

# Investing in Russian Opportunities

The 3<sup>rd</sup> Russia-Japan Investment Forum  
St Petersburg, September 4-6  
Kanako Sekine, Managing Director/COO  
Troika Capital Partners

# Introduction

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## Troika Dialog Group

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- Founded in 1991, Troika Dialog is a **leading independent investment bank in the CIS**
- We are **a recognized leader in all our key lines of business**: securities sales and trading, investment banking, asset management and private equity
- We are **the leader in Russia and the Ukraine and are expanding our international presence**: apart from our central office in Moscow, we have offices in 21 Russian cities as well as offices in New York, London, Nicosia, Kiev and Almaty
- Troika Dialog's success is based on our **impeccable reputation, professionalism, out-of-the-box thinking and innovative approach**
- Troika Dialog is owned **100%** by the company's management, through a partnership structure common in the West but unique in Russia
- Presently the company's headcount exceeds **1500 employees**

# Pioneer of the Russian Financial Markets

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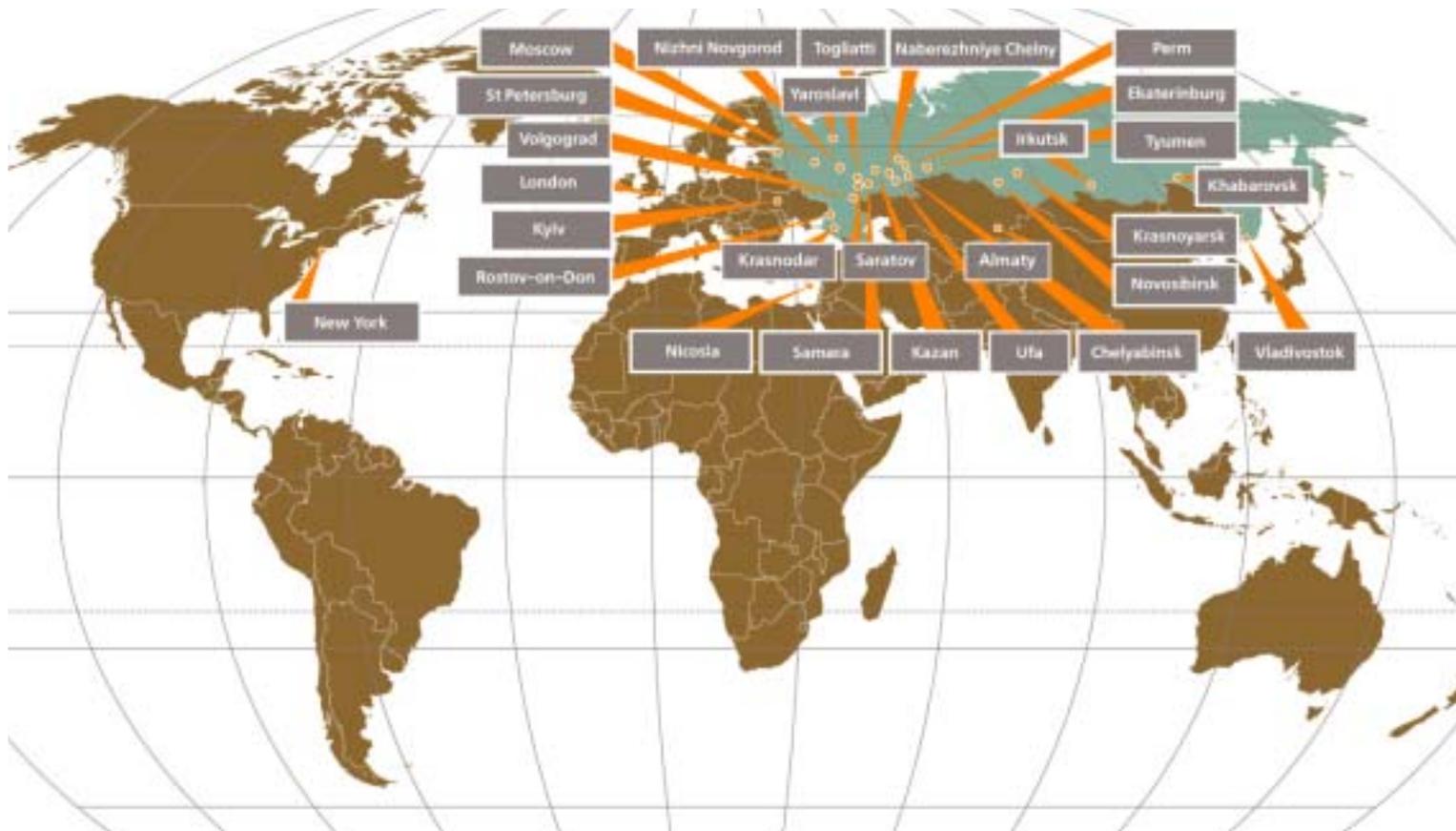
Troika Dialog was one of the first:

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- To become an authorized dealer on the MICEX and begin trading in short-term government bonds (GKO)
- To begin developing a regional network
- To become a market maker on the RTS (Russian Trading System)
- To get involved in the creation of the National Association of Securities Market Participants (NAUFOR) and the Depository Clearing Company (DCC)
- To create a fund for American investors who wished to invest in Russian securities (Lexington Troika Dialog Russia Fund)
- To publish a daily review of the financial markets (*Russia Market Daily*)
- To organize a market placement of corporate bonds (Slavneft)
- To become a member-participant of the World Economic Forum
- To make firm stock prices from 8 am to midnight
- To launch trading in equity options and provide firm two-way prices to clients on screen

# Troika Dialog Group

## Troika Dialog network



# Troika Dialog

Integrated investment bank

## *Investment Banking and Global Markets*

- *Brokerage services for all financial instruments*
- *Russian and international capital markets*
- *Internet trading*

- *Leading research department in Russia*
- *Deep understanding of the market*
- *Comprehensive range of research products*

- *Finance raising on the equity and bond markets*
- *M&A advisory*
- *Structuring financial transactions*

- *Wide range of investment strategies*
- *Mutual funds*
- *Real estate fund*
- *Private Banking*

- *Private equity*
- *Venture capital*
- *Merchant Banking*

- *Mutual funds*
- *Stocks and bonds*
- *Internet trading*
- *Investment life insurance*
- *Pension funds management*
- *Managed accounts*
- *AmEx*

