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صندوق الإيداع والتدبير
CAISSE DE DEPOT ET DE GESTION

Lancement du Fonds InfraMed

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Infrastructure financing within the framework of the Union for the Mediterranean:

Caisse des Dépôts, Cassa Depositi e Prestiti, EFG-Hermès and Caisse de Dépôt et de Gestion announce the launch of InfraMed – the first long-term investment fund and the first financing facility of the Union for the Mediterranean.

Alexandria, April 30, 2009 – *Caisse des Dépôts* (France), *Cassa depositi e prestiti* (Italy), *EFG Hermes* (Egypt) and *Caisse de Dépôt et de Gestion* (Morocco) announced on Thursday, April 30, 2009 the launching of *InfraMed*, a long-term investment fund and the first financing facility of the Union for the Mediterranean.

The purpose of *InfraMed* is to be an equity investor in primarily greenfield projects to build urban, energy and transport infrastructure in the Southern and Eastern Mediterranean region. *InfraMed* will invest in infrastructure projects compliant with (i) social and environmental responsibility criteria enshrined in the United Nation sponsored PRI (Principles for Responsible Investment) and (ii) the principles set forth in the Long-Term Investors Club charter.

The governing bodies of *Caisse des Dépôts* (France), *Cassa depositi e prestiti* (Italy), *EFG Hermes* (Egypt) and *Caisse de Dépôt et de Gestion* (Morocco) have approved a joint commitment of up to €400 million for *InfraMed*. *InfraMed* will be open to other long-term investors, particularly in Europe, the Middle East and North Africa with the aim of raising in excess of €1 billion over the coming months. Discussions are also underway with leading long-term lenders with a view to boosting the fund's financial resources by raising long-term debt.

Against the background of dwindling sources of finance due to the financial and economic crisis, *InfraMed* will be a landmark facility for the financing of new urban, energy and transport infrastructure in the countries and territories on the Southern and Eastern shores of the Mediterranean. *InfraMed* should be a significant contributor of foreign direct equity investment in regional infrastructure projects.

The establishment of *InfraMed* should be seen in the context of the initiative to set up a Long-Term Investors Club, taken by the *The Caisse des Dépôts*, *The Cassa depositi e prestiti*, *the European Investment Bank* and *the KfW*.

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Sponsors of the InfraMed Fund

CDC International SA – Caisse des Dépôts Group (France)

CDC International SA was formed in May 2008 as a fully-owned subsidiary of the Caisse des Dépôts group in order to make the Group's international activities available to long-term investors. These activities are built around:

- the formation of a Long-Term Investors' Club, which is a forum for the exchange of best practice and expression of a common identity; and
- developing services offered specifically to this category of investors, to enable them to provide capital to support economic development.

In 2008, the consolidated Caisse des Dépôts total assets stood at €221 billion, equity at €17,9 billion and net banking income at €5,023 billion.

Cassa Depositi e Prestiti (Italy)

Formed in 1850, the Cassa Depositi e Prestiti is a public company, controlled for 70% by the Italian Ministry for the Economy and for 30% by banking foundations. Its business is centred on the financing of public-sector projects, channelling funds collected through the postal savings system and State-guaranteed savings, on investment in companies on its own or public-sector bodies' behalf, and on the financing of public-sector projects by means of its own or borrowed funds.

In 2007, its total assets stood at €215 billion, equity at €14.3 billion and net profit at €1.3 billion.

EFG Hermes (Egypt)

EFG-Hermes was formed in 1984 and is the leading investment bank in the Middle East and North Africa. It employs more than 1,000 people in brokerage, asset management, investment banking, risk management, M&A and research.

EFG-Hermes has offices in Cairo, Dubai (United Arab Emirates), Kuwait, Riyadh (Saudi Arabia), Muscat (The Sultanate of Oman), Doha (Qatar) and Beirut (Lebanon) and is listed on the Cairo and London stock markets. It is the largest shareholder in the Lebanese bank Bank Audi, of which it owns 28.6%. EFG-Hermes raised \$1.2 billion through the nine latest private-equity funds it has formed. In June 2008, its market capitalisation stood at \$1.3 billion.

Caisse de Dépôt et de Gestion (Morocco)

Caisse de Dépôt et de Gestion is a financial institution, founded as a public institution in 1959. Its main role is the collection, custody and management of savings that require special protection due to their nature or origin. Caisse de Dépôt et de Gestion centralises the equivalent of 35% of total savings with institutions and has assets under management of nearly 100 million dirhams. It is the main investor in Moroccan treasury bonds, with approximately 50% of assets managed.

As well as playing a leading role in the primary bond market, Caisse de Dépôt et de Gestion ensures 16% of the secondary market in treasury bonds and holds nearly 5% of the Moroccan market capitalisation. It plays a central role in the savings transformation process as well as being a leading institutional investor.



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Context

The global infrastructure market

Four major trends are reshaping the infrastructure market:

1. Huge needs for infrastructure

Worldwide, more than \$3,000 billion needs to be invested by 2010, both in mature markets, which have substantial needs for investment in infrastructure renewal, and in emerging countries (India, China, Russia, the Gulf states, etc), where there are major greenfield projects at either the construction or development phase.

