



Renaissance  
Group

# Renaissance Group

*A leading group of finance, investment and management companies  
specializing in emerging markets*

April 2010

## Agenda



**Group overview**

**Renaissance Capital**

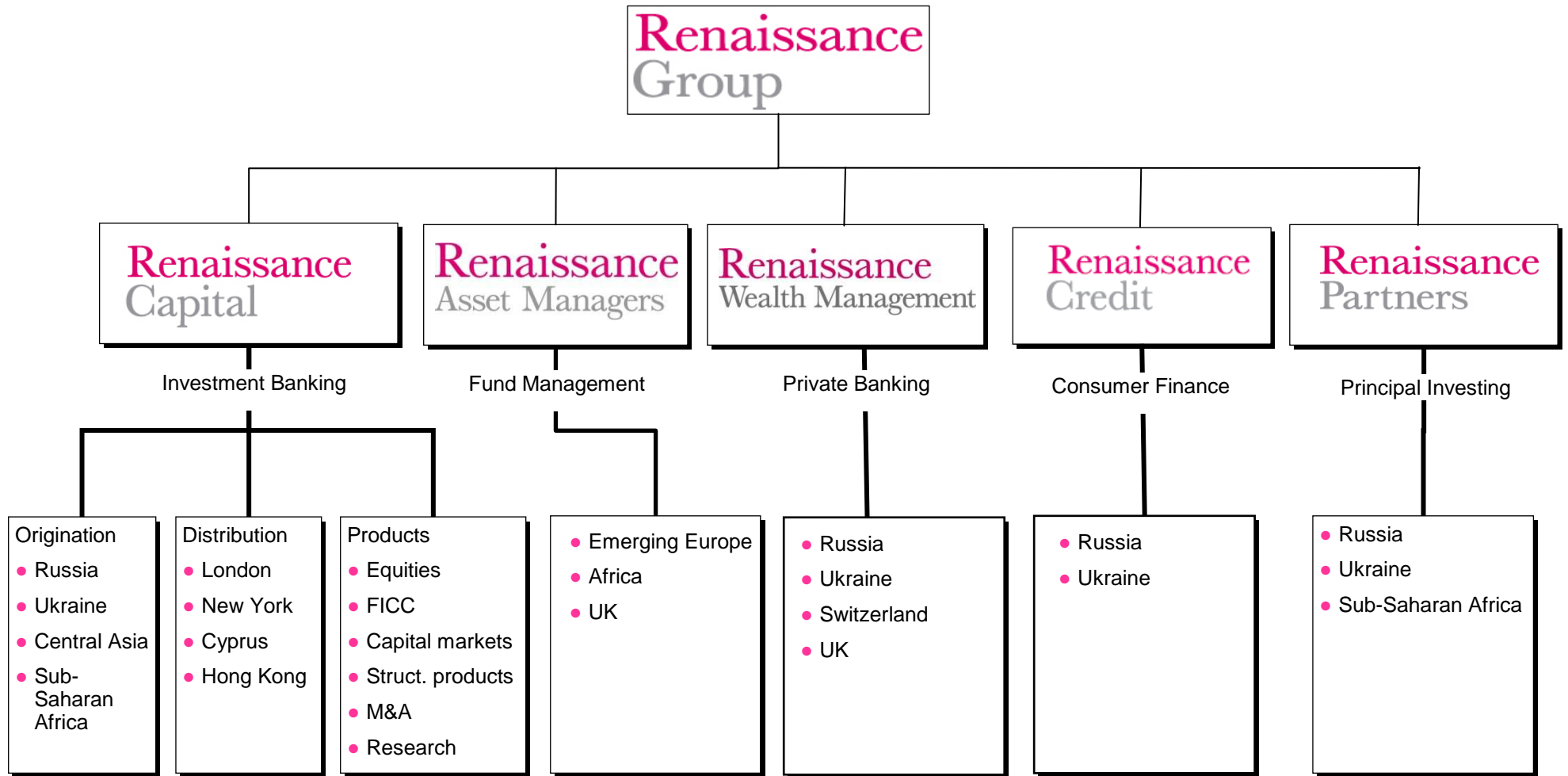
**Renaissance Wealth Management**

**Renaissance Asset Managers**

**Renaissance Credit**

**Renaissance Partners**

# Renaissance Group structure



## Core Values

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### EXCELLENCE

We embrace excellence. To strive to be the best and exceed expectations. To go beyond established limits and surpass others through sustained performance and superior thinking. To be leaders and partners with our clients – the sum is always greater than the parts.

