

JBIC finance for Port Sector

March 19, 2012

Japan Bank for International Cooperation



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JBIC's Profile

JBIC is the international wing of Japan Finance Corporation (JFC) established on October 1, 2008. The predecessor of JBIC is the international Financial Operations of former JBIC.

JBIC will be separated from JFC on April 1, 2012, and set off to a new start as a new JBIC.

◆ Office

4-1 Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8144, Japan

◆ Capital

¥ 1,091billion*

◆ Outstanding Loan and Other Financing

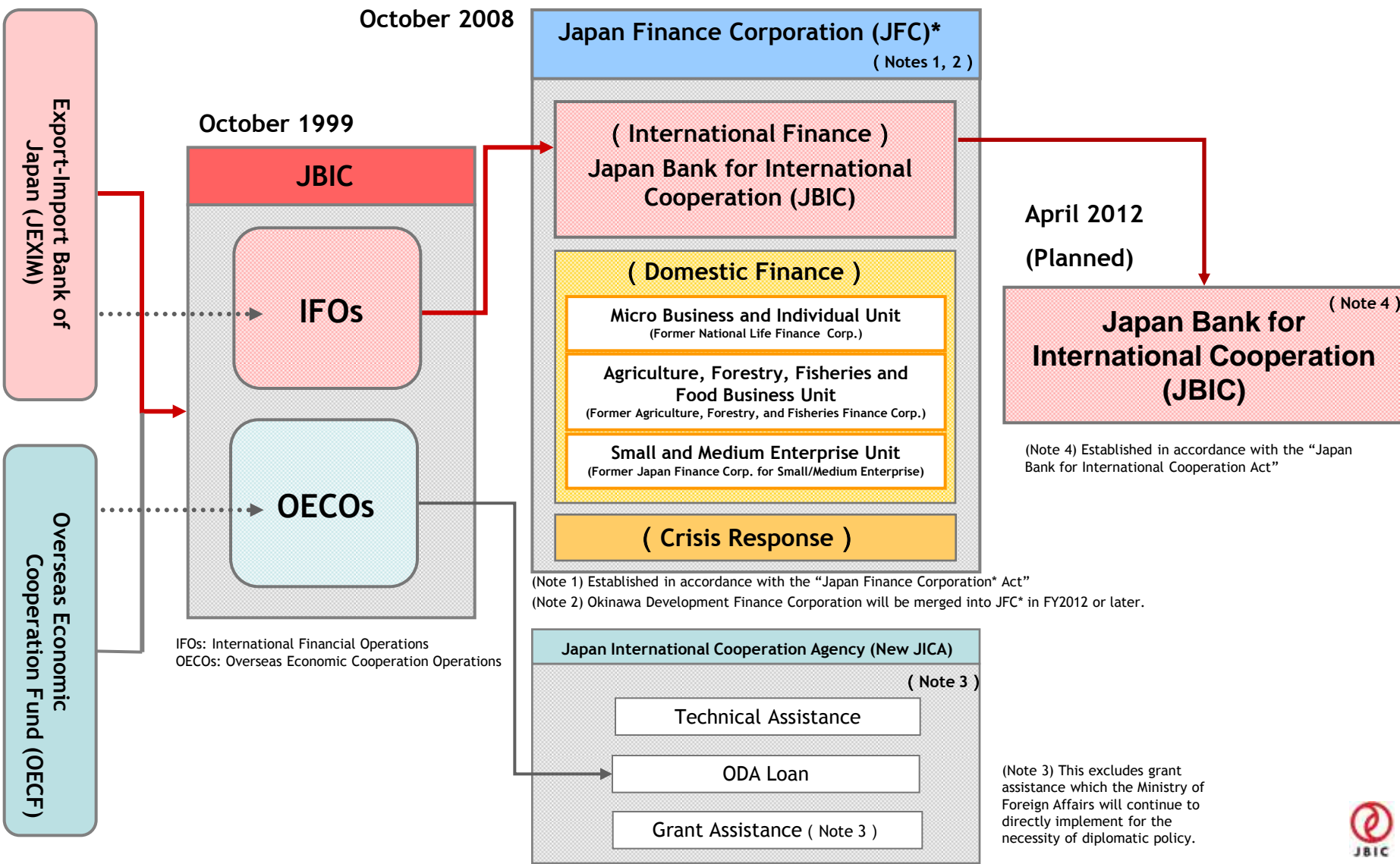
¥ 8,467billion*

◆ Outstanding Guarantees

¥ 2,443.2billion*

* March 31, 2011, Account for JBIC Operations in JFC.

