



INVESTING in the New Russia

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Dear Clients and Partners,

In 2011, UralSib Asset Management is celebrating its fifteenth anniversary since establishment. The Russian asset management industry itself is just fifteen years old, and our company was among those who first laid its foundation.

We are proud of having become a key player on our market. UralSib Asset Management is the fourth largest company in Russia by assets under management and the second largest in terms of retail mutual funds. However, we have always seen our mission not only as building an efficient and successful business but also as raising professional standards and contributing to the growth of the industry as a whole. We believe that it is the leaders' responsibility to make the market more diverse, mature, and client-oriented. Therefore, we hold ourselves to the highest standards of transparency, investment professionalism, and client servicing in the marketplace.

As part of UralSib Financial Corporation (FC), we also belong to one of the largest financial services groups in Russia serving over 4 million clients through 450 offices across Russia. With businesses in retail, commercial, investment banking, brokerage, and leasing, UralSib FC provides the strength and stability of a major corporate entity in Russia.

As the Russian economy develops and matures, it becomes more complex and interrelated with the global economy. New sectors beyond oil and gas, such as infrastructure, telecommunications, consumer and technologies, provide new opportunities for investment. However, investing in these sectors requires experience, knowledge and research to find the best opportunities.

This is where UralSib Asset Management's long track record and strong investment management team comes in. Our depth of experience and knowledge of the local market make us well positioned to offer high-quality portfolio management and investment advisory services. This trust in our expertise is supported by almost 60,000 retail clients and high-net-worth individuals, fifteen non-state pension funds, and several state institutions that place their Russian investments with us.

At UralSib, our aim is to be a reliable partner for international investors seeking access to Russia's new growth opportunities. We seek to combine our local knowledge of the Russian market with the professional management that international investors expect from the best investment firms. Let us put this experience to work for you and be your bridge to Russia.

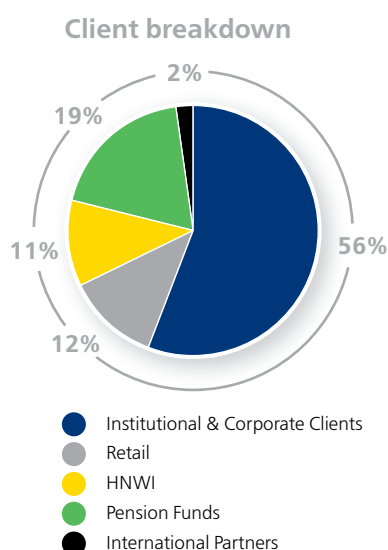
Alexander Pugach
CEO, UralSib Asset Management



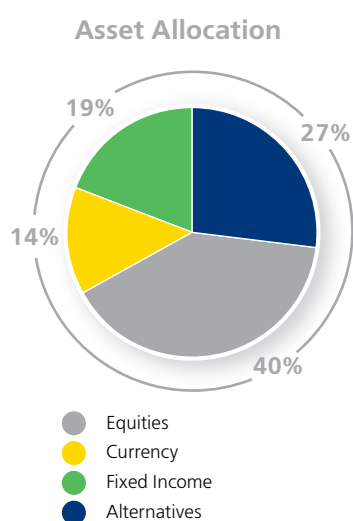
UralSib Asset Management

UralSib Asset Management Group

comprises three Russian asset management companies specializing in different market segments. Total assets under the Group's management amount to **USD 4.0 bln** (as of June 30, 2011).



Source: UralSib Asset Management



Source: UralSib Asset Management

UralSib Asset Management is one of the largest and oldest asset management firms in Russia. Established in 1996, we now are managing the assets of 60,000 private and institutional investors throughout Russia. Our team comprises more than 140 professionals working together to provide a complete range of investment products and services to our customers.

Within Russia, we offer a broad selection of funds for retail investors, institutional account management for Russia's largest pension and corporate accounts, and wealth management for high-net-worth clients. Our expertise covers large, small and mid-cap equity, as well as fixed income, specialized and balanced mandates.

