



CBonds Conference – Moscow

September 29, 2011

EBRD's Role in the Syndicated Loan Markets of Russia & the CIS - 2011

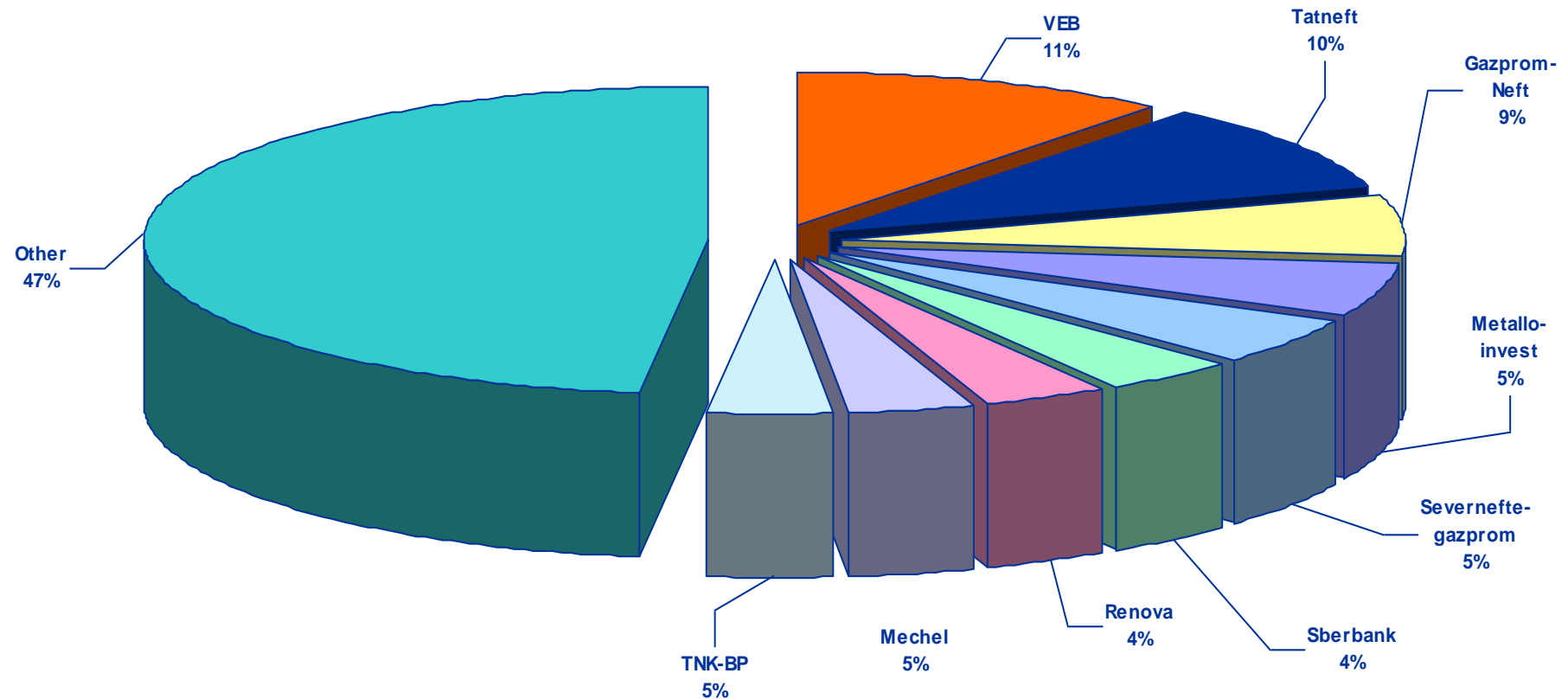


Overview of the Russian Syndicated Loan Market

- **Approx 65 transactions, year-to-date**
- **Volume already exceeds \$37.5 billion, up from \$30.1billion in 2010; still well shy of 2007's record level of \$87 billion**
- **Concentration among top names**