JBIC's Profile



JBIC's Profile

Status: Governmental Bank
(**100%** owned by the Japanese Government)

Mission: Contributing to the sound development
of the Japanese and International economy

Operational Fields

Promoting overseas
development
of natural resources

Supporting
Japanese industries

Preserving
the global environment

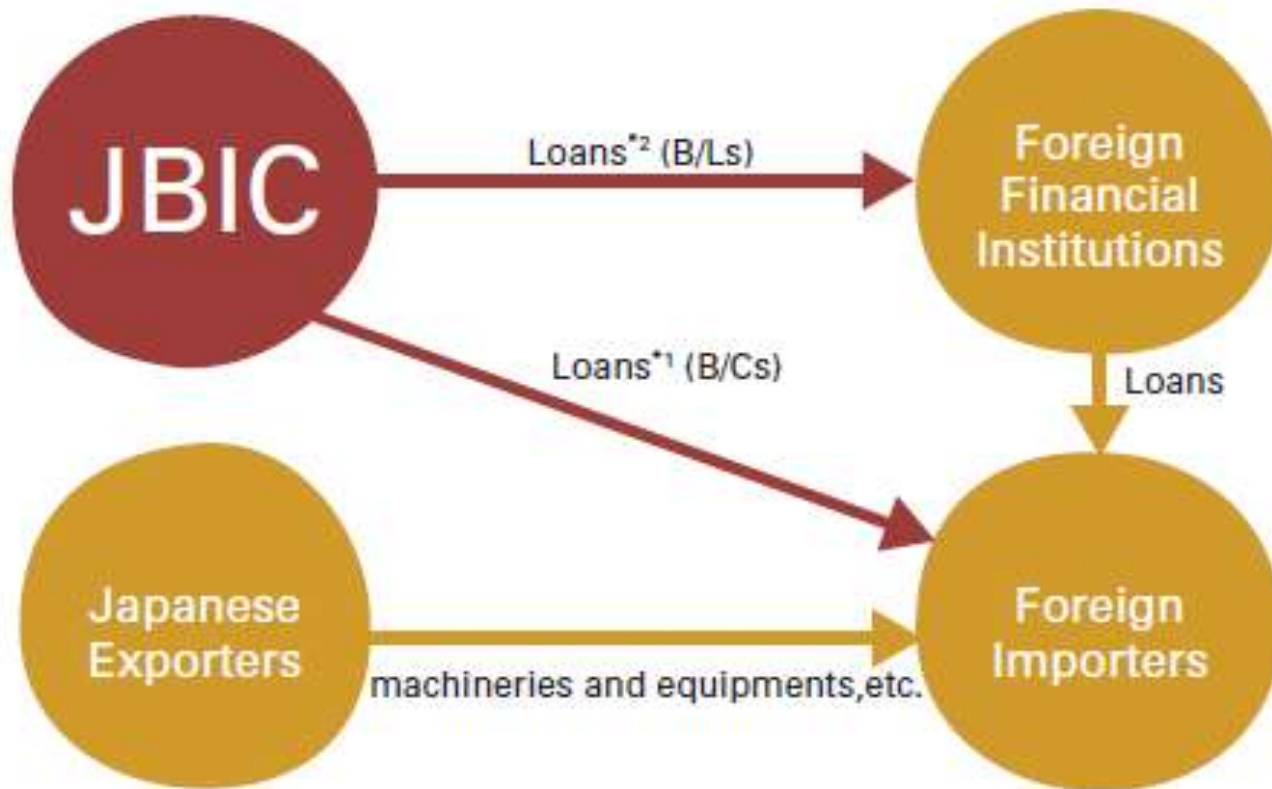
Responding to
international financial
disorder