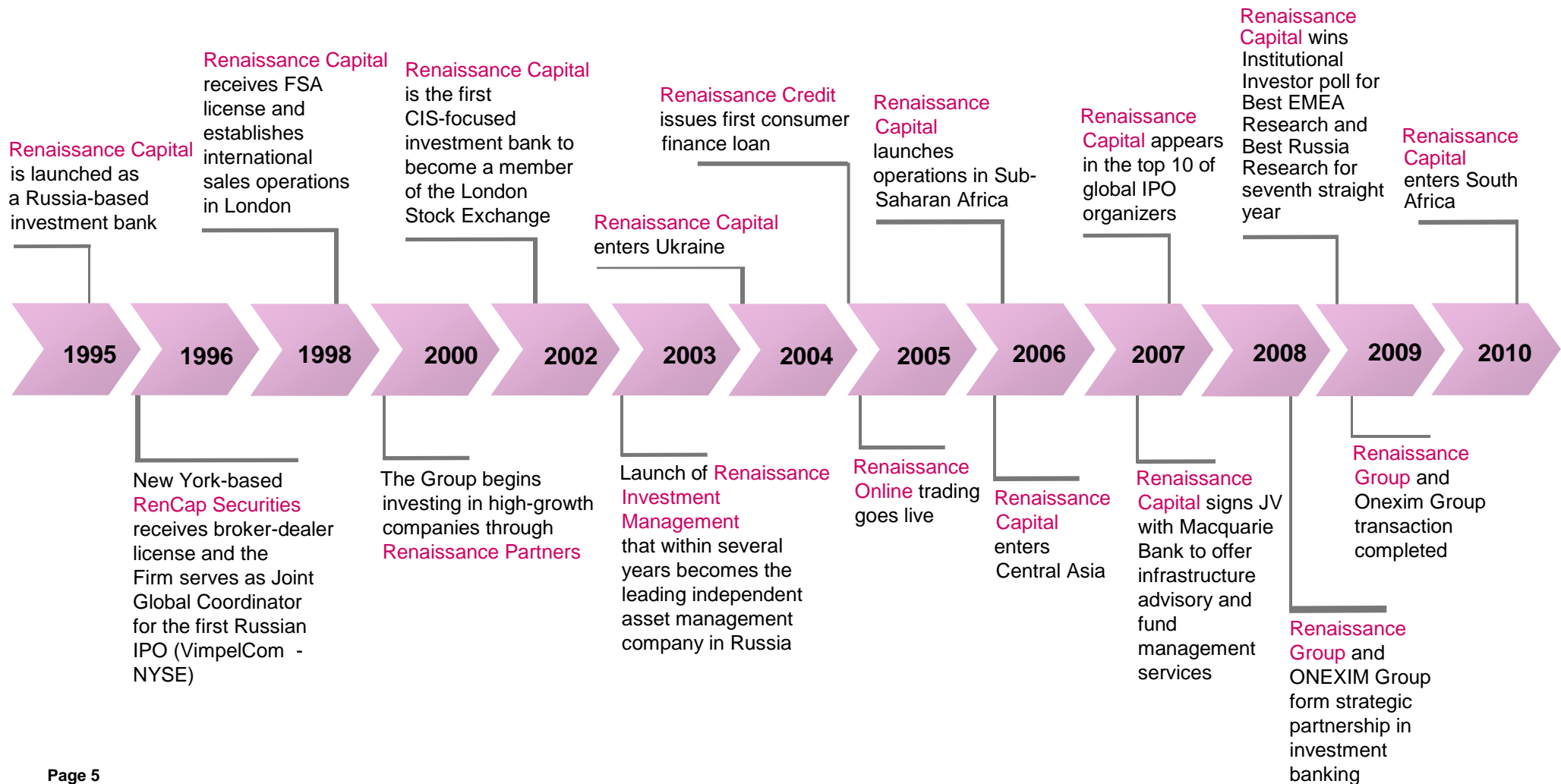
### ENTREPRENEURSHIP

We are entrepreneurs. Tough, pragmatic professionals driven by independence, intuition and opportunity. With the urge to build and get things done. World-class practitioners who are insightful, ingenious and resourceful. And, just a little bit competitive.