Russian borrowers by %, 2010-2011: concentrated at the top of the credit curve



> 50% captured by 9 names and 3 sectors

EBRD co-financing in Russia & CIS

EBRD Annual Volume: €9 billion debt/equity

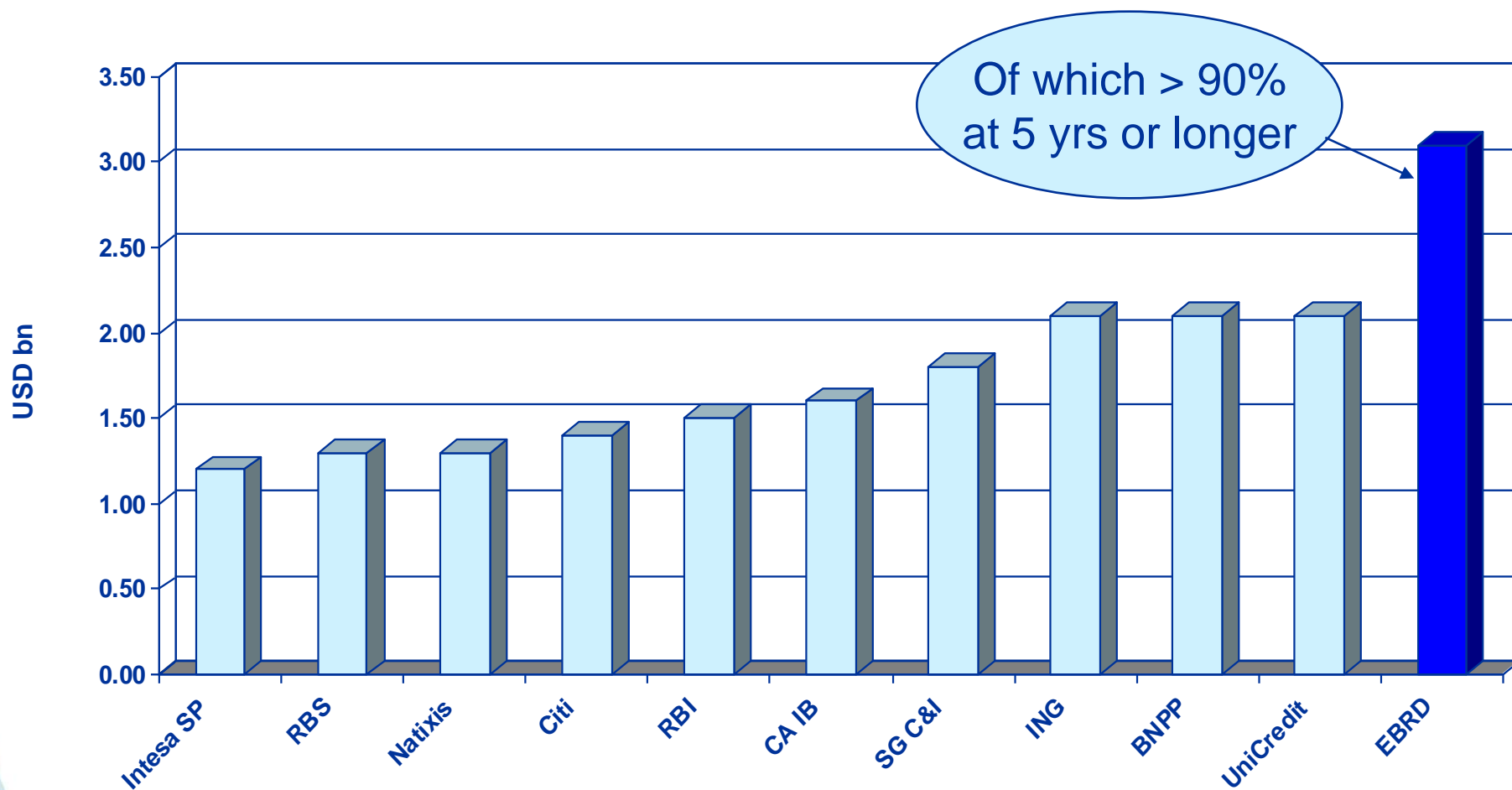
2011 – Approx \$2 billion of co-financing in 17 deals

2010 – Approx \$3 billion of co-financing in 22 deals

- 50% under EBRD's A/B Loan Structure in \$ and €**
- 50% under a parallel loan basis by IFIs like IFC, ADB, BSTDB, bilaterals including DEG, KfW, EIB, ECAs, etc. in \$, € and RUB**



Russia – top ten syndicated loan providers 2010 (and EBRD Russia volume 2010)



Characteristics of EBRD Syndicated Loans

- **1st time borrowers & credits down the credit curve**
- **“Test the Water”, “It’s safe to go back into the market” transactions**
- **Borrowers requiring longer tenors**
 - **Financial Institutions: 1.5, 3, 5 yrs;**
 - **Industrials: 5 yrs and longer;**
 - **Municipalities: 10-15 yrs**



