



# Investor Fact Sheet February 2008



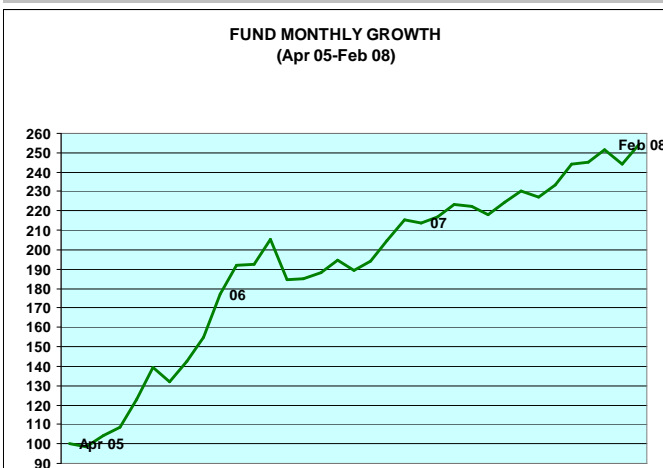
## Tera Capital Fund

### Fund Information

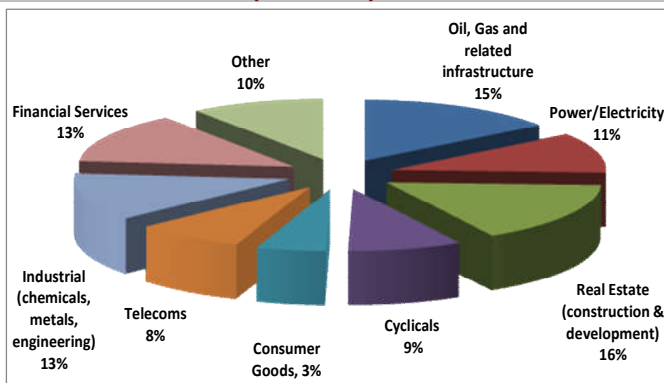
**Strategy:** Tera is a hedge fund of hedge funds that invests in long equity hedge funds while maintaining a diversified portfolio by country, sector, size and strategy. Tera invests mainly in the CIS and Eastern Europe, with most investment currently in the Russian Federation.

<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>	\$255.25
<b>Min. Investment</b>	\$100,000 (US); \$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

### NAV



### Sector Allocation (ex-cash)



### Performance (net of fees)

Returns	Tera (%)	Index Avg (RTS, ROS, MSCI) (%)	AAM Russia Hedge Fund Index <sup>1</sup> (%)
Monthly	4.19	8.03	3.98
Year-to-date	1.08	-9.79	-5.07
Annualized	13.76	-117.51	-60.78
Trailing 12 months	17.09	14.1	13.02
Since Fund inception (Apr 05)	155.25	170.11	152.88
Annualized (since Fund inception)	39.01	39.49	34.77
Annualized Stand. Deviation	18.07	28.33	18.12
Sharpe Ratio <sup>2</sup>	2.02	1.31	1.78

### Investment Advisor's Assessment

#### Market

The Russian markets were up slightly in February, from a technical standpoint, putting in a new bottom. The question marks related to the direction of the US economy in the wake of the sub-prime crisis are leaving many markets without direction. With the US stock markets now all having met any definition of "correction" (20% off recent highs), it is not clear whether the US will avoid recession.

While oil prices have hit new highs with amazing regularity, those highs are being hit in the face of a slumping dollar; oil prices are not up nearly so much against the Euro. As other commodity prices have followed suit, the Russian market looks set to have an excellent year – once some direction appears. Nothing fundamental has changed and emerging markets such as India and China will still generate tremendous demand, regardless of what happens in the US.

#### Fund

As we anticipated in the previous Fact Sheet, Tera set a new all-time high in February. Tera significantly outperformed the indices [and funds] to the upside, clearly making it one of the best investments in this part of the world YTD.

It is also worth noting that we have also completed a major adjustment to the Fund's sector allocation by adjusting investments in underlying funds: reducing oil & gas by almost half%, almost doubling financial services, and increasing exposure in the power sector by almost 50%.

#### March First Look

As of mid-March, Tera's NAV is currently up approximately 2%. The market currently lacks direction, although the trend appears to be positive. Once the fate of the US economy becomes a bit more clear, we expect the Fund to do very well.

### 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 for Tera Capital Funds, a fund of funds.

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