

October 6, 2004
Moscow

Troika Dialog Mutual Funds to be distributed by Citibank Russia

Troika Dialog Asset Management (TDAM) mutual funds will be offered by Citibank Russia to all its banking customers based in Moscow and St.Petersburg. TDAM announced that Citibank has made this decision after a thorough investigation of TDAM's operations in Russia. Citibank will present TDAM funds as part of its investment options for customers that are seeking to achieve their medium and long term financial goals.

In a rating of mutual funds carried out by the League of Management Companies of Russia only 4 out of 123 open-ended mutual funds operating in the Russian stock market received the maximum 5-star rating. Three of them (Dobrynia Nikitich, Ilya Muromets and Druzhina) are managed by Troika Dialog Asset Management. Now these funds are accessible to all Citibank's clients.

Ilya Muromets is an open-ended mutual fund that invests in Russian government, municipal and corporate debt, as well as Eurobonds and cash (around 7%). *Dobrynia Nikitich* invests in Russian stocks that offer potentially higher returns via greater exposure to risk. Following a balanced strategy that aims to protect capital and deliver stable returns, *Druzhina* invests in ruble-denominated government and municipal debt as well as bonds and equities issued by Russian companies. It is especially popular with private pension funds and individuals. Launched in early 2003, *Sadko* is designed to guard against fluctuations in the ruble-dollar exchange rate, a task that it is fulfilling well. In 2003, the fund yielded a return of 12% in dollar terms, outstripping the rates offered by local hard-currency bank deposits. *Sadko* invests in corporate ruble bonds and follows our Total Return Fixed Income strategy.

Pavel Teplukhin, President of Troika Dialog Asset Management said: "I am pleased that one of the global banking market leaders signed a unit-distribution agreement with us, which confirms the high standards of our work and high quality of our products".

Nandan Mer, Consumer Business Manager said: "At Citibank we place great emphasis on understanding customer risk profiles and investment goals before we present customers with investment options. We are pleased to be able to present Troika Dialog Asset Management Mutual Funds to our customers as an investment option."