



# Investor Fact Sheet

August 2009  
(final)



## Tera Capital Fund

Tera Capital Fund 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 Capital Fund is a Russian-focused fund of funds that invests in approximately 5-8 funds (usually equity funds) that are diversified by sector, size, regional focus and strategy.

<b>Date Formed</b>	April 2005
<b>Investment Advisor</b>	Altima Asset Management
<b>Fund Size</b>	\$2.75 M
<b>Currency</b>	US dollar
<b>Current Price (NAV)</b>	\$139.44
<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	5.30	4.20	5.22
Year-to-date	25.35	58.21	50.47
Trailing 12 months	-39.32	-40.85	-36.91
Since Fund inception (Apr 05)	39.44	33.98	27.66
Anlzd mnthly rtn (since Fund inception)	11.31	10.87	11.03
Annualized Stand. Dev. (since inception)	26.18	42.01	31.76
Sharpe Ratio <sup>2</sup>	0.44	0.32	0.27

### Investment Advisor's Assessment

#### Market

August was a volatile month on the Russian markets, with the next result being a slight increase. Oil was very steady at just under \$70 a barrel, but the market overreacted to every shift in economic sentiment and the potential effect on commodities prices. At the beginning of the month, the feeling that the worst of the economic crisis was indeed behind us was not particularly strong; it had grown much stronger by the end of the month.

Some of the volatility was undoubtedly due to lower volumes during the traditional summer vacation month. The remainder of this year should be quite interesting – and positive.

#### Fund

In August, the Fund continued showing its tremendous strength. It outperformed most other funds and significantly outperformed the index average, in particular the MSCI Russia index which rose 2.4%. As a result, its Sharpe ratio continued to improve significantly and its return since inception continues to outpace comparable funds. The Fund's cash position continued to drop in August.

From June through August, the Fund's aggregate outperformance compared to the RTS was 19 percentage points and 15 percentage points against the MSCI. It outperformed the average of comparable funds by over 4 percentage points.

It is now safe to say that at no point in time during the crisis did early Tera investors see the value of their investment turn negative.

#### September First Look

September is defying the rampant rumors in the Russian market in June and July of a "second wave". The markets are off to a very solid start and some of Tera's underlying funds are already up more than 10% as investors return from vacation and as the worst of the economic crisis genuinely appears to be behind us. Perhaps most importantly, Russian markets are advancing nicely notwithstanding a slight weakness in the price of oil. This is critical as it means that investors are now once again looking at Russian companies on their individual merits, as opposed to viewing the Russian market as a whole as an alternate oil play.

### Fund Awards



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



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

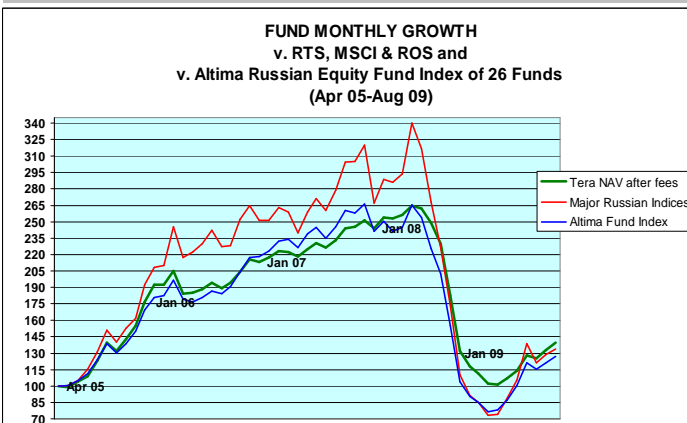
### Contact Information

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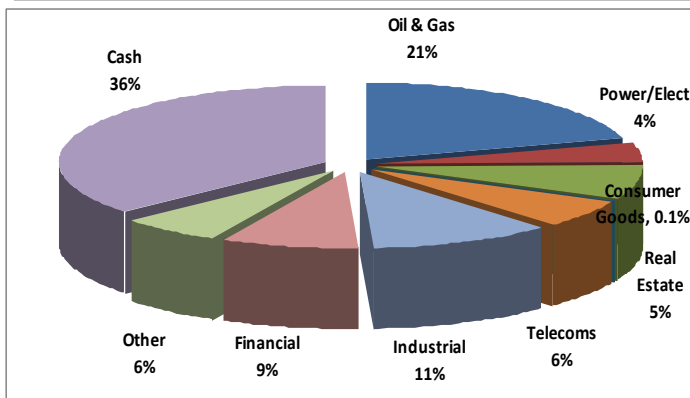
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### NAV



### Sector Allocation



<sup>1</sup> Altima Asset Management created this index of 26 Russia-focused equity funds created on or before May 2005 to provide an appropriate benchmark.

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