- *Russian and CIS securities products for international investors*

## *Asset Management*

## *Private Equity*

## *Personal Investments & Finance*

## *International Network*

# Troika Dialog Group of Companies

## Positioning of Troika Dialog in main lines of business

Business/product	Market share/rating	Source	Notes
<b>CAPITAL MARKETS</b>			
RTS equities turnover	42%	RTS (Classic market)	July 2008, average
Ruble bonds	20.6%	MICEX	July 2008, average
Total equities turnover	14%	Troika Dialog's estimate	Total share of turnover on all trading floors (RTS, MICEX, SPBEX, OTC and ADR/GDR markets). Average of 3QFY2008
<b>INVESTMENT BANKING SERVICES</b>			
IPOs	8 IPO & SPO totaling \$3.7bn	Troika Dialog	2007-2008
Organizing ruble bond issues	No.1 in Russia's league table	Cbonds, Bloomberg	Corporate and municipal sectors excluding own issues. As at 1HY2008
M&A transactions	No.1 in Russia's league table	Mergemarket, Thomson Financial	1H2008
<b>ASSET MANAGEMENT</b>			
Troika Dialog Asset Management	(highest degree of reliability)	Quarterly NRA rating	Since 2004
	++ (highest degree of reliability)	Regular Expert RA rating	Since 2004
Mutual Funds	14.3% (largest share of the open-ended and interval mutual fund market)	Troika Dialog's estimate	As at 31.07.08
TD – Dobrynia Nikitich mutual fund	Largest mutual fund on the market	Investfunds.ru	Among all open-ended mutual funds (as at 31.07.08)
<b>PRIVATE EQUITY</b>			
Troika Capital Partners	One of the three best Russian fund managers	Private Equity International	2006

# Capital Markets

## Leading market maker on the Russian market

- Troika Dialog's business comprises of domestic and international flows, private and institutional investors, demonstrating a balanced client base and distinctive perspective on the market
- On average Troika Dialog's quarterly trade turnover accounts for **14%** of all Russian shares and depository notes that change hands on all trading floors (as at 3QFY2008)
- Troika Dialog has increased its volume of transactions over the last financial year by four times to more than **\$635bn**
- Troika Dialog has a **20.6%** share of the ruble bond market (average of July, 2008)
- Troika Dialog was the first and only broker to make firm prices for all financial instruments, during both regular market hours and extended real time trading
- Troika Dialog's clients are served by a team of professionals that have wide experience of brokerage operations with the full range of financial instruments on both the Russian and international markets



Best Domestic Derivatives – 2007. Winner in various nominations in 2003-2006.



Company of the Year. Best Trading Desk. Best Equities House – NAUFOR Securities Market Elite 2007. Winner in various nominations in 2001-2006.



Best Equities House in Russia 2004

# Capital Markets

## Leader on the Russian Trading System (RTS)

Rating	Company	Share, %*
1	Troika Dialog	42.0%
2	UBS	21.6%
3	Deutsche Securities	20.6%
4	Renaissance Capital	15.4%
5	CIT Finance	12.1%
6	Metropol	12.0%
7	Citibank	6.2%
8	CSFB	5.23%
9	Alfa	5.20%
10	Rye, Man & Gor Securities	4.7%

*\*The company share is calculated from the total amount of deals on the stock exchange, which is equal to 200%.*

**Source: RTS (classic  
(main) market)**

*Average of July, 2008*

# Research

## Comprehensive market analysis

- Troika Dialog's Research department: a team of 45 professionals with immense experience of analyzing both the Russian and Western markets
- Troika Dialog's research: comprehensive, independent and up to the minute, a benchmark for the professional financial community
- Wide spectrum of research products: *Russia Market Daily*, *Fixed Income Daily*, *Strategy Monthly*, company analysis, sector reviews and corporate governance reports
- Monitoring of about 180 companies in Russia and in-depth analysis of 160 most important listed Russian, Ukrainian and Kazakhstani firms
- Fundamental research on the economy and its basic sectors
- Strategy and recommendations for operating on the Russian, Ukrainian and Kazakhstani stock market



Best Domestic Debt  
Research in Russia  
2004-2006



Troika Dialog ranked 2<sup>nd</sup> overall among the top equity advisors on the Russian market  
11 individual analysts placed in the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> team in 12 categories

Evgeny Gavrilin was ranked in the 1<sup>st</sup> team of the Economics category  
"2008 All-Russia Research Team" survey by Institutional Investor

2<sup>nd</sup> best research team in the "All-Europe Research" ranking in 2005-2006.



Troika Dialog ranked 2<sup>nd</sup> overall among the top equity advisors and leading brokerage firms in Russia and Kazakhstan  
Five individuals voted as the top analyst in 6 categories  
"Focus IS 2008" survey by Thomson Reuters Exel Survey 2008 and Interfax



No.1 research team in the "Best Stock Market Analysts 2007" rating.

Our analysts ranked 1<sup>st</sup> in their respective sectors in 2006.

# Investment Banking Services

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Knowledge. Experience. Success.

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- Troika Dialog remains a leader on the Russian market for investment banking services
- Troika Dialog's investment banking division has an impressive track record in finance raising, M&A and restructuring advisory services for leading Russian and Western companies
- The investment banking team of Troika Dialog is well known on the market for its expertise, innovative approach and ability to conduct the most complex non-standard deals at the highest professional level

# Investment Banking Services

## Finance raising – equity and bond markets

The immense experience of our investment bankers, broad client base, extensive network of regional offices and acknowledged authority on the market gives Troika Dialog an indisputable advantage in finance raising

Public and private placements on the Russian and international markets

- In 2007-2008, Troika Dialog came out as a co-organizer, organizer and bookrunner of **8 public offerings** for the total amount of almost **\$3.7bn**
- Troika Dialog has **considerable experience in pre-IPOs** (TransContainer, NOVATEK, Amtel, Wimm-Bill-Dann, VSMPO and others)

Bond placements on the domestic market

- Troika Dialog plays an active part in the Russian debt market and provides an exhaustive range of services for organizing bond issues
- In 2008, Troika Dialog organized placement of **11** issues of corporate bonds totaling **about 60bn rubles**
- **No1** in Russia's league table in 1HY2008 (excluding own issues. Based on Cbonds, Bloomberg)



# Investment Banking Services

## Significant M&A experience

- Troika Dialog has a **17 year** M&A track record – the most expert and professional adviser in the M&A market
- Troika Dialog uses all its practical expertise, professional contacts and authority to provide both Russian and Western clients with advisory services for structuring and implementing the most complex M&A transactions