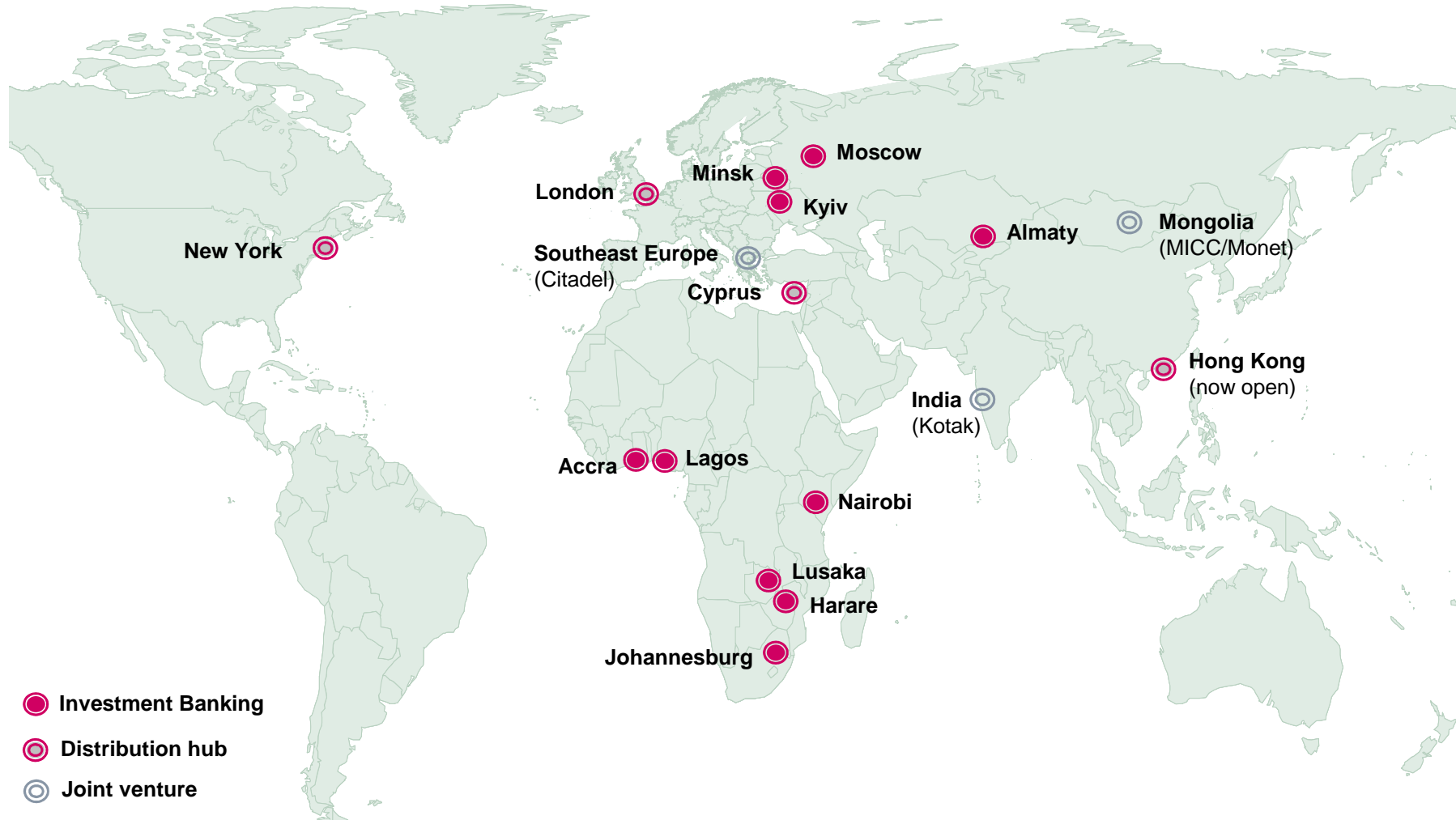
### ONE FIRM

We are one Firm. A group of extremely talented individuals working together to create value for the Firm and for our clients. Achieving the greatest success through collaboration – across teams, disciplines and geographies.