For international clients, we offer a growing family of offshore funds serving a broad range of investment needs. We also offer separate account management and sub-advisory services for clients with special requirements. We have the investment expertise to serve investors who wish to participate in Russia's potential and growth.

As a unit of UralSib Financial Corporation, we belong to one of Russia's largest financial institutions, with the stability and strength to succeed in the long term. We operate as an independent entity within UralSib, but benefit from the size and nation-wide presence of our parent.



Russian Asset Management Industry

The Russian asset management industry started in 1995 when the mutual funds legislation was first introduced. Since then our industry has been **dynamically growing** and **gaining strength**.

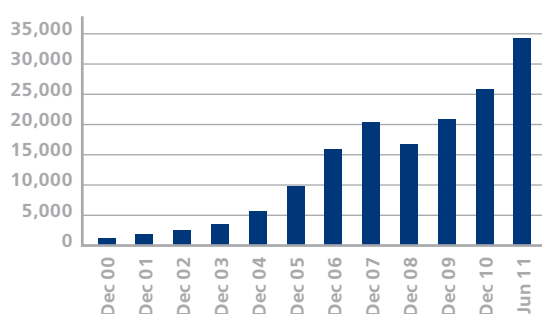
During the past fifteen years the major drivers of the industry growth have been the Russian stock market growth, pension reform and the consequent development of non-state pension funds.

Pension reform in Russia, started in 2003, introduced personal pension accounts that receive money from social taxes and can be transferred to non-state pension funds and private asset managers. The amount of the assets in these accounts nation-wide shows significant growth every year and gives a strong development boost to the whole asset management industry.

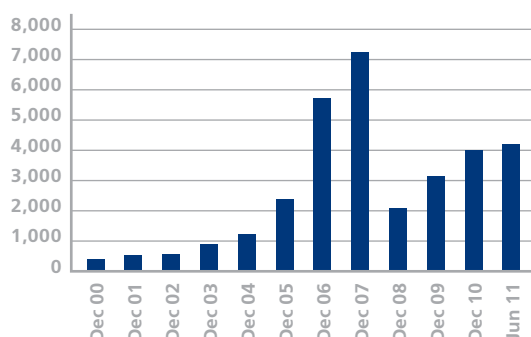
The rapid growth of Russian stock market during 2003-2008 was the major factor for the development of retail mutual funds (open-end and interval funds). The overall assets in retail funds grew more than ten-fold during these years. The number of funds increased almost five times, along with the diversity of the investment strategies offered.

Currently, our industry comprises two major and dynamically growing segments: mutual funds and pension assets. Other segments, such as institutional clients, corporate clients, and high-net-worth individuals, are also becoming more mature. Although compared to other developing markets the Russian asset management sector is still modest in size, both in absolute terms and in terms of GDP, we believe it has huge potential and continue to work to develop the industry.

Pension funds assets,
USD mln



Open-end and interval funds NAV,
USD mln





Deep Knowledge of
the Russian Market

UralSib Asset Management is among the most successful asset managers in Russia.

This **stability and strength come both from our being part of UralSib Financial Corporation, a major player in Russian finance industry, and from our **team's experience** and capabilities to manage clients' investments and service their ongoing needs.**



UralSib Asset Management has been consistently rated as one of the most reliable firms in Russia. Our funds are among the top-performing in their respective asset classes.

Choosing to invest with UralSib, international investors can rely on:

- Our long-term experience both as a company, an industry leader in Russia, and individual portfolio managers, a cohesive team managing clients' portfolios
- A long-term approach to investment management, along with experience and tactical flexibility to take advantage of short-term market movements and generate additional returns
- A combination of top-down strategic thinking and bottom-up security selection to ensure superior performance
- Reliance on a highly-structured investment process and risk management framework, still giving portfolio managers clear responsibility for their results

Our aim is to be a reliable partner for international investors seeking access to Russia's growth opportunities.

We strive to combine local knowledge and understanding of the Russian market with professional management and transparency that foreign investors expect from the best-in-the-class investment firms.