## №1 Financial Advisor in Russian M&A Deals 2008

 <p>Sale of 32.18% equity stake of TGK-7 to IES-Holding</p> <p><b>\$ 1 158 000 000</b></p> <p>June 2008</p> <p>Exclusive financial advisor to RAO UES</p>	 <p>MIRA MOTORS</p> <p>Sale of 100% of Mira Motors to Porsche AG</p> <p>Terms not disclosed</p> <p>April 2008</p> <p>Exclusive financial advisor to selling shareholders</p>	 <p>RAO UES</p> <p>Sale of a 21.27% stake of Ruzhnikovo</p> <p><b>\$ 414,806,806</b></p> <p>May 2008</p> <p>Financial advisor to RAO UES</p>	 <p>CEOC</p> <p>Acquisition of Refractor Group</p> <p><b>\$ 116,806,806</b></p> <p>March 2008</p> <p>Exclusive financial advisor to CEOC</p>	 <p>RAO UES OF RUSSIA</p> <p>Sale of a 70.1% equity stake to TSC-13 to Fortum</p> <p><b>\$ 1 180 908 000</b></p> <p>March 2008</p> <p>Financial advisor to TSC-13 and RAO UES</p>
 <p>OJSC Iremark Holding</p> <p>Sale of 100% of OJSC Iremark Holding to JSC OJSC</p> <p>Terms not disclosed</p> <p>April 2008</p> <p>Exclusive financial advisor to selling shareholders</p>	 <p>MIRA MOTORS</p> <p>Merger of Mira Motors and Mira Services Resources</p> <p><b>\$ 2,436,806,806</b></p> <p>April 2008</p> <p>Financial advisor to the shareholders of Mira Motors</p>	 <p>OJSC TransContainer</p> <p>Private placement of 11% equity of TransContainer and by Russian Republic</p> <p><b>\$ 312,806,808</b></p> <p>February 2008</p> <p>Joint financial advisor to TransContainer and Russian Republic</p>	 <p>RAO UES OF RUSSIA</p> <p>Sale of a 10% equity stake to TSC-9 to IES</p> <p><b>\$ 1,328,806,806</b></p> <p>February 2008</p> <p>Exclusive financial advisor to RAO UES</p> <p>Financial advisor to TSC-9</p>	 <p>OJSC "Avtovoz" Renault S.A.S.</p> <p>Sale of 21.9% of equity and preference stock to Renault S.A.S.</p> <p><b>\$ 1,146,806,806</b></p> <p>February 2008</p> <p>Exclusive financial and financial advisor to Renault</p>
 <p>RAO UES</p> <p>Sale of a 69% stake to OJSC-4 to IES</p> <p><b>\$ 1,896,806,806</b></p> <p>October 2007</p> <p>Exclusive financial advisor to OJSC-4</p> <p>Financial advisor to RAO UES</p>	 <p>Fortum</p> <p>Acquisition of shares in TSC-7</p> <p><b>\$ 337,806,806</b></p> <p>December 2007</p> <p>Financial advisor to Fortum</p>	 <p>MIRASH COOK</p> <p>Sale of 100% of OJSC Mira Soki to IES and OJSC</p> <p>Terms not disclosed</p> <p>November 2007</p> <p>Exclusive financial advisor to the selling shareholders</p>	 <p>Fortum</p> <p>Sale of 25%+ stake to Iremark</p> <p><b>\$ 395,806,806</b></p> <p>August 2007</p> <p>Financial advisor to Fortum</p>	 <p>MIRA SPORT</p> <p>World Cup and World Sport merger</p> <p>Terms not disclosed</p> <p>August 2007</p> <p>Exclusive financial advisor to Mira Sport shareholders</p>

Source: Mergermarket, Thomson Financial. First ranked by number of deals and deals value in 1H 2008

- In 2007-2008, Troika Dialog has implemented **17 M&A transactions** totaling more than **\$23bn**

# Troika Dialog Group

The leading advisor in the Russian electricity sector



**PJSC "Volga Territorial Generation Company" (TGK-7)**  
Initial Public Offering

**\$461,000,000**

March 2008

Joint Global Coordinator and Bookrunner



**RAO UES OF RUSSIA**

Sale of a 76.5% equity stake in TGK-10 to Fortum

**\$3 100 000 000**

March 2008

Financial advisor to TTK-10 and RAO UES



**RAO UES of Russia**

Sale of a 50% equity stake in TGK-9 to IES

**\$1,326,000,000**

February 2008

Exclusive financial advisor to RAO UES  
Financial advisor to TGK-9



**RAO UES**

Sale of a 69% stake in OGK-4 to E.ON

**\$5,800,000,000**

October 2007

Troika Dialog  
Exclusive financial advisor to RAO UES  
Financial advisor to OGK-4



**JSC "OGK-2"**

Initial Public Offering on LSE

**\$996,000,000**

October 2007

Joint Global Coordinator and Bookrunner



**OGK-5**

Initial Public Offering  
5,700,000,000 ordinary shares

**\$459,000,000**

November 2006

Joint Global Coordinator  
Joint Lead Bookrunner



**RAO UES**

Financial Advisor on  
OGK-4 Restructuring

**\$1,500,000,000**

March 2006

Financial Advisor



**RAO UES**

Financial Advisor on  
OGK-1 Restructuring

**\$1,300,000,000**

March 2006

Financial Advisor



**RAO UES**

Exclusive Financial Advisor  
on Restructuring

**\$1,600,000,000**

August 2006

Exclusive Financial Advisor

# Troika Dialog Asset Management (TDAM)

Twelve years in the asset management market

- Leading role in developing the mutual fund market and Private Banking industry in Russia
- Wide range of investment strategies with varying risk/return profiles
- Total assets under management amount to **250bn rubles**
- Troika Dialog's portfolio managers are some of the most experienced in the market, time and again named the best asset managers in Russia
- Highest awards and ratings from Russian and international financial publications, independent rating agencies and professional market participants



A Leading Bank in  
Private Banking in  
Russia  
World's Best Private  
Banks, 2008



Best Asset Manager  
2008, 2007, 2004



Winner of "The Russian  
Mutual Funds Market"  
competition by the  
National League of Asset  
Managers – 2007, 2006

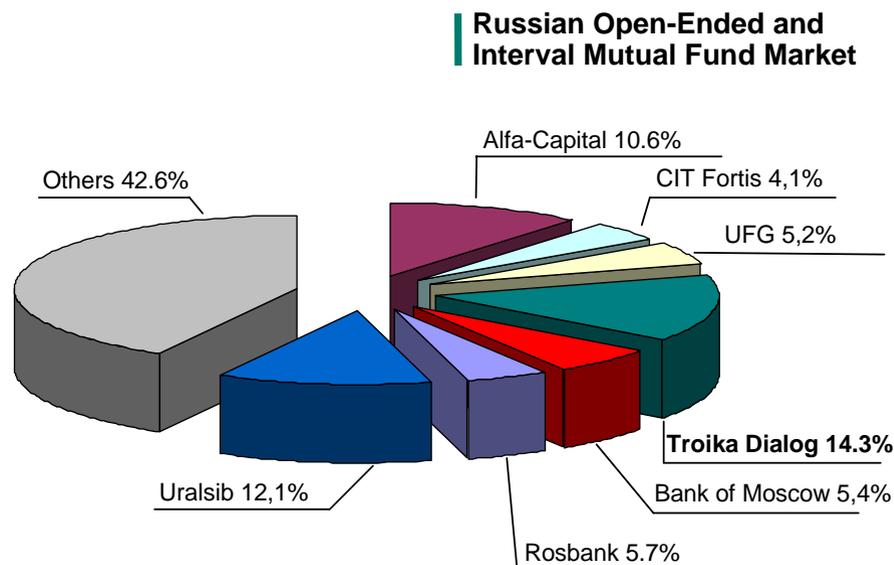


Rating "A++"  
(high level of credibility  
and managing assets  
quality).  
The outlook is "positive"

# Troika Dialog Asset Management

## Mutual funds

- Troika Dialog has **12 open-ended, 2 interval and 1 closed-ended** mutual funds
- We have the largest market share in open-ended mutual funds. Total assets in our funds exceed **24bn rubles**
- Troika Dialog mutual funds have consistently delivered superior returns and asset growth
- TD – Dobrynia Nikitich (open-ended equity-based fund) is Russia's largest mutual fund
- Network of own and agents' offices :
  - ✓ **15 agent banks**
  - ✓ **368 points of sale across Russia**



