

July 13, 2007

Igor A. Lukyanov
Orlovski Project Development Company
JSC WHSD
44 Nevsky Prospect
St. Petersburg, 191186
Russia

Dear Mr. Lukyanov,

Russia: Orlovski Tunnel, St. Petersburg

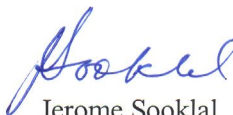
We understand that the City of St. Petersburg is planning to launch a bid process for the design, construction, finance and operation of a tolled tunnel running approximately 1 km under the Neva River connecting Piskarevski Avenue and Orlovskaya Street in St. Petersburg with a capacity of 60,000 vehicles per day. The project will be implemented as a Public Private Partnership, based on a 30 year concession, and with a capital grant from the Investment Fund of the Russian Federation and support from the City of St. Petersburg. We note the current plan to complete the pre-qualification process in November 2007 and to call for the submission of bids by the second quarter of 2008.

IFC is interested in principle in supporting this project. Such support would be subject to the project's economic and financial viability, its compliance with IFC environmental standards and guidelines and with its having a suitable financial structure, including adequate levels of completion support from sponsors. IFC can extend financing of up to a maximum of twenty five percent of total project cost and can arrange the remaining debt through syndication with commercial banks. Where the requirements of the transactions warrant it, IFC has extended loans of 15 years and longer for infrastructure projects such as this.

After pre-qualification, IFC would be pleased to work with the shortlisted bidders to define a suitable financing package for the project. We would be interested in considering a senior loan, probably denominated in Rubles, for IFC's own account, subject of course to IFC's appraisal process. Assuming IFC makes a positive investment decision for its own account, IFC would also consider assisting in mobilizing additional financing from other sources, including Russian banks. Any investment by IFC would require full appraisal by IFC and the satisfaction of IFC's Management and Board.

You may communicate to potential bidders IFC's interest in participating in more detailed discussions on potential financial support once they have reached the shortlisting stage.

Sincerely,



Jerome Sooklal
Director

Central and Eastern Europe Department