Structured Investment Process

Our investment process follows a structured and disciplined approach through strategic portfolio construction based on **fundamental research** and supported by **strict risk controls**.

We seek to minimize the long-term impact of volatility on portfolios by adhering to clearly formulated investment objectives, carefully approaching risk acceptance, and continually reviewing and rebalancing our portfolios.



The investment process centers on the Investment Committee overseeing portfolio managers, based on input from Investment Research, Risk Management, and Client Relations. This structure allows us to ensure consistent performance over the long-term and competitive track record.

The Investment Committee elaborates strategic allocation by asset classes and market segments for each portfolio and determines the final level of risk to accept.

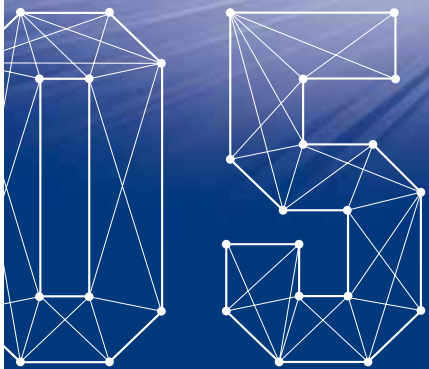
The cornerstones of our investment philosophy



We have implemented two levels of risk management controls.

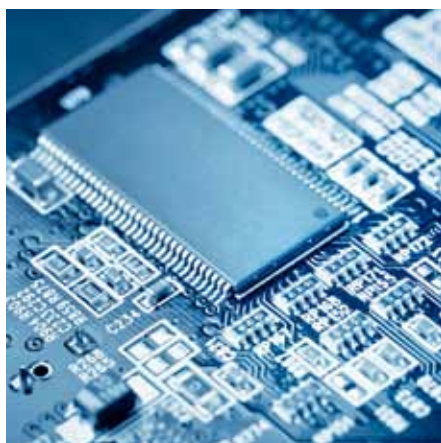
- **Controls built into the portfolio management process** are implemented through Risk Management’s participation in the Investment Committee meetings, reviewing all portfolio positions, discussing any significant changes, and monitoring portfolio diversification.

- **Operational risk management systems** continually monitoring portfolios and trade execution are implemented through pre-trade and post-trade processes. Risk Management places limits on portfolio positions and monitors diversification and liquidity requirements.



Investment Research

Our Investment Research follows both top-down and bottom-up approaches to make **investment recommendations** to the portfolio management team.



Research process is based on a comprehensive review of economic and securities market trends, sector developments, company valuations and risk characteristics:

- Projection of macro indicators: global and Russian economic growth rates, inflation, benchmark interest rates, currency exchange rates, credit spreads
- Fundamental asset valuation: discounted cash flows (the primary method), ratio comparison and replacement value for equities; credit research and spread forecasts for fixed income instruments
- Expected return estimates for individual securities, asset classes (equities, local debt, external debt) and market segments ('blue chips,' second-tier stocks, government bonds, corporate bonds)
- Estimates and forecasts for risk metrics and correlations between asset classes, market segments and individual securities; dynamically adjusted historical volatility is used as the basic characteristic of risk
- Reconciliation of estimates and forecasts with investment objectives and restrictions, recommendations on optimal asset allocation by classes, sectors and individual security weightings
- Company visits, management meetings

Our Research team produces a wide range of materials helping portfolio managers' and end clients in making their investment decisions:

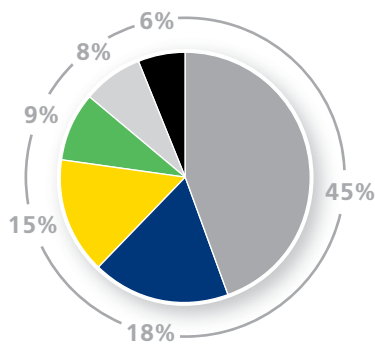
- Models for 100+ tradable companies
- Model portfolios for key products
- Sectors/industries ratings and allocations
- Short-term trading ideas for PMs
- Technical analysis commentaries
- Strategy and client information notes (weekly, quarterly, annually)



Wide Product Spectrum

UralSib Asset Management possesses extensive expertise within a broad range of Russian asset classes and investment products.