As at 31.07.08

Source: Troika Dialog

# Private Equity

## Troika Capital Partners – pioneering Russia's private equity market

- Troika Dialog became an active investor in public and private Russian companies shortly after it was founded in 1991
- Troika Capital Partners (TCP) was formally established in late 2005 as the private equity arm of Troika Dialog
- Manages **private equity** and **venture capital** funds on behalf of the Group and third-party clients
- TCP's strategy is to invest in companies that are leaders or potential leaders in their respective industry segments
- Second largest team among private equity funds managers in the CIS
- One of the largest regional venture funds managers in the CIS in terms of managed assets
- Total assets under management exceed **\$900m**
- Ranks among 3 best Russian fund managers according to Private Equity International (2005-2006)

# Troika Dialog Group

## Most Significant Projects



### Turnaround of the largest CIS car-maker:

- ceasing the cross-ownership of the company by AvtoVAZ and its subsidiaries
- consolidation of stake – 75%+1 share
- company's value increased twofold



### Restructuring of KAMAZ:

- company's value increased ten times
- output increased twofold for the 3 year period



**PAO EEC**

### Leading advisor in the Russian utilities sector:

- 40% of mandates in the energy sector



### Spearheading Russian aviation:

- debt financing arrangement
- laying foundation for the first regional jet born in the 21st century
- most efficient and environmentally friendly jet available on the market



### SKOLKOVO – Moscow School of Management:

- foundation of the project to create a national school of management

# Opportunity Russian Market

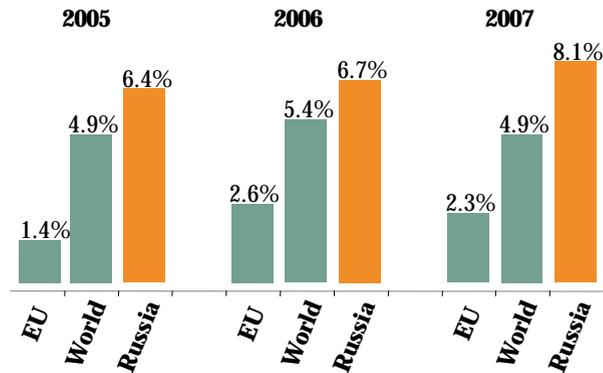
**Russian market has experienced an explosive growth and still has a significant upside potential**

- Russian economy demonstrated strong growth over last nine years
- Double-digit increase in disposable income drove expansion in financial, retail, healthcare, media segments where new products and services are emerging
- Further consumer growth is likely to be driven by a number of factors
  - Deeper level of penetration of financial and consumer services which is still low compared to peer countries
  - Converging consumption patterns in the regions which are likely to follow the high-growth path seen in Moscow
  - Consolidation of highly fragmented industry sectors, leading to better distribution/reach and improvements in efficiency

# Opportunity: Russian Market

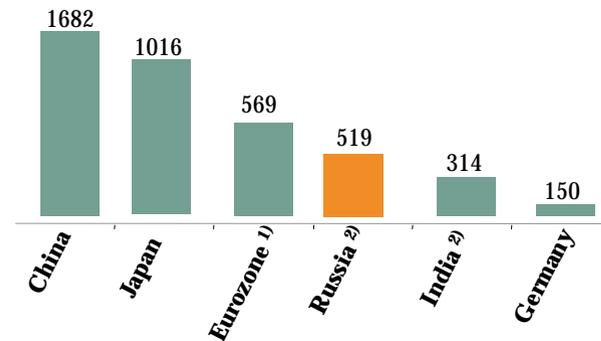
## Russia is displaying solid macroeconomic fundamentals

### Real GDP growth Percent



Source: brokers report

### Foreign reserves, 1Q 2008, US\$ billion



Source: IMF, data as of : 1) February 2008, 2) April 2008

- Real GDP growth significantly outperforms average EU and global growth rates
- Accelerating real GDP growth in 2007 to 8.1% despite the pre-election year
- Safety cushion of foreign reserves and sovereign wealth funds reduce exposure to macroeconomic and budgetary risks - foreign reserves of US\$519 billion, third largest in the world and Stabilization fund of US\$140 billion
- Supported by continued political stability with a smooth hand over of power in March 2008

# Opportunity

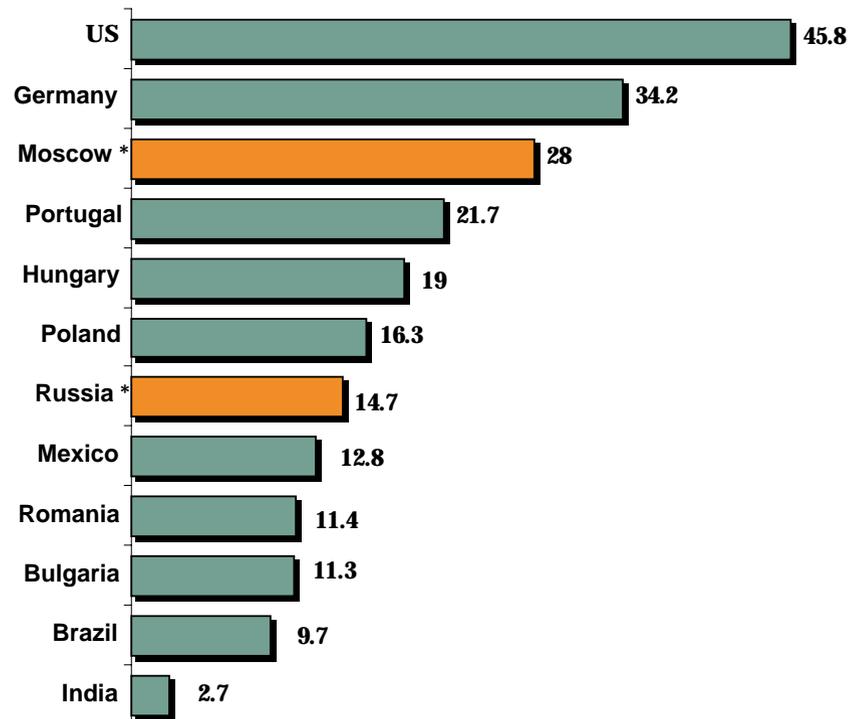
**Growing income level resulted in development of a large consumer base with substantial purchasing power**

In nine years since 1998 Russia has achieved:

- Real GDP growth of 83%
- Disposable income growth of 163%
- Private consumption growth of 130%

As a result, the current level of income measured in GDP per capita in PPP terms in Russia is comparable to CEE economies, giving the larger part of Russian population access to a variety of consumer goods and services

