



TROIKA DIALOG GROUP

Founded in 1991, **Troika Dialog is a major investment bank in the CIS** and a leader in all its core lines of business: securities sales and trading, investment banking services, asset management, alternative investments, and personal investments and finance.

Pioneer of the Russian Financial Markets

Troika Dialog was one of the first:

- To become an authorized dealer on the MICEX and begin trading in short-term government bonds (GKOs)
- 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

Key Facts about Troika Dialog

- Troika Dialog is owned 100% by the company's management, through a partnership structure common in the West but unique in Russia
- We are the leader in Russia and Ukraine and are expanding our international presence: apart from our central office in Moscow, we have offices in 22 Russian cities as well as offices in New York, London, Nicosia, Kiev and Almaty
- Our clients include leading Russian and international companies, financial institutions, government agencies, high net worth individuals and mass investors (shareholders in the mutual investment funds)
- Standard & Poor's counterparty credit ratings: long-term "B+", short-term "B", Russia national scale rating "ruA". The outlook is "negative".

Securities Sales and Trading

- \$1 379bn – the volume of transactions for financial year 2008 (two times more than that of the previous financial year)
- 12% – Troika Dialog's yearly trade turnover (average) of all Russian shares and depository notes that change hands on all trading floors (FY2008 average)
- Number 1 on the RTS classical market by trade turnover: Troika Dialog's share in the total amount of deals, which is equal to 200%, accounts for 45.7% (FY2008 average)
- Leader in terms of ruble bond transaction volumes, with a market share of 21.2% (MICEX, main session; FY2008 average)
- Troika Dialog is the only local brokerage to make prices from 8 in the morning, before the rest of the Russian market opens, until the New York close at midnight Moscow time

Research

- An internationally trained group of professionals with Western and Russian experience, many holding a CFA or equivalent qualifications
- Wide spectrum of research products: Market Daily, Fixed Income Daily, Strategy Monthly, Economic Monthly, Oil and Gas Quarterly, Small Cap Quarterly, Fixed Income Quarterly, company analysis, sector reviews and corporate governance reports
- In-depth analysis of 86 most important listed Russian, 56 Ukrainian and 4 Kazakhstani firms
- Fundamental research on the economy and its basic sectors; strategy and recommendations for operating on the Russian, Ukrainian and Kazakhstani stock market

Investment Banking

- A 17 year M&A track record
- Troika Dialog is ranked #1 in M&A deals involving Russian targets in 1-3Q 2008 (ranked by deal value; source: Mergermarket, Dealogic)
- In the past twelve months Troika Dialog has implemented 12 M&A transactions totaling about \$18bn
- The leading advisor in the Russian electricity sector – over the last 9 years, we have worked closely with UES, Russia’s power holding, and helped secure the sales of major stakes in energy companies
- Troika Dialog is a top 5 bookrunner for ECM offerings in Russia in 2008 YTD (Source: Dealogic, Thomson Financial)
- In the past twelve months Troika Dialog came out as a bookrunner of 5 public offerings for the total value of \$3bn
- 17 bond issues arranged and placed in 2008 totaling more than RUB 120bn (excluding allocation)

Asset Management

- \$7.9bn – total assets under management, including a consulting mandate from the Russian Corporation of Nanotechnologies RUSNANO (as at 30.11.2008)
- 12 open-ended, 2 interval mutual funds and 1 closed-ended real estate mutual fund
- Troika Dialog Asset Management manages the assets of a number of state funds: the State Pension Fund of the Russian Federation (within the pension reform), the Deposit Insurance Agency, the Federal Public-State Fund for the Protection of Investors’ And Shareholders’ Rights, and the Cumulative Mortgage Housing Provision System for Servicemen
- Troika Dialog Asset Management became the first to manage an endowment fund among Russian asset management companies

Personal Investments and Finance

- Comprehensive customer service for wealthy mass clients
- The widest product line: mutual funds, internet trading, individual brokerage, managed accounts, investment-based life insurance, pension savings management
- Over 133 thousand client accounts in total (mutual funds, internet trading, individual brokerage)
- Troika Dialog was the first on the Russian market to offer a unique product – “Troika Dialog – Life” – investment-based life insurance
- A far-reaching company and agent network:
 - present in 23 regions

- 17 bank agents
 - 522 agent sales points throughout Russia
- Multi-channel customer service: sales network, personal finance consultants, call center, the internet

Alternative Investments

- Troika Capital Partners (TCP) was established in 2005 as an alternative investment arm of Troika Dialog
- Ranked among 3 best PE fund managers in Russia in 2005 and 2006 according to Private Equity International
- Over \$900m in third-party assets under management
- TCP targets consumer-driven industries in Russia and other major CIS economies
- Investment focus: retail, financial services, media, consumer services, healthcare
- Current portfolio of 7 companies representing emerging growth sectors:
 - Eurokommerz (asset backed lending/ consumer finance)
 - Modis (mass market apparel retail)
 - Gameland (special interest media)
 - Crazy Park (family entertainment)
 - URSA Bank (retail banking)
 - Santa House (household goods' retail)
 - PTI (food ingredients)
- Venture capital funds launched in mid 2006 to spearhead tech investments in Russia
- Strategic partner of the Russian Government in innovation
- Over 1bn rubles (\$45.5m) in assets under management in 3 regional funds
- Investment focus: IT & software, cleantech, new materials

Professional Achievements

Troika Dialog has time and again won the highest awards of international financial publications and rating agencies. For several years in a row (2001-2007), the company took the first place in NAUFOR's Securities Market Elite competition in various categories (Company of the Year, Best Asset Management Company, Best Equities House, etc.). It has also been named Best Investment Company and Asset Manager, Best Specialized Independent Private Bank and Leading Bank in Private Banking in Russia by authoritative international media such as Global Finance, Institutional Investor and Euromoney. In 2008, Troika Dialog was announced as HR-Brand of the Year second year running.