Introduction of JBIC Facility

Export Loan

Export Loan Scheme

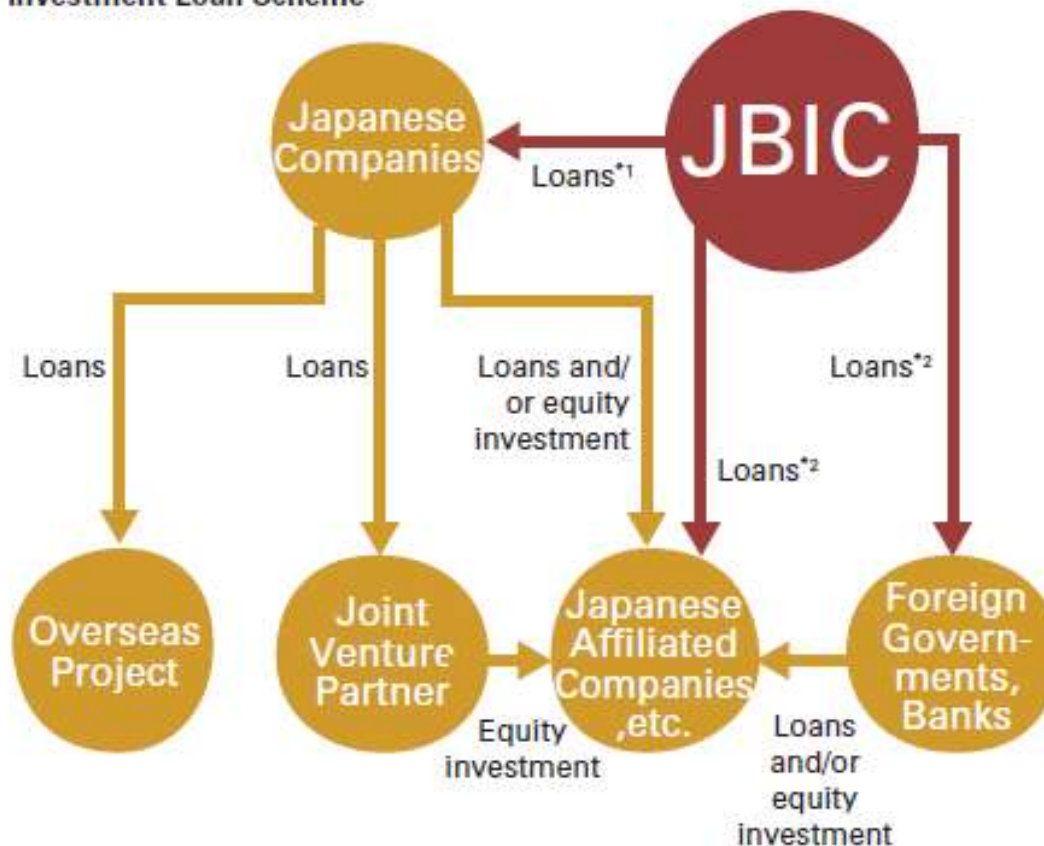


*1. Loans to foreign importers (Buyer's Credits or "B/Cs").

*2. Loans to foreign financial institutions (Bank-to-Bank Loans or "B/Ls").

Overseas Investment Loan

Investment Loan Scheme

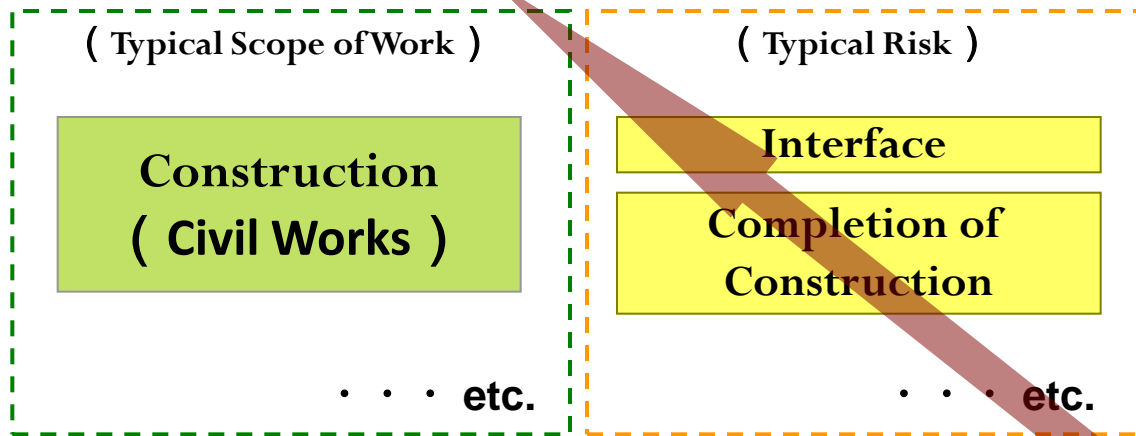


*1. Loans to Japanese investors (limited to SMEs).