**GDP per capita in PPP terms, 2007  
US\$ thousand**



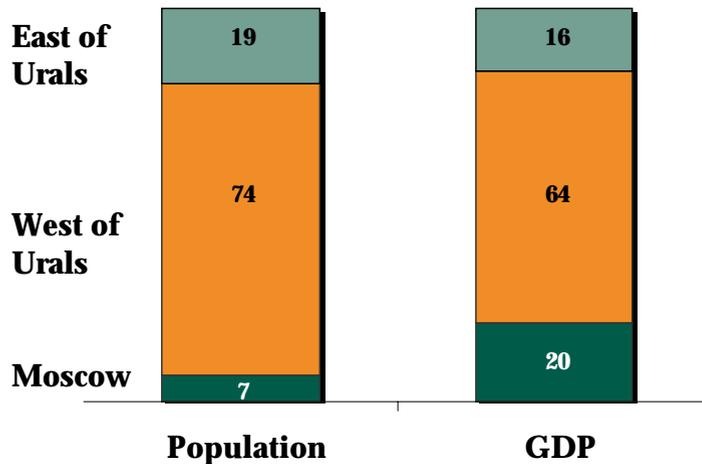
\* Estimates for 2008

Source: CIS Stat, Central Bank of Russia, IMF, Troika Dialog estimates

# Opportunity: Income Distribution in Russia

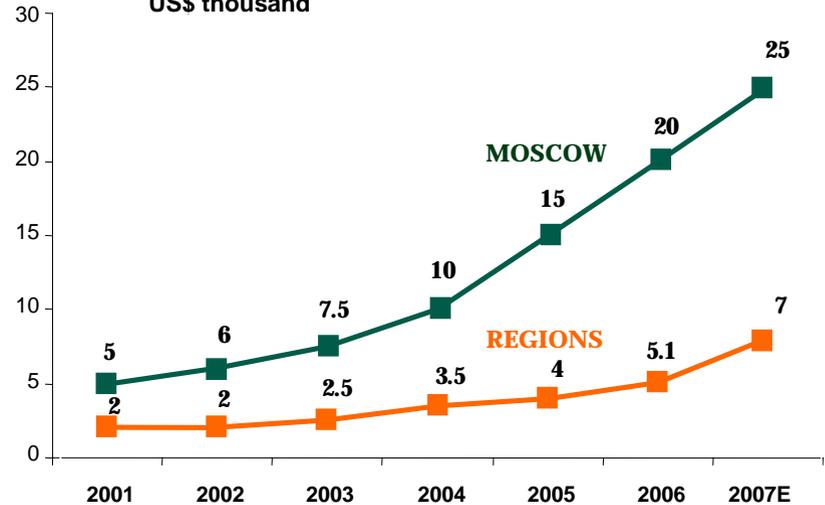
Regions will become a stronger driver of consumer markets in Russia as income growth in the regions accelerates

Population and GDP distribution by region, %



Source: State Statistics Service

GDP per capita, US\$ thousand



\* GDP data is 2008 estimate, retail sales data is 2006 actual  
Source: State Statistics Service

- At the moment, Moscow has a higher income level than the rest of the country but income growth in the regions is accelerating, especially in PPP terms
- As income distribution spreads across the country, consumption patterns in the regions are likely to continue convergence towards larger cities like Moscow with higher consumer spending
- For example, retail sales growth in the regions is running at 24%/year compared to 15% in Moscow, retail loans growth – 30%/year vs. 25% in Moscow

# Opportunity: Russian Market

**Consumer market in Russia has experienced an explosive growth and still has a significant upside potential**

- Consumer habits are changing
  - In 2008, GDP per capita in Russia will approach US\$15,000 in PPP terms, making the country more similar in terms of incomes to the convergence stories in Eastern Europe
  - Rising disposable income gives the population access to a wider range of consumer goods and services. With 60% of population seen as emerging middle-class in their potential to consume\*, Russia has the potential to become the largest market in Europe in main consumer segments
- Regions will be driving growth at the next stage of development of consumer markets
  - GDP per capita in the regions is one third of that in Moscow
  - Regions are following the high-growth path set by Moscow and Eastern Europe. Growth in the regions is already higher today than in Moscow: for example, retail sales are increasing 24% per year versus 15% in Moscow
- Consumer markets are still underdeveloped
  - Level of penetration of financial and consumer services is below that of peer countries
  - High level of fragmentation and low infiltration of modern retail formats/products in consumer markets create space for further growth as sectors consolidate
- Investment focus is on scalable business opportunities
  - Scalable, fit for regional expansion businesses at the expansion stage present attractive investment opportunity in Russia and CIS
  - At the same time, individual opportunities for buyout opportunities of more mature, less efficient companies exist for private equity players

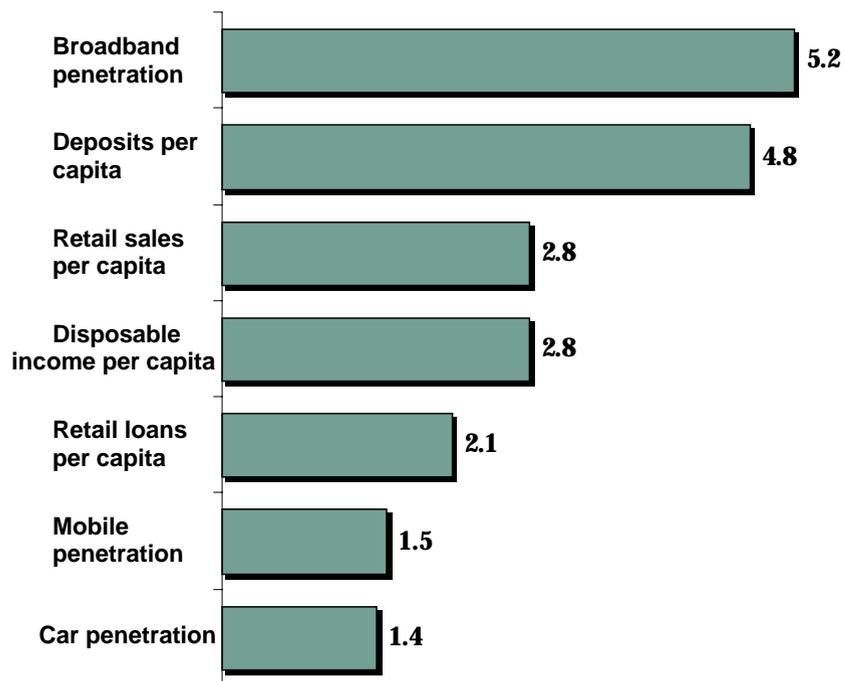
\* Population with monthly PPP disposable income per capita after household costs of over US\$350

# Opportunity: Russian Consumer Market

There is potential for the regions to develop consumption patterns similar to Moscow as income gap closes

- Lower infiltration of consumer goods and services in the regions creates strong potential for further growth as disposable income continues to grow
- Research indicates that, in broad terms, regions in Russia are from 4 to 6 years behind Moscow in terms of the “catch-up” period in various consumer segments