# Key Milestones



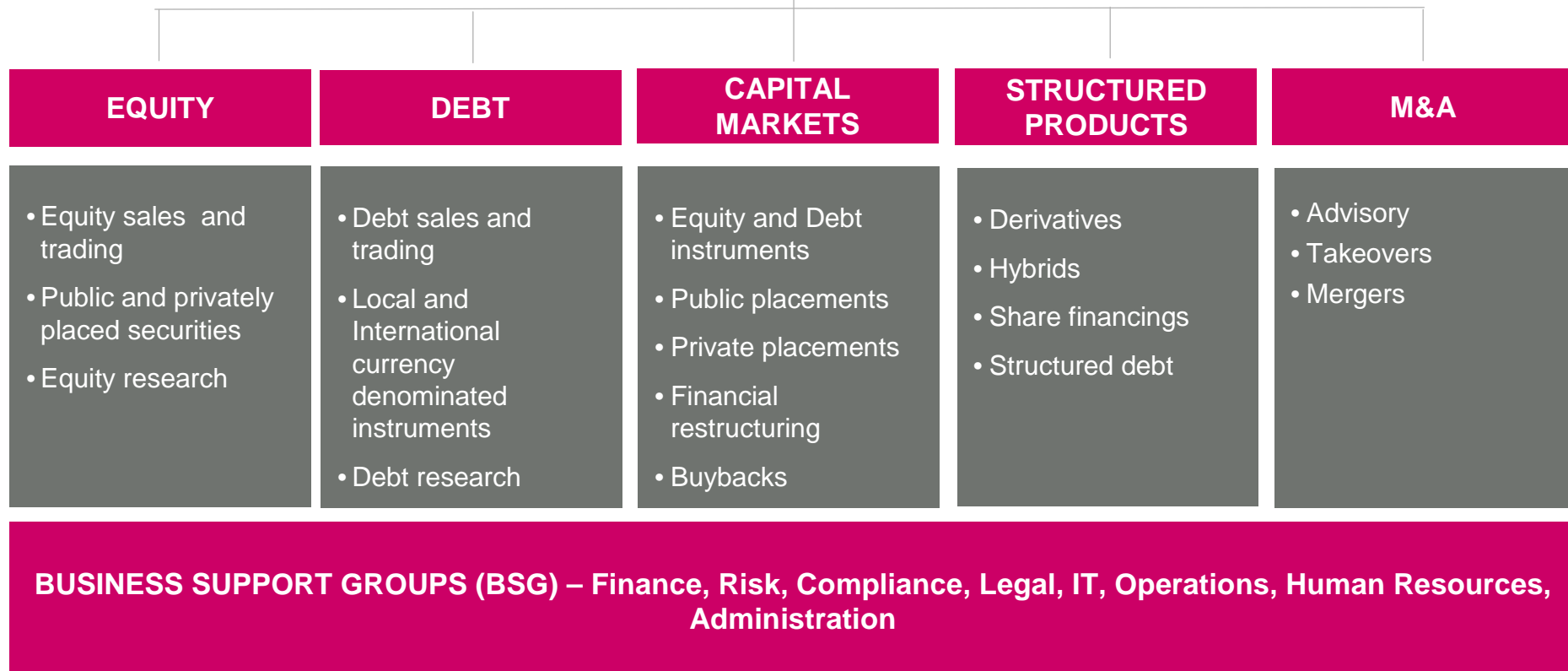
# Geographic Reach



Renaissance Capital delivers the full range of investment banking products

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# Renaissance Capital



## Renaissance Wealth Management at a Glance



- ✓ **Renaissance Wealth Management is a leading private banking company, established in 2003 as a 100% owned subsidiary of the Renaissance Group. Renaissance Wealth Management began with five employees and \$4 million in assets and has grown to over \$2 billion in assets.**
- ✓ **Renaissance Wealth Management is a market leader in investing in high opportunity emerging markets, with offices in London, Geneva and Moscow and with a presence in Almaty and Kiev. Internationally, our focus is on providing tailored financial products to clients and giving access to investments in the CIS and Sub-Saharan Africa.**
- ✓ **In Russia and other CIS countries, Renaissance Wealth Management offers wealth management services to clients. It is the largest non-captive asset manager in Russia and is one of the largest managers of the Russian pension fund assets.**

## Renaissance Credit at a glance



- **Renaissance Credit** is a part of the Renaissance Group, which has been committed to the Russian market for more than 15 years and built up one of the most successful financial institutions.
- **Renaissance Credit** is a consumer finance company with a 5 year experience of working in Russia and CIS which has a leading infrastructure with high asset quality and collection efficiency performance in the market.
- **Renaissance Credit** is a team of entrepreneurs who have better understanding of the market situation and are fast to react to any changes with the only goal to achieve: protect the interests of its shareholders, customers and employees.

