

IFC A Partner for Russian Infrastructure

Orlovski Tunnel Project
Frankfurt
October '07

IFC and the World Bank Group

- Private Sector Arm of the World Bank Group
- IFC is owned by its 178 member countries
- Russia shareholder since 1993
 - Owns 3% of IFC's shares

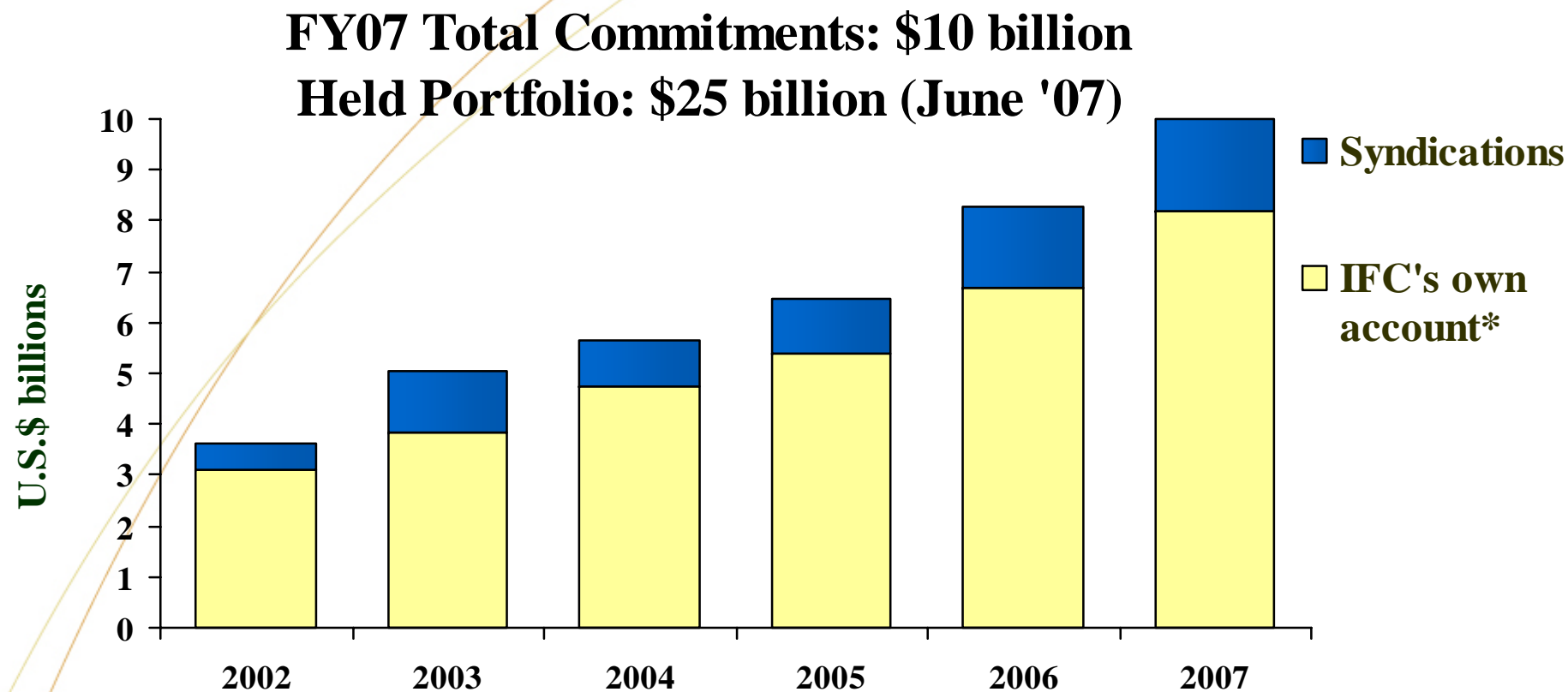
IFC's Defining Characteristics

- Participates only in private sector ventures
- Shares same risks as other investors
- Invests in equity
- Has market pricing policies
- Does not accept government guarantees