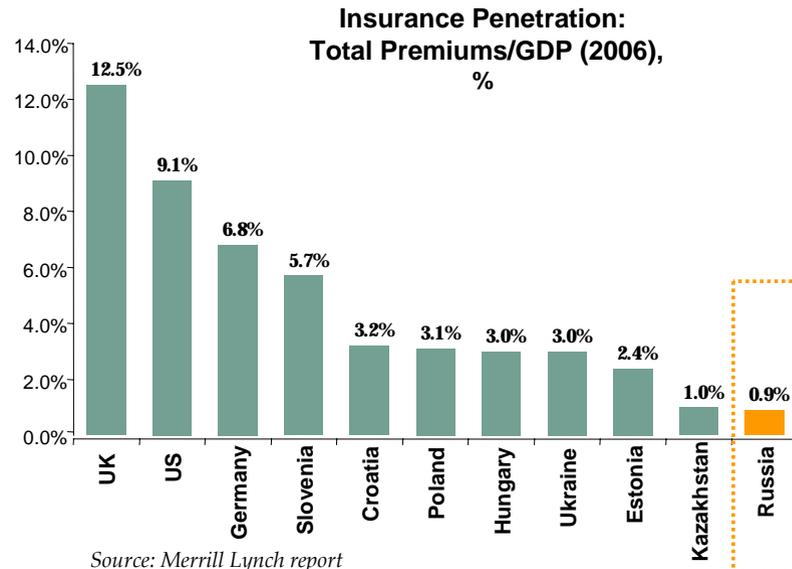
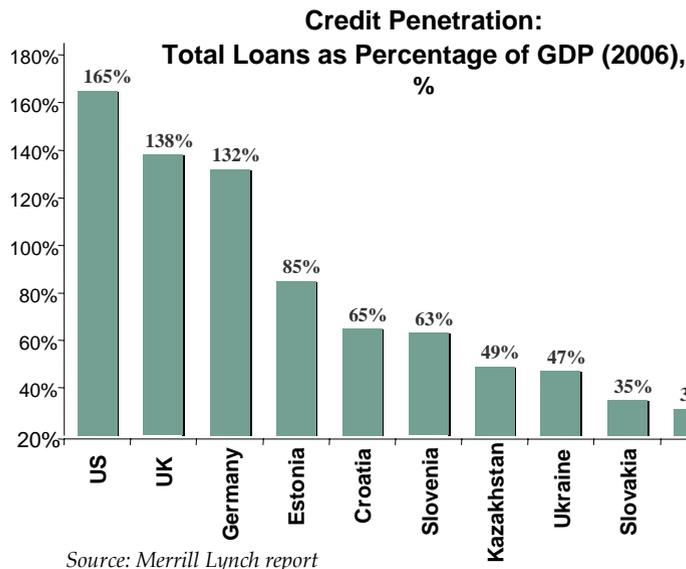
**Penetration of goods and services in Moscow in comparison to the country average multiple**



Source: State Statistics Service, Troika Dialog research

# Market Opportunity: Financial Sector

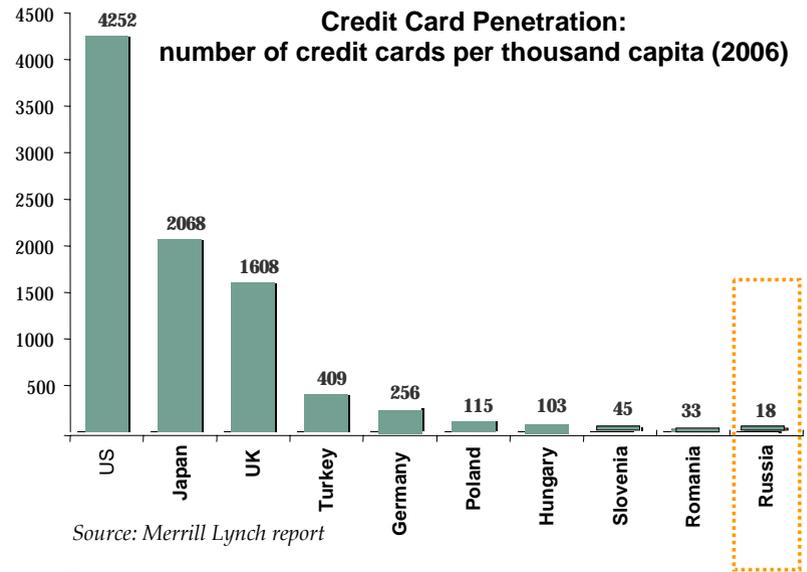
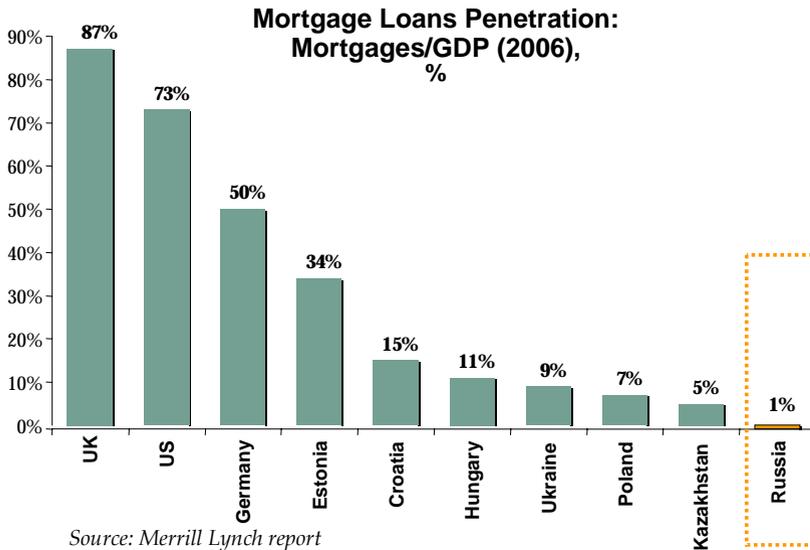
Penetration of key financial products remains at very low levels, highlighting significant unrealised growth potential



- After five years of sustainable growth at CAGR of 45%, the consolidated loan book accounts for as little as 30% of Russian GDP, just 1/5 of the US and UK levels, and lags behind Estonia and Ukraine. Demand for credit products remains high stimulating further growth expectations
- Insurance products have just started to make their way to the market. Retail insurance is the strongest growing segment, which delivered 90% y-o-y growth in 2007 alone. Life and medical insurance with virtually not existent penetration at present, are poised for significant growth in the next 5-10 years

# Market Opportunity: Financial Sector

The gap in mortgage and credit card penetration between Russia and its peers is striking