## Renaissance Partners: An overview



- Renaissance Partners traditionally represents the merchant banking activity of the Group which is defined as the proprietary investment of the firm's capital in structured or non-liquid situations
- As of today the amount of investment made is above 600 mln US\$
- Portfolio of investments comprised of 15 companies (9 in CIS and 6 in Africa)
- The nature of the investments has evolved from predominantly opportunistic short-term investments to longer-term control or significant influence investments with a focus on operational value creation
- Renaissance Partners has an outstanding track record of realised investments throughout its history with above 100% IRR
- The team consists of 20+ professionals with relevant experience in private equity, IB and professional services

# Renaissance value creation framework



## Strategy

- Develop a long-term (three-to-five year) value creation and business development plan
- Ensure that all strategic priorities are properly addressed

## People, people, people

- Attract the best management talent, which is very challenging in the Renaissance geographies
- Bring world-class professionals into portfolio companies, with 10+ years of experience in the relevant industry and the ability to increase the scale and significantly improve the performance of each business

## Critical functions

- Assist portfolio companies in identifying and developing critical functions, such as: business development / M&A function, introducing / upgrading reporting and controls environment, optimising working capital management / capital structure and operational functions

## Targets and incentives for management

- Develop, review and measure a set of objectives for the senior managers of each portfolio company
- Link compensation scheme of senior managers to long-term financial performance and strategic goals

## Implementation & execution

- Closely monitor implementation of business plan and keep management focused on priorities
- Part quickly with non-performers

## Why Renaissance?

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- ➔ Truly international
- ➔ Ambitious growth plans
- ➔ Clear strategy, vision & leadership
- ➔ Career, not just a job
- ➔ Exceptionally talented people
- ➔ Opportunity to learn, grow and develop
- ➔ Period of transformation

## Disclaimer

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## QUESTIONS

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## Appendix 1: Renaissance Capital in Russia at a glance



- No. 1 Russian sales and trading business. Leading trader on the local Moscow exchanges and in Russian GDRs and ADRs globally.
- No. 1 Russian IPO issuance. Consistently tops the IPO league tables. Significant deals 2007-2010 included USD 2.2 bln IPO of Rusal, USD 8 bln IPO of VTB, USD 1.1 bln IPO of Uralkali and USD 1.1 IPO of Magnitogorsk Iron and Steel Works.
- Leading
- Leading Russian M&A house. In December 2009, for the second time named “Best M&A Advisor in Russia” by the Financial Times and MergerMarket.
- No. 1 Research team in Russia. First place for Russia Research for seven consecutive years (2003-2009) in Institutional Investor ranking.
- Strong Russian partner in Onexim Group, a leading investment company owned by Mikhail Prokhorov.

### Russian ECM in 2008, by value of deals

Rank	Bank	Proceeds US\$m
1	Renaissance Capital	926
2	JPMorgan	748
3	Morgan Stanley	481
4	Deutsche Bank	480
5	Goldman Sachs	435

Source: Thomson Financial

### M&A Advisers in Russia/CIS (1998-2009)

Rank	Advisor	Value (US\$ mln)	# of deals
1	Renaissance Capital	37,433	58
2	Deutsche Bank AG	73,971	57
3	Credit Suisse	53,576	44
4	Morgan Stanley	61,599	36
5	Alfa Bank	17,159	34

Source: MergerMarket, www.mergermarket.com

### Research team in Russia (2009)

Rank	Bank
1	Renaissance Capital
2	Troika Dialog
3	Unicredit Global Research
4	Bank of America - Merrill Lynch
5	Deutsche Bank

Source: Institutional Investor's 2009 Emerging EMEA Research Poll. Renaissance Capital's team has been voted #1 in Russia every year since 2003.

## Appendix 2: Renaissance Capital in Sub-Saharan Africa at a glance

- Renaissance Capital has built the largest and most experienced team of world-class market professionals dedicated solely to Sub-Saharan Africa. We created a fully-fledged investment banking operation run by Africans in Africa in the space of just two years.
- We have operations in Lagos, Nairobi, Johannesburg and Harare.
- Our recent expansion includes investments in market-dominant brokerages in Zambia and Ghana, which are now known as Renaissance Pangaea and Renaissance New World, respectively.
- We have dedicated investment banking, sales and trading and research professionals on the ground in Africa – we don't 'fly in, fly out' like many of our competitors.
- We are ranked Number 1 for EMEA Research (Institutional Investor 2009) with 10 first place rankings, more top rankings than any other bank.
- The Firm is active in sales and trading in all of the 14 equity markets and was ranked top five for EMEA equity capital markets in 2007.
- The Firm's Africa business has been recognized with numerous awards including "Investment Bank of the Year" by African Banker and "Best New African Investment Bank" by EMEA Finance.