IFC Services

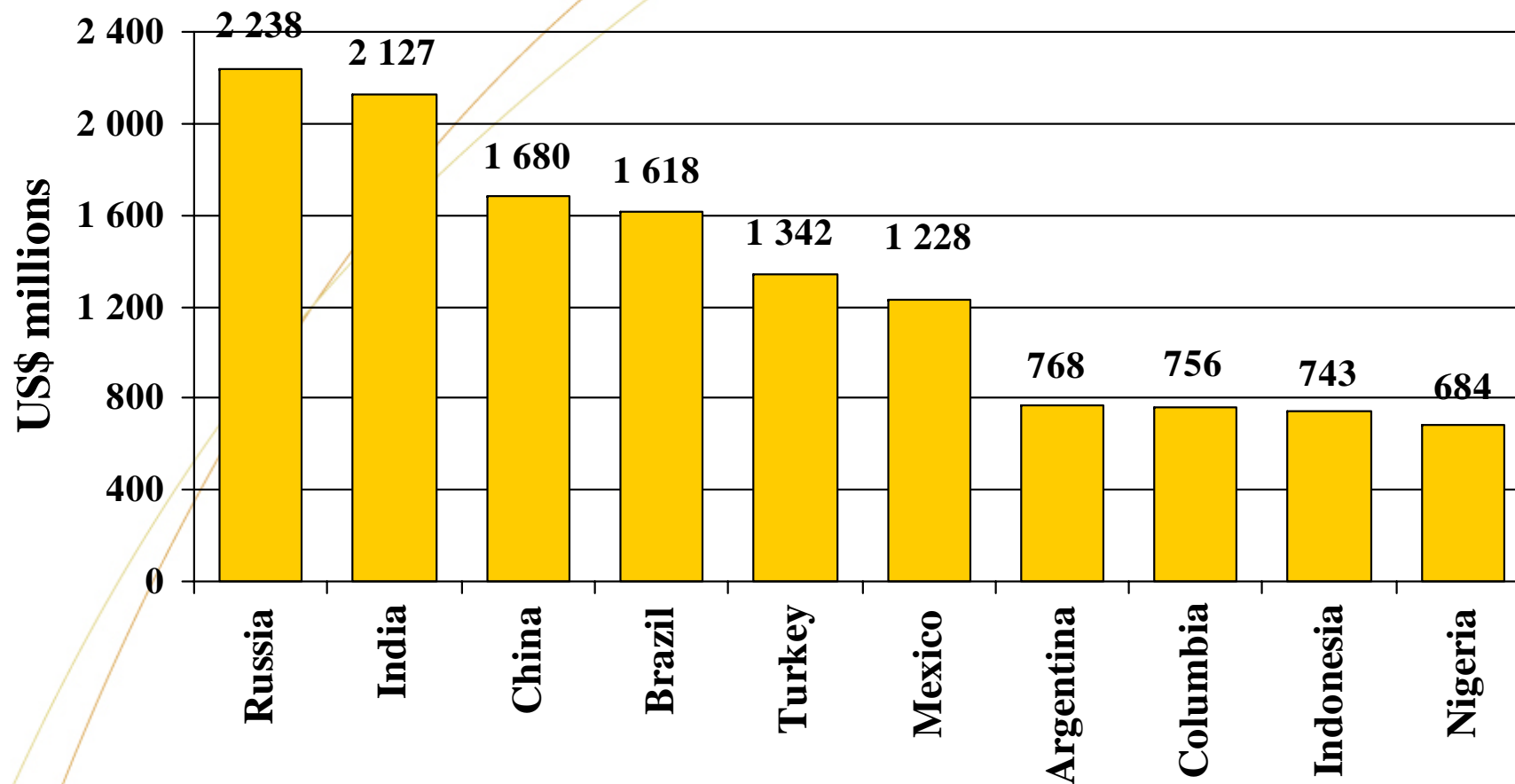
- **Financial Products**: loans, equity, quasi-equity, guarantees, risk management products; including local currency financing
- **Resource Mobilization**: loan participations and structured finance
- **Technical Assistance and Advisory Services**: on environmental/social performance, small businesses linkage, corporate governance, capacity building, investment climate etc