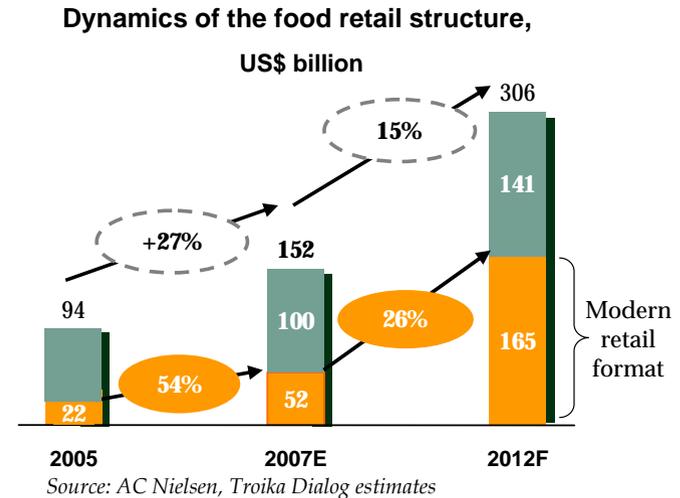
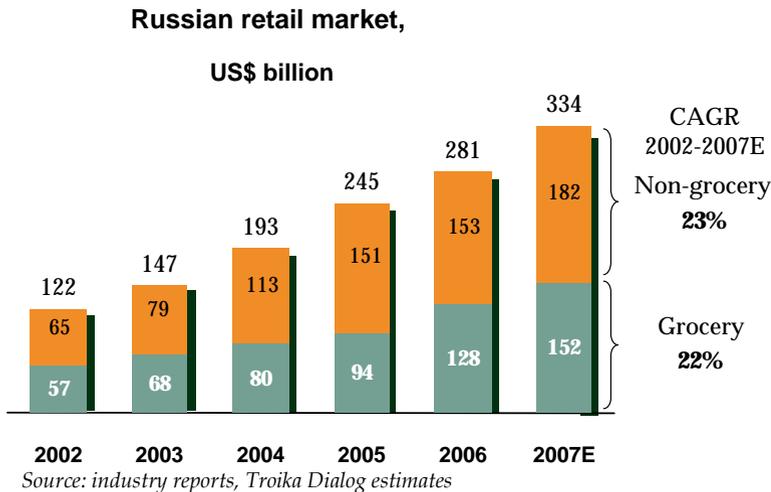


- Despite massive expansion in the mortgage market at an impressive 3-years CAGR of 240% (2004-2007), penetration of mortgage products is at a fraction of the levels in developed countries. Mortgage products are set to deliver years of strong growth before initial saturation is achieved

- Credit cards have just started to make their way into the market. This sector is expected to deliver strong growth as basic consumer lending products (POS express loans, personal consumption loans) will be converted into credit cards, following market practices seen in developed countries

# Market Opportunity: Financial Sector

Retail chains will continue to demonstrate above-market growth dynamics as share of the modern formats expands

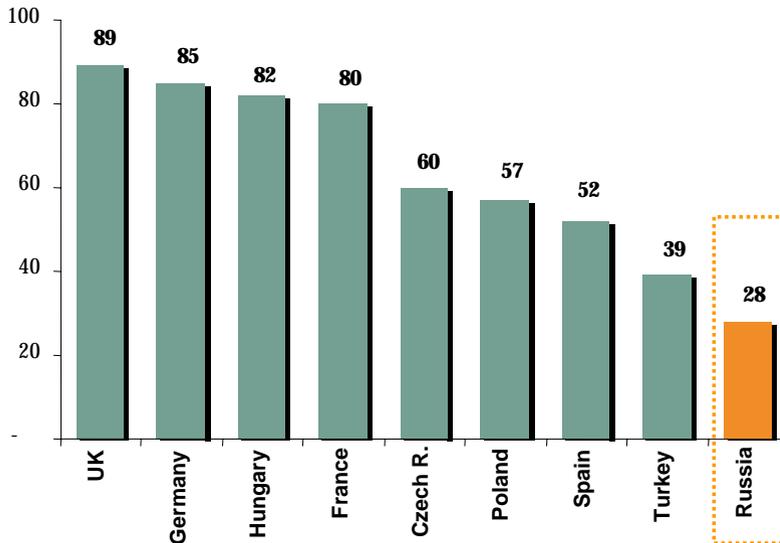


- With a 23% growth rate in nominal USD terms, Russian retail is the fastest growing retail market in the world, outpacing other BRIC countries
- Retail growth is driven by healthy macroeconomics and double-digit disposable income growth
- As disposable income continues to grow demand for quality consumer product and higher level of services will support expansion of the modern retail formats
- Growth of modern retail format is expected to outpace the general retail market by a significant margin as structural change in the retail segment will lead to a share of modern formats increasing from 23% in 2005 to 54% in 2012

# Market Opportunity: Retail Sector

Retail segment maturity is still behind its European peers and provides significant opportunities for growth and consolidation

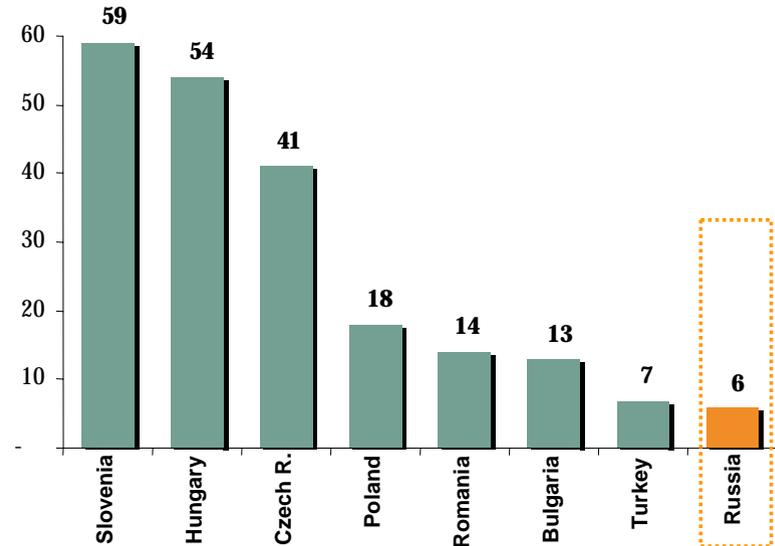
Share of modern formats\* in food retail (2006), %



Source: AT Kearney, Troika Dialog

- Structured retail formats will continue to replace basic formats — kiosks, pavilions and small groceries — following a clear trend in other European countries

