedge funds while maintaining a diversified portfolio by country, sector, size and strategy. Tera invests mainly in the CIS and Eastern Europe, with most investment currently in the Russian Federation.

|                            |  |
|----------------------------|--|
| <b>Date Formed</b>         | April 2005                                     |
| <b>Investment Advisor</b>  | Altima Asset Management                        |
| <b>Fund Size</b>           | \$5 M  |
| <b>Currency</b>            | US dollar                                      |
| <b>Current Price (NAV)</b> | \$264.79                                       |
| <b>Min. Investment</b>     | \$100,000 (US);<br>\$10,000 (non-US)           |
| <b>Fees</b>                | <b>Success fee only (20%)</b>                  |
| <b>Subscription</b>        | Monthly  |
| <b>Redemption</b>          | Monthly, with 30-days notice                   |
| <b>NAV</b>                 | Monthly  |
| <b>Administrator</b>       | Maples Finance Limited                         |
| <b>Auditor</b>             | Altschuler, Melvoin & Glasser                  |
| <b>Bank</b>                | Bank of New York                               |
| <b>Legal Advisors</b>      | Maples & Calder                                |
| <b>ISIN</b>                | KYG8760X1034                                   |
| <b>Eurekahedge ID No.</b>  | 15532  |
| <b>URL</b>                 | <a href="http://www.altim.ru">www.altim.ru</a> |

### Performance (net of fees)

| Returns                                  | Tera (%) | Index Avg (RTS, ROS, MSCI) (%) | AAM Russia Hedge Fund Index <sup>1</sup> (%) |
|--|----------|--------------------------------|--|
| Monthly                                  | 3.43     | 15.80                          | 7.99   |
| Year-to-date                             | 5.27     | 6.42                           | 0.18   |
| YTD Annualized                           | 12.64    | 19.26                          | 0.53   |
| Trailing 12 months                       | 21.43    | 40.41                          | 17.91  |
| Since Fund inception (Apr 05)            | 164.79   | 218.65                         | 167.11                                       |
| Annualized return (since Fund inception) | 37.15    | 43.97                          | 32.54  |
| Annualized Stand. Dev. (since inception) | 17.44    | 28.16                          | 18.20  |
| Sharpe Ratio <sup>2</sup>                | 1.99     | 1.52                           | 1.65   |

### Investment Advisor's Assessment

#### Market

The first half of May saw significant volatility on most world markets, including those in Russia and the CIS, with stronger upside than downside movement. The second half of May saw a spectacular jump in the indices, with a lesser increase in most funds. The increase was mainly due to Prime Minister Putin's announcement of more favorable tax treatment for oil and gas companies to encourage production, which, given the high percentage of the indices based on oil and gas, explains both the major increase in the indices and why general fund performance did not match it.

After searching for a direction, oil and commodity prices once more increased, with oil setting record prices day after day. Certain other commodities, in particular foodstuffs, have followed suit. The markets relevant to Tera continue to look solid, although after the good move in May, it looks as if we might take a breather at this level before moving higher.

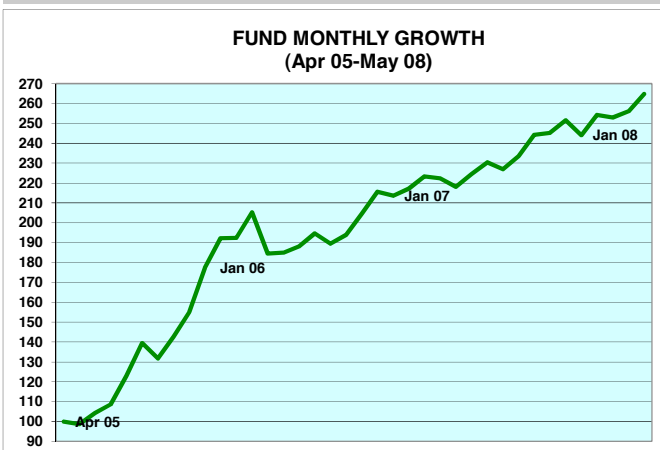
#### Fund

The Fund was up nicely in May, with one underlying fund up over 13%. (That fund, mostly hydrocarbon focuses, had been lagging until recently.) All of our other funds were also up, but not as significantly. Tera's statistics are now starting to show its real strength in absolute terms, as its trailing 12-month growth is now back over 20%. We fully expect this number to continue to increase as the Fund builds on its relatively small, but comparatively excellent, growth in the first quarter.

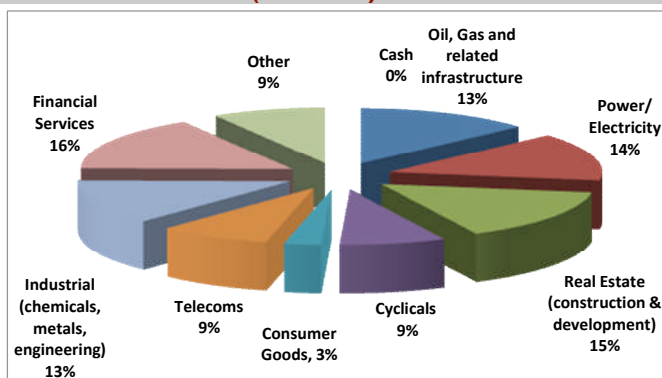
#### June First Look

The Russian and CIS markets fell in the first part of June, but a recovery may be in the offing. As a whole, the month looks as if it may be slightly down or essentially unchanged. However, we expect Q2 to be the 12<sup>th</sup> positive quarter out of 13 since Fund formation.

### NAV



### Sector Allocation (ex-cash)



### Fund Awards



Best performing fund of funds in **Jan and Feb 2006**



Best performing fund of funds YTD in **Jan, Feb, Mar and Apr 2006**

### Contact Information

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<sup>1</sup> Altima Asset Management created this index of Russia-focused long equity hedge funds with at least a 3-year history to provide an appropriate benchmark.

<sup>2</sup> Risk free rate: 2.5%