### Our unrivaled network spanning Sub-Saharan Africa



## Appendix 3: Renaissance Capital in Ukraine at a glance



- By far the top M&A adviser in Ukraine, leading both by number of deals executed and cumulative deal value.
- Starting from 2004, Renaissance Capital has raised over US\$700 million of equity and debt capital for Ukrainian companies.
- In 2008 and 2009, our research team was awarded #1 ranking for Ukraine research in the authoritative Institutional Investor survey.
- The most experienced team of bankers in Ukraine, including Chairman Gregory Gurtovoy and CEO Peter Vanhecke.
- Recent deals include USD 149 million IPO of KDD Group, USD 100 million IPO of Caravan Megastore, Evraz Group's acquisition of five metals and mining assets in Ukraine and sale of 99% of Odessa Champagne Company to Campari.

### M&A Advisers in Ukraine, 2007-Present

Position	Adviser	Deal Value (US\$mn)	Number of deals
1	Renaissance Capital	3,567	7
2	Credit Suisse	2,200	1
3	Merrill Lynch	2,200	1
4	UniCredit Group	2,200	1
5	Citigroup Inc	1,307	2
6	HSBC Bank plc	805	2
7	KBC Securities NV	805	2
8	Rothschild	805	2
9	UBS	800	2
10	Lehman Brothers	685	1

Source: MergerMarket

# Appendix 4: Debt Sales and Trading



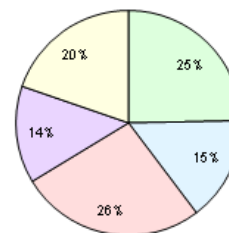
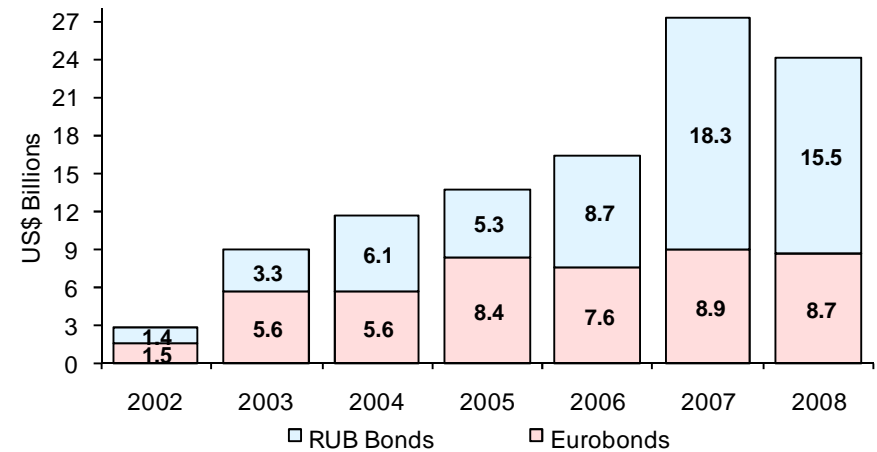
## SALES

- DPG sales is organised along dual lines with a focus on both domestic and international clients. The domestic sales business is a market leader in terms of volumes transacted and enjoys close relationships with all of the major buyers of fixed income products.
- International sales staff based in Moscow, London and New York work with investors in the US, the UK, Europe and Asia. These investors include the worlds leading hedge funds, dedicated emerging market funds, credit funds and traditional asset managers.
- The two teams on a combined basis talk to over 250 major investors who are active buyers of Russian and CIS fixed income instruments.

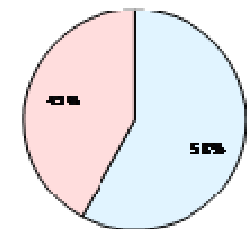
## TRADING

- The Group is among the market leaders in rouble bond trading volumes both on MICEX and the OTC market including USD bonds. In addition to securities trading, the trading desk provides other services including currency and interest rate risk hedging mechanisms, REPO, and access to structured products and traded derivatives.
- DPG Ukraine is listed among the top 5 trading counterparts on PFTS by volume.