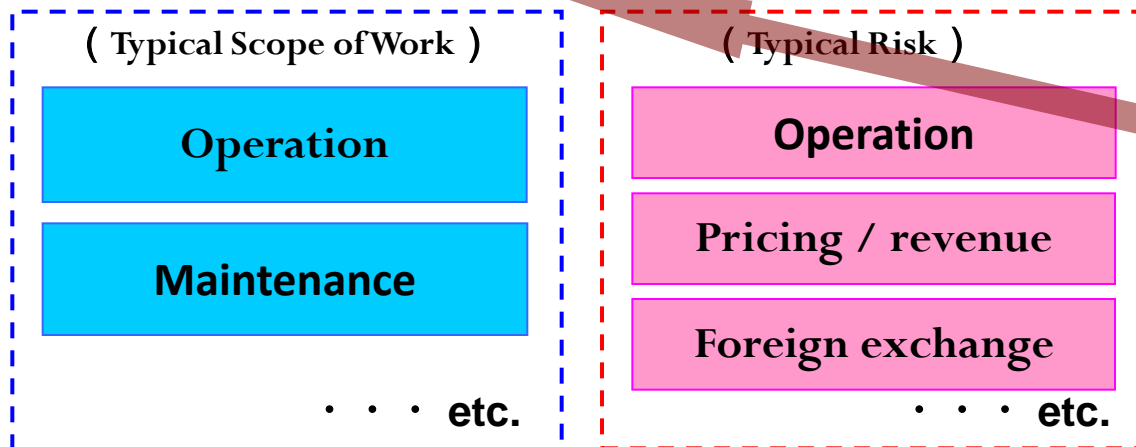
*2. Loans to Japanese joint ventures, or to foreign governments, banks or other institutions that provide loans or invest in them.