Share of Top 5 food retailers (2006), %



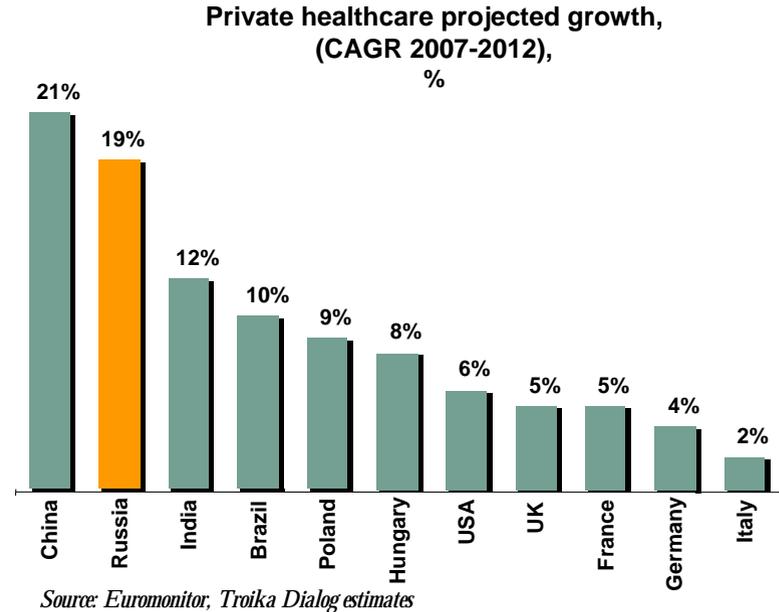
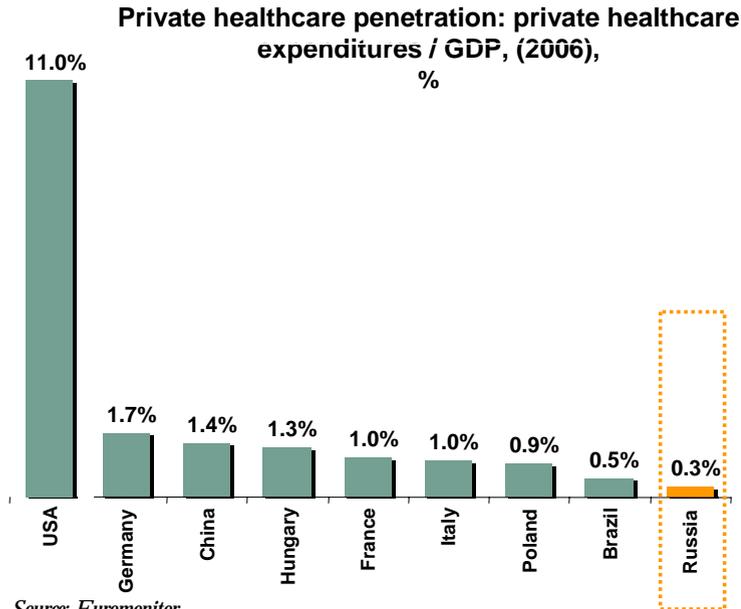
Source: AT Kearney, Troika Dialog

- Russian retail sector remains very fragmented, creating potential for consolidation by leading players

\* Supermarkets, hypermarkets, discounters, convenience stores

# Market Opportunity: Healthcare Sector

Private healthcare is at a very early stage of development and is well-positioned for massive growth in years to come

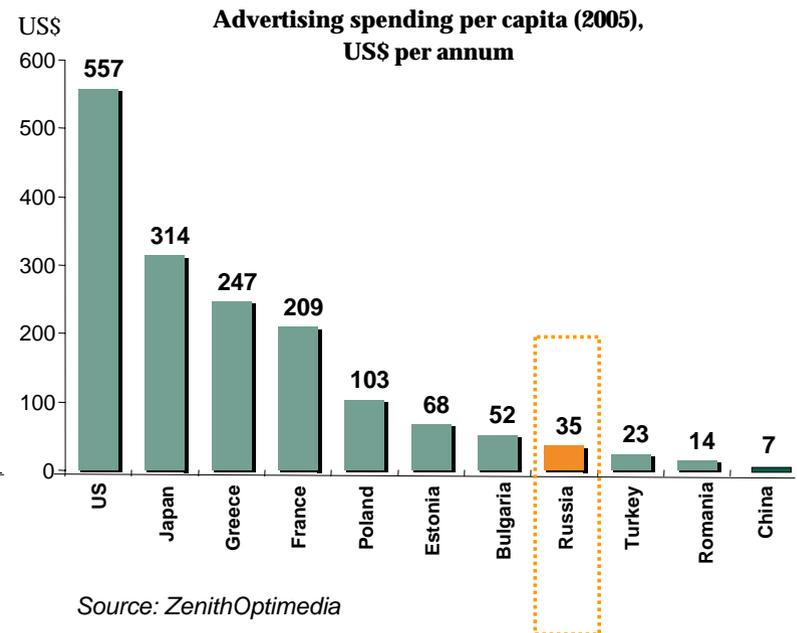
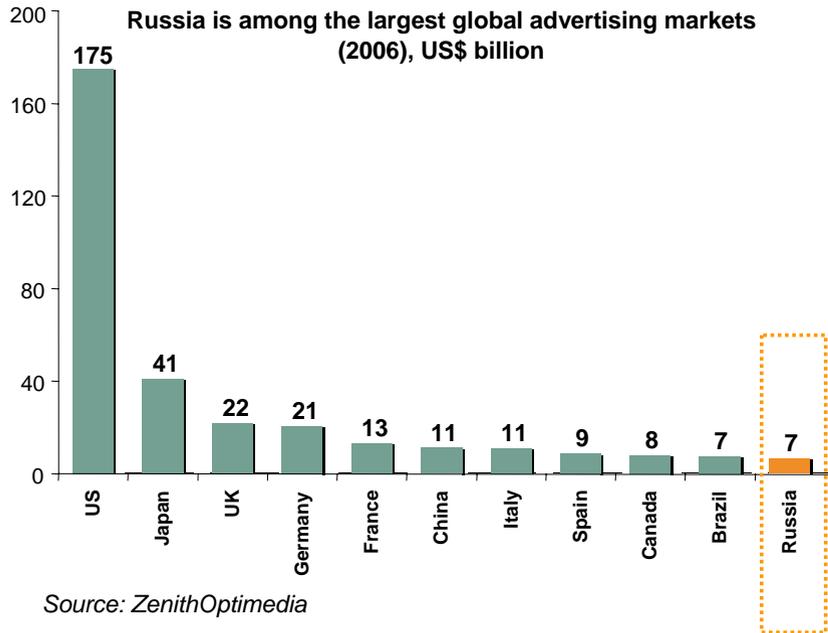


- Low spending power during 90s and availability of free healthcare meant that formal private healthcare was close to nonexistent. Current penetration of private healthcare, while expanding fast, remains at very low levels

- Emerging middle class creates sustainable demand for high-quality healthcare, which the outdated public healthcare system is unable to deliver. As a result, private healthcare is experiencing explosive growth, one of the fastest in the world

# Market opportunity: Media Sector

With US\$6.6 billion in size, the Russian media market ranks among the largest in Europe



- Even after years of strong growth, average advertising spending remains well behind major developed countries, showing significant growth potential in the Russian media market

# The Fund

## The TCP Growth III LP Indicative Term Sheet

<b>Fund name</b>	TCP Growth III LP
<b>Domiciliation</b>	Isle of Man
<b>Targeted fund size</b>	US\$850 million
<b>Size hard cap</b>	US\$1000 million
<b>Sponsor's commitment</b>	US\$50 million + team & inner-circle investors
<b>Expected life</b>	8 years with two one-year extensions at investors' discretion
<b>Investment period</b>	4 years from the final closing
<b>Investment manager</b>	Troika Capital Partners
<b>Fee structure</b>	2.0% management fees; 20% carry
<b>Hurdle rate</b>	8% with catch-up
<b>Portfolio diversification</b>	10-12 companies
<b>Launched</b>	April 2008
<b>Commitments</b>	Indications from existing LPs for total of US\$600 million
<b>Pipeline</b>	Anticipated pipeline in place for 30-40% of Fund over the next 12 months
<b>Co-investment opportunities</b>	Offered for all investors with commitments of US\$15 million

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