Fixed Income Trading Volume



- RUB bond trading
- USD bond trading
- Other bond trading
- Financing
- Other sources



- TRADING
- FEES BUSINESS

Trading Revenues are diversified: RUB bonds trading 25%, USD bond trading 15%, financing 14%, other bond trading 26%, other sources 20%

Trading Revenues accounted for 58% and fee based revenues 42%










Source: Renaissance Capital

## Appendix 5: Investment banking: Mergers and Acquisitions

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- Leader with both domestic and international clients
- International banking standards combined with deep knowledge of the local market
- 15-year successful track record
- Executed more M&A transactions in Russia than any of peers
- Over 40 M&A transactions closed 2008-2010
- Pipeline is very healthy for the rest of 2010
- Industry specialities in mining and oil & gas
- Geographical diversity brings results and revenues

### Selected M&A transactions

<p>Metals &amp; Mining <b>October, 2009</b></p> <p>Renaissance Capital Financial advisor</p>  <p><b>US\$ 955 000 000</b> SALE TO ENRC</p>	<p>Consumer Goods <b>August, 2008</b></p> <p>Renaissance Capital Financial Advisor</p>  <p><b>ACQUISITION OF 75.53% SHARES IN LEBEDYANSKY</b></p>	<p>Metals &amp; Mining <b>May, 2008</b></p> <p>Renaissance Capital Exclusive Financial Advisor</p>  <p><b>SALE OF BLOCKING MINORITY STAKE IN NORILSK NICKEL</b></p>
<p>Oil &amp; Gas <b>June, 2009</b></p> <p>Renaissance Capital Exclusive advisor</p>  <p><b>RECOMMENDED CASH OFFER THAT LED TO REACHING A 33.72% STAKE IN SIBIR ENERGY</b></p>	<p>Oil &amp; Gas <b>February, 2010</b></p> <p>Renaissance Capital Exclusive financial advisor</p>  <p><b>US\$ 118 000 000</b> SALE TO JSC GAZPROM NEFT</p>	<p>Consumer <b>November, 2009</b></p> <p>Renaissance Capital Exclusive financial advisor</p>  <p><b>US\$ 190 000 000</b> SALE TO X5 RETAIL GROUP</p>
<p>Metals &amp; Mining <b>January, 2008</b></p> <p>Renaissance Capital Financial Advisor</p>  <p><b>STRATEGIC SALE TO SEVERSTAL</b></p>	<p>Metals &amp; Mining <b>January, 2008</b></p> <p>Renaissance Capital Financial Advisor</p>  <p><b>ACQUISITION OF MAJORITY SHARE HOLDINGS IN 5 METALS AND MINING ASSETS IN UKRAINE</b></p>	<p>Metals &amp; Mining <b>October, 2006</b></p> <p>Renaissance Capital Joint Financial Adviser to TMK Steel</p>  <p><b>US\$ 1 300 000 000</b> LEVERAGED BUYOUT OF 33% MINORITY INTEREST IN TMK BY CONTROLLING SHAREHOLDER TMK STEEL</p>

*“Best M&A Advisor for Russia, 2009”*

In December 2009, Renaissance Capital exclusively won the Financial Times and Mergermarket award

**M&A**  
AWARDS

**FT**  
FINANCIAL  
TIMES

  
mergermarket

## Appendix 6: Investment banking: Financing Group

- No. 1 position in equity capital markets in Russia in 2009
- Equity capital markets transactions completed in eight countries in 2009
- No. 1 in equity capital markets on AIM in 2009 (Bloomberg league tables)
- Russia's largest IPO (VTB, USD 8 bln)
- Russia's first NYSE-listed IPO (Vimpelcom)
- First ever Russian bank sole book IPO on LSE (Cherkizovo)
- No. 1 in ruble bonds in 2009
- Over 40 FG transactions closed in 2008-2009
- Pipeline is very strong for the rest of 2010, including an equity capital markets pipeline of 25 deals in 12 countries
- New products developed: equity and debt buybacks, stake building, debt restructuring

### Selected recent transactions

<p>Oil&amp;Gaz April, 2009</p> <p>Renaissance Capital Financial Advisor to Gazprom Neft</p>  <p><b>GBP 327 000 000</b> ACQUISITION OF 16.94% STAKE IN SIBIR ENERGY ON BEHALF OF GAZPROM NEFT</p>	<p>Metals &amp; Mining January, 2010</p> <p>Renaissance Capital Joint bookrunner</p>  <p><b>US\$ 2 240 000 000</b> INITIAL PUBLIC OFFERING</p>	<p>Telecom August, 2009</p> <p>Renaissance Capital Lead Arranger</p>  <p><b>RUB 20 000 000 000</b> RUBLE BOND ISSUE DUE 2014</p>
<p>Consumer November, 2009</p> <p>Renaissance Capital Co-Lead Manager</p>  <p><b>US\$ 320 000 000</b> FOLLOW-ON OFFERING</p>	<p>Metals &amp; Mining November, 2009</p> <p>Renaissance Capital Sole bookrunner</p>  <p><b>US\$ 77 000 000</b> FOLLOW-ON OFFERING</p>	<p>Banking November, 2009</p> <p>Renaissance Capital Joint coordinator and bookrunner</p>  <p><b>US\$ 200 000 000</b> PLACEMENT OF CONVERTIBLE PREFERRED SHARES</p>
<p>Oil &amp; Gas April, 2009</p> <p>Renaissance Capital Joint Lead Arranger</p>  <p><b>RUB 10 000 000 000</b> RUBLE BOND ISSUE DUE 2019</p>	<p>Metals &amp; Mining July, 2009</p> <p>Renaissance Capital Sole Bookrunner</p>  <p><b>US\$ 105 500 000</b> FOLLOW-ON OFFERING</p>	<p>Oil &amp; Gas September, 2009</p> <p>Renaissance Capital Joint Bookrunner</p>  <p><b>US\$ 300 000 000</b> FOLLOW-ON AND CONVERTIBLE BOND OFFERING</p>