Typical Risk in Sea Port Sector

< Construction Phase >



< Operational Phase >



Appropriate Risk Sharing

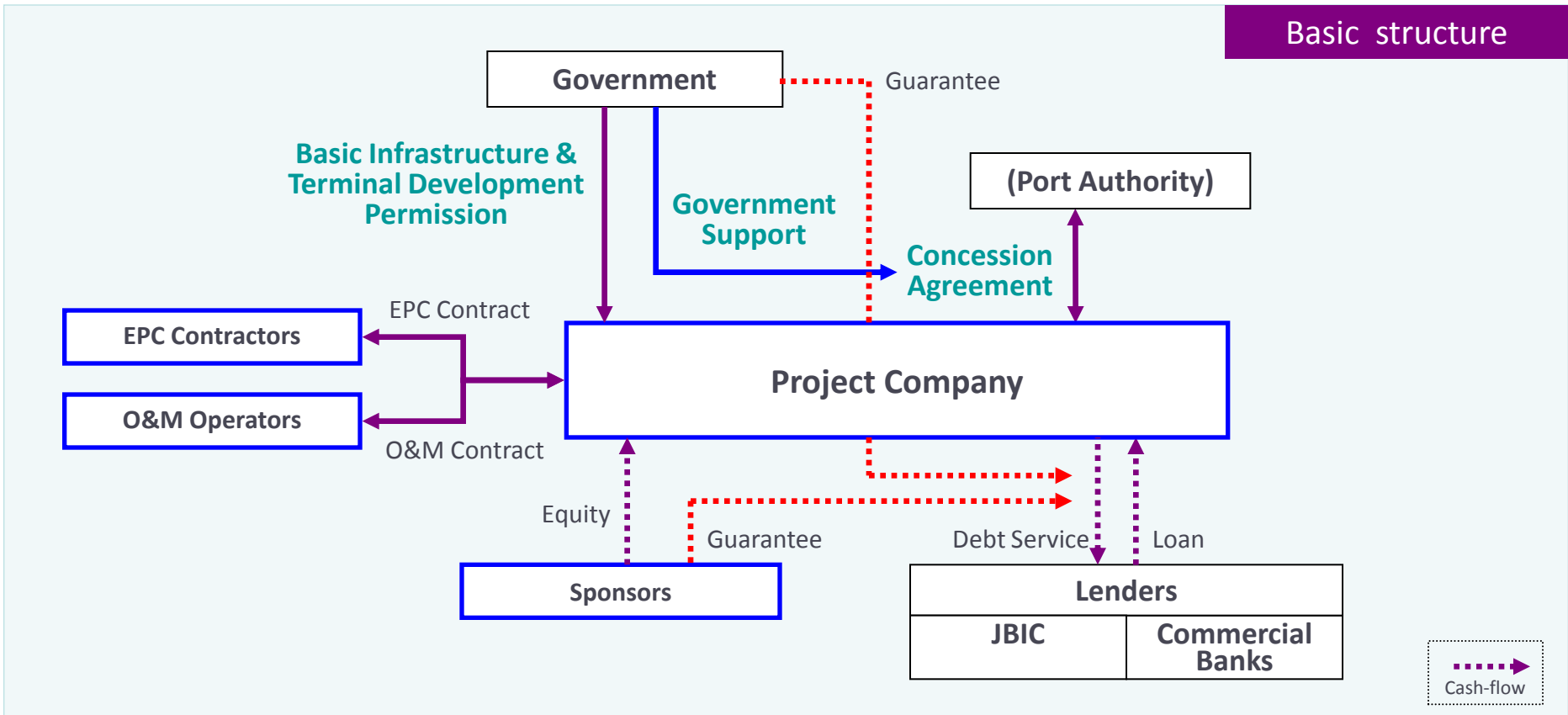
Government
of the
host country

Lenders
(JBIC etc.)

Investor/
Operator

Japanese
Involvement

Case Study: Financing Port Project (Recourse Loan)

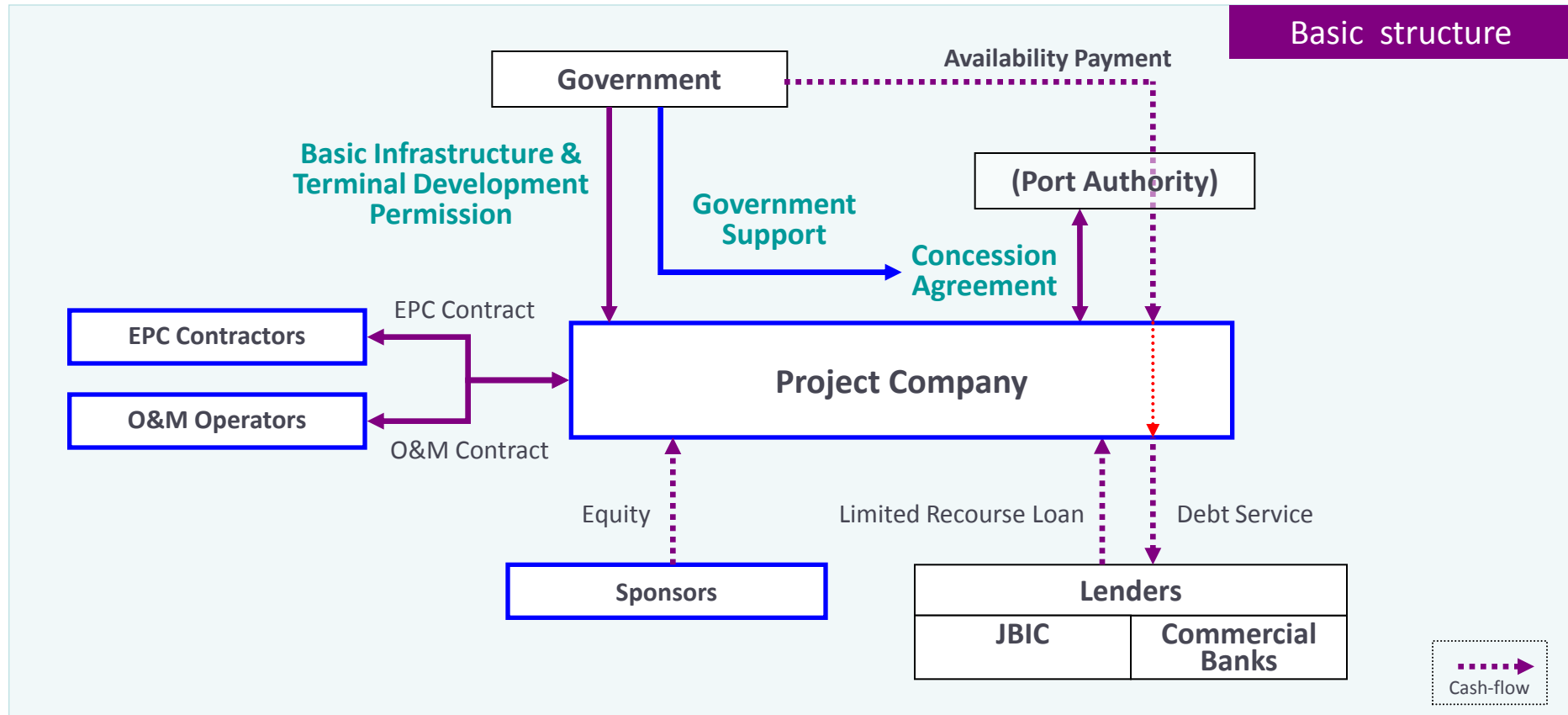


Implications

◆ As it is generally difficult to predict a revenue flow of port projects, especially in case of green-field projects, guarantee of Sponsors or Governments for loan is essential for lenders to provide loans.



