



# Investor Fact Sheet

December 2008  
(final)



## Tera Capital Fund

Tera is the only Fund of Funds in the world which pays no expenses and takes no fees other than a success fee

### Fund Information

**Strategy:** Tera is a fund of funds that invests in long equity 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>	\$2.1 M
<b>Currency</b>	US dollar
<b>Current Price (NAV)</b>	\$111.24
<b>Min. Investment</b>	\$100,000
<b>Fees/Expenses</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 (%)	RTS, MSCI & ROS Avg (%)	AAM Russia Fund Index <sup>1</sup> (%)
Monthly	-5.83	-7.67	-6.78
Year-to-date	-55.78	-73.52	-68.54
YTD Annualized	-55.78	-73.52	-68.54
Trailing 12 months	-55.78	-73.52	-68.54
Since Fund inception (Apr 05)	11.24	-15.32	-16.32
Annualized return (since Fund inception)	3.07	-4.18	-4.45
Annualized Stand. Dev. (since inception)	26.95	39.09	30.77
Sharpe Ratio <sup>2</sup>	0.12	0.03	-0.07

### Investment Advisor's Assessment

#### Market

December was a hopeful month – everyone was hoping that the worse was over. Unfortunately, that did not prove to be the case. In any event, end-of-year trading is generally a poor indicator of market sentiment, and, this year (2008), it was an even worse indicator. Essentially, the prior trends continued, although the Russian market remained above the low it hit the second-last week in October. The argument that we raised last month that the Russian market bottomed at that time and has essentially stabilized (relatively speaking) remains. As important, volatility on stock and commodities markets decreased slightly in December relative to the three prior months.

#### Fund

Yet again, the Fund exceeded both of its benchmarks. Unusually, there was quite a range in the performance of the Russian indices: RTS fell 4%, MSCI Russia fell 7.8% and ROS fell 11.2%; only two funds in the AAM Russia Fund index finished in positive territory; one lost more than 27%. The outperformance margin against each benchmark was about 25%. The cash portion of the Fund increased significantly due to increased cash holdings in the underlying funds; the Fund is effectively fully invested. Notwithstanding the crisis, early investors in the Fund are still in the black – having earned more than 11% during the three and one-half years of its existence. A \$100 investment in the indices would be worth \$84.68 today; a \$100 investment in the 27 funds in the Fund index would be worth \$83.68 today. Even taking the crisis into consideration, since inception, the Fund still has grown at an annual rate of approximately 3%, while all Russian indices and Russian funds are now showing negative growth over the same period.

#### January First Look

January started out quite optimistically – and the Russian markets were, as usual closed for the first part of January. After a few positive sessions, it now looks as if the markets will end the month in negative territory again. There is much uncertainty surrounding the new US administration and concern surrounding the scope and depth of the economic crisis that everyone is still trying to assess.

### Fund Awards



No 1 ranked fund of funds in **September 2008** (annualized perf.)



No 2 ranked fund of funds in **July 2008** (annualized perf.)

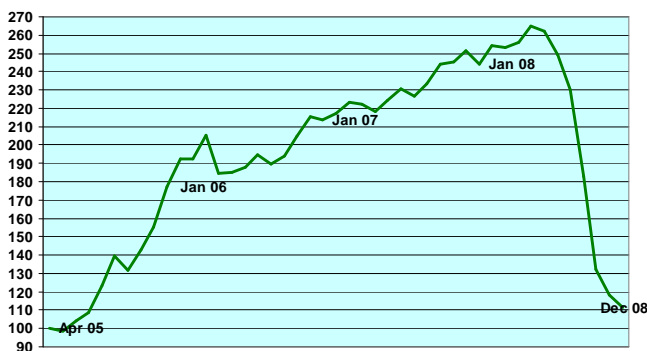
### Contact Information

Altima Asset Management  
Mr. Timothy Enneking  
+7 910 439 1486  
[te@altim.ru](mailto:te@altim.ru)

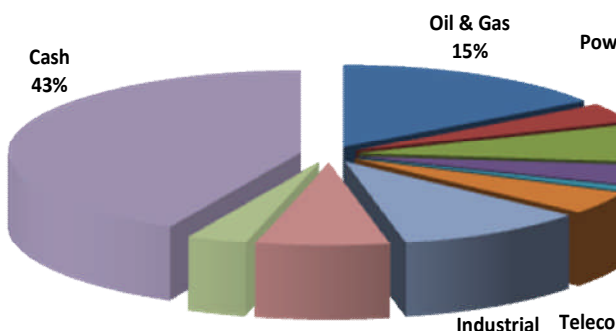
Maples Finance Ltd  
Ms. Teresa Solomon  
Tel.: 1 (345) 814 5801  
[investorservices@maplesfinances.com](mailto:investorservices@maplesfinances.com)

### NAV

FUND MONTHLY GROWTH  
(Apr 05-December 08)



### Sector Allocation



<sup>1</sup> Altima Asset Management created this index of 27 Russia-focused long equity funds created on or before May 2005 to provide an appropriate benchmark.

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