Characteristics of EBRD Syndicated Loans

- **Groundbreaking transactions – PPPs, PF deals;**
- **Complicated and long-lead time structures (technical, environment, etc.)**
- **Power, Natural Resources, Industrial sectors as well as “forgotten sectors” including Property; Leasing; Municipal; Rural**
- **Long-term local currency lending – RUB/KZT**



Keeping Credit Flowing to the Financial Sector

- **Promsvyazbank, Russia (2010)**
 - First syndicated loan for a private bank in Russia in 2010, setting benchmark for future deals
 - USD 250 mm 1 yr and 3 yrs
- **Credit Europe Bank (2011)**
 - Ranked 45th by assets in 2010
 - Syndicate of 16 banks arranged by EBRD & IFC; USD 250 mm 1 yr & 3 yrs
- **Transcapitalbank (3 deals -- 1 in 2010 and 2 in 2011)**
 - Ranked 49th by assets in 2010
 - USD 164 mm 1 yr & 3 yrs with USD 52 mm 1 year extension in 2011
 - Syndicate of 10 banks arranged by EBRD & IFC
 - MSME-focused Syndication 2011 -- USD 13 mm 3 yrs and 4.5 yrs (1 bank)



Keeping Credit Flowing to the Financial Sector

- **Raiffeisen Bank S.A. Romania (2011)**
 - First syndicated loan in the financial sector in Romania since October 2008
 - Aimed at re-opening markets – syndicate of 11 banks
 - EUR 150 mm 5 yr and 2 yrs (with extension option)
- **ArmEconomBank, Armenia (2010)**
 - First syndicated loan for an Armenian borrower since the beginning of 2008, for on-lending to local MSMEs
 - USD 10 mm 1 yr and 3 yrs



PPPs and Infrastructure Syndications

Pulkovo Airport Concession Finance, Russia (2010)

- Russia's first PPP project in the airport sector heavily oversubscribed
- EUR 200 mm 12 yrs & 15 yrs

KEGOC (electricity grid) Kazakhstan (2011)

- \$156 mm 15 yrs & 12 yrs

Paravani Hydro Power Plant – Georgia (2011)

- \$63 mm 15 yrs

Kubgas (gas distribution) – Ukraine (2011)

- \$40 mm 7 yrs

Latvenergo (power) Latvia (2010)

- EUR 150 mm 10 yrs and 12 yrs; unsecured



Manufacturing and Industry Syndications fostering investment

- **Brunswick Rail, Russia (2010 and 2011)**
 - Financing of a major fleet investment programme
 - USD 290 mm 5 yrs and 8 yrs
 - Sculpted quarterly repayments with 50% cash sweep
- **Oil and Gas Systems (Sukhodol), Russia (2010)**
 - Construction of greenfield hot press stamping plant at Sukhodol, Tula
 - EUR 900 mm 8 yrs and 5 yrs
- **European Bearings Corporation, Russia (2010)**
 - Largest bearings producer in CIS
 - USD 170 mm 4 yrs and 6 yrs (incl. USD 40 mm subordinated tranche)



Environmental Focus Syndications

- **Monolit, Russia (oil & gas) 2010**
 - Secured, sponsor-guaranteed project finance to support the engineering, construction and operation by the Borrower of a gas processing plant and a 44MW gas piston power plant
 - USD 87 mm 5 yrs and 8 yrs
- **Petrom, Romania (oil & gas) 2010**
 - €300 mm million financing aimed at pollution clean-up, pipeline replacement, gas flaring reduction, health and safety improvements, energy efficiency and other environmental remediation investments
 - Co-financed with Black Sea Trade and Development Bank.
 - Syndicated to 8 banks -- 7 and 5 yrs



EBRD's Niches

- **1st time borrowers and credits down the credit curve**
- **“Test the Water”, “It’s safe to go back into the market” transactions**
- **Borrowers requiring longer tenors (including the big names)**
- **Groundbreaking transactions – PPPs, Project Financings, “Stay the Course” Transactions**
- **FI, Power, Natural Resources, Transport, Industrial, Municipal, Telecoms, Property & Tourism sectors**
- **Long-term local currency lending – RUB/KZT**



Recent EBRD Clients in Russia and CIS





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Thank you for your attention!

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