Major players in Russian retail mutual funds sector



- Troika Dialog AM
- Uralsib AM
- Raiffeisen Capital
- Alfa Capital
- Deutsche UFG CM
- Others

Sources: InvestFunds.ru

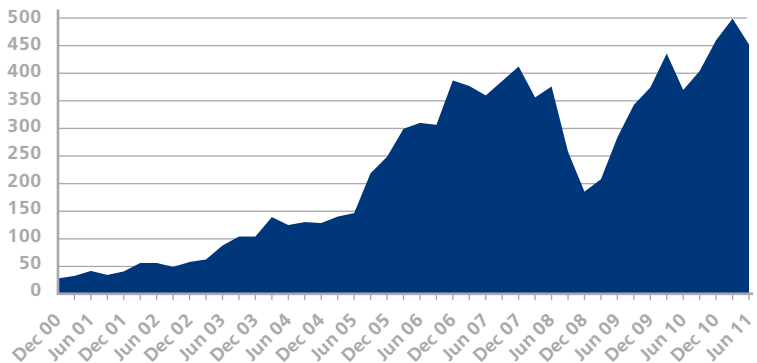
We manage assets of fifteen Russian non-state pension funds and are among the top five managers of Russia’s State Pension Fund’s assets. We also service a number of state agencies. Institutional clients highly value our structured approach and the transparency of our investment process. UralSib Asset Management was among the few Russian companies that didn’t lose any major clients during the 2008 crisis.

We hold the second position in Russian retail funds segment (open-end and interval mutual funds) with a market share of 15% (as of June 30, 2011). Our flagship product, UralSib First Fund, is the largest among Russian open-end and interval funds.

We manage a host of long-only products that we offer to both Russian and international investors.

- Large-cap equity strategy
- Small and mid-cap equity strategy
- Multi-sector equity strategy
- Five single-sector equity strategies
- Balanced strategy (broad equity and fixed income)
- Fixed income strategy

UralSib First Fund NAV per unit, USD



Sources: UralSib Asset Management

An abstract graphic on a dark blue background. It features several white wireframe structures, including a rectangular prism and a more complex, multi-faceted geometric shape. Bright, white light rays emanate from the top left, creating a sense of depth and focus. A thin horizontal bar with a green-to-yellow gradient is positioned above the blue section.

Ratings and Awards

UralSib Asset Management has been consistently rated by authoritative international and Russian organizations as one of the **most successful and reliable** asset managers in Russia.

We regard these awards as a result of our continual work on becoming more client-centric, more transparent and more efficient in managing our clients' assets.



Top-3 position in Institutional Investor's premier Russia's Top-20 Money Managers ranking



Highest reliability rating (A++) from Expert Rating Agency

High reliability ratings (A) for UralSib's eight retail funds



Highest reliability rating (AAA) from the National Rating Agency



Best Equity Funds Company award from the National Rating Agency



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The information contained herein is from Management Company UralSib (CJSC) as at June 30, 2011, unless otherwise stated. Past performance does not guarantee future results. Unless otherwise stated, all views expressed are those of Management Company UralSib (CJSC). These views are subject to change at any time based on market and other conditions. There can be no assurances that countries, markets or sectors will perform as expected. Investments involve certain risks, including political and currency risks. Investment return and principal value may go down as well as up and could result in the loss of all capital invested. Please read the prospectus carefully before you invest. This material is not a prospectus and does not constitute an offering of investment fund units or other securities. For additional information on the products, please request a free prospectus from Management Company UralSib (CJSC), Building 5, 52 Kosmodamianskaya Naberezhnaya, Moscow 115054, Russia. Phone + 7 495 788 6642, www.am.uralsib.ru. UralSib Asset Management is the trade name of Management Company UralSib (CJSC).