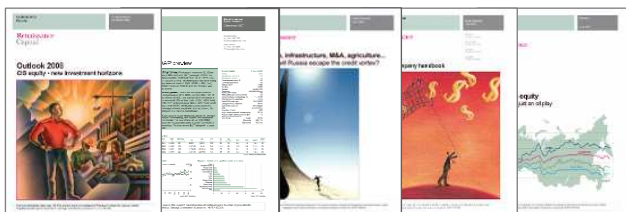
# Appendix 7: Award-winning Research team



Renaissance Capital Research Team is the undisputed leader across Emerging Europe, the CIS and Africa.

















Renaissance Capital Research Team was ranked #1 in Russia by Institutional Investor for 7 consecutive years including 2009

In 2009 the Research Team achieved outstanding success: Renaissance Capital was awarded the #1 place in the overall Emerging EMEA survey, its analysts scored 10 ranked positions all of which were # 1



Leading Research Teams in Russia - 2009	
Rank	Bank
1	<b>Renaissance Capital</b>
2	Troika Dialog
3	Unicredit Global Research
4	Banc of America - Merrill Lynch
5	Deutsche Bank
6	J.P. Morgan Securities
7	UBS

## Leading Analysts in Emerging EMEA 2010

- 

 Roland Nash – Leading Equity Strategy/ Emerging EMEA Markets Analyst; Leading Russia Analyst
- 

 Alexander Burgansky – Leading EMEA Oil & Gas Analyst
- 

 Natalia Zagvozdina – Leading Consumer and Retail Analyst
- 

 Robert Edwards – Leading EMEA Metals & Mining Analyst
- 

 Alexander Kazbegi – Leading EMEA Telecommunications Analyst
- 

 David Nangle – Leading EMEA Financials Analyst
- 

 Derek Weaving – Leading EMEA Utilities Analyst
- 

 Marina Alexeenkova – Leading EMEA Chemicals Analyst









**Renaissance Capital**  
**VOTED No. 1**

For the seventh year running,  
Renaissance Capital has been voted  
the number ONE Research team for Russia

Leading Research Teams in EMEA - 2009 (emerging Europe, Middle East and Africa)				
Rank 2009	Rank 2008	Bank	Total Team Positions	First Team Positions
1	2	<b>Renaissance Capital</b>	10	10
1	6	Unicredit Global research	10	1
3	4	Banc of America - Merrill Lynch	9	1
3	3	UBS	9	2
5	1	Deutsche Bank	8	0
6	7	J.P. Morgan Securities	6	1
7	4	Citi	4	0
8	8	ING Equity Markets	3	0
8	8	Troika Dialog	3	0
10	10	Credit Suisse	1	0
10	10	Dragon Capital	1	0
10	-	EFG Eurobank Securities	1	0
10	-	HSBC Bank	1	1
10	-	Macquarie Equities	1	0
10	10	Morgan Stanley	1	0

Renaissance Partners

Private Equity Fund I

- **Digital Sky Technologies:** leading Russian internet holding company
- **Media One:** one of the largest regional radio network in Russia with growing TV network
- **Nissan Tyumen:** car dealership

Russia & CIS

- **Russia Forestry Products:** second largest forest resources portfolio in Russia with 4.5 mln m3 annual cut rights
- **Ukrainian Agrarian Investments:** one of the largest agricultural land portfolio in Ukraine with 300,000 hectares of land
- **Club Cheese:** fully integrated cheese producer in Ukraine

Africa

- **Ecobank:** one of the biggest pan-African retail bank
- **DesFox:** pre-urban land in Zimbabwe
- **Socfinaf:** pre-urban land in Kenya
- **Bubye:** game reserve in Southern Zimbabwe