Case Study: Financing Port Project (Limited Recourse Loan)



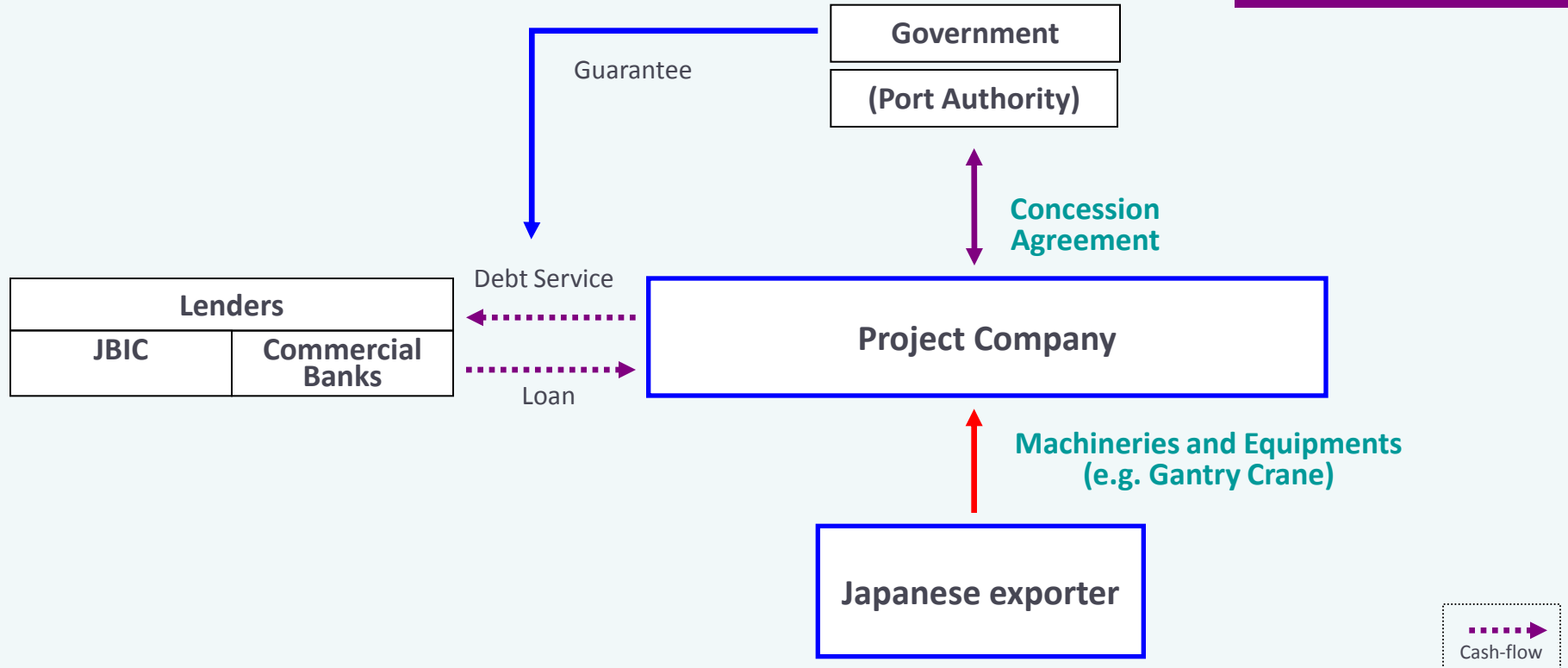
Implications

◆ **Availability Payment System under Concession Agreement is essential for Lenders to provide a limited recourse loan.**



Case Study: Buyer's Credit

Basic structure



Implications

- ◆ **Machineries and equipments manufactured by Japanese company to be imported from Japan.**



Case Study: Buyer's Credit

(reference)

Major financial terms under OECD arrangements on officially supported export credits

Repayment Term	10 years (except for high-income OECD countries)
Minimum Interest Rate	CIRR (Commercial Interest Reference Rate)
Cash payment	15% of export contract value
Minimum Risk Premium	OECD consensus for minimum risk premium (MPR)

Thank you

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