IFC's Commitments Tripled Last 5 Years



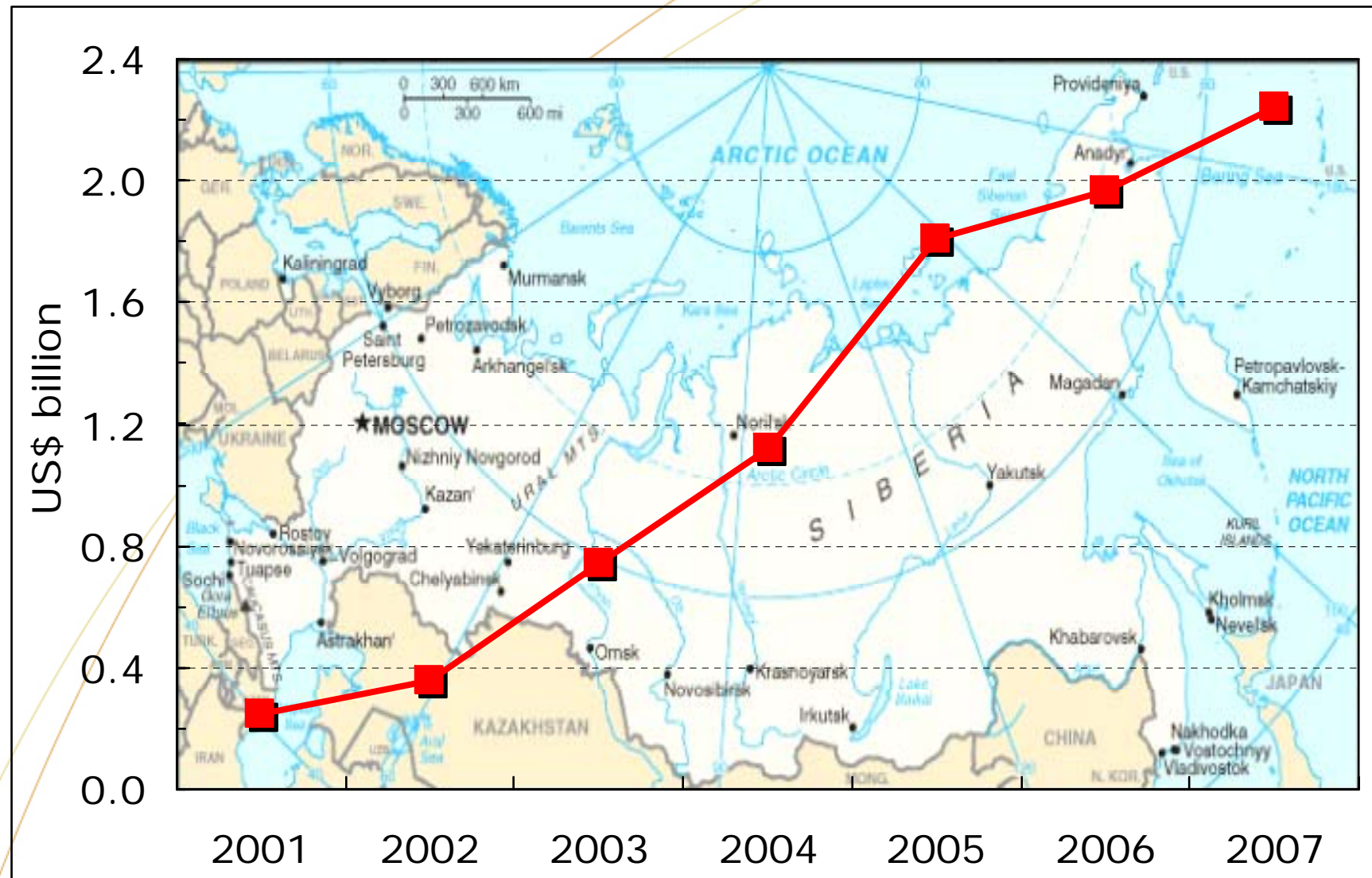
*Includes loans, equity, guarantees, risk management products

Russia: IFC's Top Market



*as of June 2007

Russia: Strong Portfolio Growth



Investments in Russian Infrastructure

- Infrastructure a key thrust area for IFC in Russia
- In last 5 years committed about US\$350 million in ten Russian rail, sea and air transport companies
- Strong Commitment to continue support and grow private infrastructure
- Long experience in financing transport PPP's around the world
- In-principle interested in the Orlovski Tunnel Project (LOI already provided)

Recent Russian Infrastructure Transactions

Russia



North-Western Shipping

Loan \$23 million
Syndicated loan \$24 million

Construction of new dry-cargo river and sea vessels and financing of working capital

Approved: April 2004

Russia

Ruskiy Mir

Loan \$15 million

Expansion of fleet of tank cars and associated infrastructure

Signed: April 2004

Russia



SeverstalTrans

Loan \$25 million
Quasi-equity \$15 million

Expansion of fleet of tank cars and acquisition of new locomotives

Signed: March 2004

Russia



Kulon

Loan \$2.5 million
Quasi-equity \$5.0 million
Parallel loan \$7.5 million

Development of logistical infrastructure in Moscow

Signed: April 2004

Russia



Volga Shipping Company

Loan \$40 million
Syndicated loan \$40 million

Acquisition of new short-sea vessels

Approved: April 2004

Russia



Volga-Dnepr Airlines

Loan \$29.9 million

Financing for the expansion of the airline's fleet

Signed: June 2002

Russia



Siberia Airlines

Loan \$20 million
Quasi-equity \$5 million

Acquisition and refurbishment of aircraft, increase of working capital, expansion of route network

Signed: April 2004

IFC's Investment Guidelines

- Up to 25% of the project cost for IFC's own account
- Tenors up to 15-18 years; repayment tailored to cash flow
- Fixed or Floating rates; in US\$, euros; long-term ruble financing
- Project finance, corporate or parent-guaranteed
- Subordinated debt, convertibles
- Mobilize through B Loans, Syndications/ Co-Lending with other IFIs and ECA's

Working with IFC

- Early Review/Mandate: based on sponsor information
- Due Diligence: environ, tech, econ, fin, legal
- Investment Review meeting & detailed term sheet
- Board, Negotiation of Documents, Disbursement
- Collaboration with other lenders/ ECA's as needed

Additional Information

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