2. The growing role of the private sector

This trend can be seen in both:

- developing countries, confronted with a lack of financial resources to undertake infrastructure development programmes alone; and
- developed countries, where budget deficits are leading governments to undertake privatisations and create the conditions to encourage long-term investment.

Worldwide, the Public-Private Partnership pipeline has been estimated at \$360 billion by 2010.

3. The growth in available capital

The current crisis has made access to capital and especially debt finance more difficult. However, although this has slowed down the growth in the supply of capital available for the infrastructure sector, it has not halted it. Investors are continuing to show their interest in the infrastructure sector:

- private-equity firms and banks raised \$50 billion in 2007 (compared with \$5 billion in 2004), with a view to the leveraged financing of projects worth approximately \$80 billion (or \$150 billion under pre-crisis scenarios);
- the interest shown by sovereign funds in the infrastructure sector is also being confirmed; the intrinsic qualities of this type of investment (such as recurrent revenue that can be forecast over the long term) affords them protection against the substantial volatility that affects other asset classes, such as listed shares, as well as meeting their desire for asset diversification.

4. The change in the structure of the industry

The main features of this change are:

- construction companies (e.g. Ferrovial, Acciona, Skanska, Vinci, etc) are entering the concessions market;
- we are seeing industry consolidation through mergers and acquisitions; and
- returns are attractive and appreciated by the financial markets.

The overall trend for OECD and non-OECD countries is to invest massively in infrastructure projects, which are today at the centre of economic recovery plans. Infrastructure needs for non-OECD countries break down as follows:

- **Middle East and North Africa : 48%**
- **Sub-Saharan Africa: 12%**
- **Latin America (excluding Mexico): 13%**
- **Asia: 27%.**

Infrastructure needs in the Southern and Eastern Mediterranean region

The countries and territories on the Southern and Eastern shores of the Mediterranean have a pressing need to develop their infrastructures, due to population growth, estimated at 1.4% per annum on average between 2009 and 2017, and sustained economic growth for the next eight years forecast as being of the order of 3% to 5% per annum on average.

According to a study made between July and October 2008 by McKinsey, a strategy consultancy firm, as part of the InfraMed project, the volume of investment in infrastructure projects falling within InfraMed's target investment scope in the countries considered is estimated at approximately €150 billion (excluding tourism and social housing infrastructure) for 2009–2014.

The Union for the Mediterranean

The Union for the Mediterranean is an international, inter-governmental, regional organisation that was launched on 13 July 2008 under the French Presidency of the European Union. It has 44 members, including all the European Union Member States, the countries bordering the Mediterranean – Albania, Algeria, Bosnia-Herzegovina, Croatia, Egypt, Israel, Jordan, Lebanon, Mauritania, Monaco, Montenegro, Morocco, the Palestinian Authority, Syria, Tunisia and Turkey – and the Arab League.

The Union for the Mediterranean sets itself objectives in the areas of social affairs – improvement of living conditions in the region and creation of employment opportunities – and economic affairs – fostering economic growth in the region – as well as in governmental matters, given the correlation between social and economic progress and the geopolitical climate throughout the region.

The InfraMed Fund makes an operational contribution to this movement, being one of the first financial instruments built around it.

SEMED and the Infrastructure Opportunity

The region, broadly grouped into two sub-regions, enjoys strong demographic and macroeconomic fundamentals

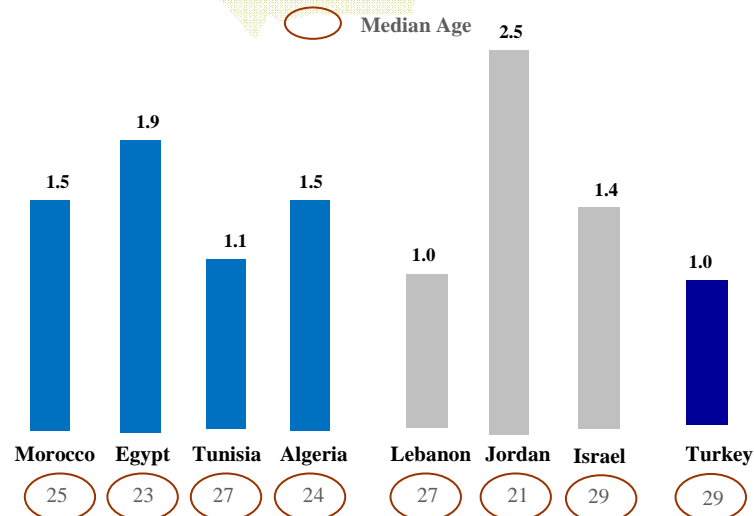
North Africa		Levant		Turkey	
Population (million)	162	Population (million)	41	Population (million)	73
2007-2017 Pop. CAGR	1.5%	2007-2017 Pop. CAGR	1.6%	2007-2017 Pop. CAGR	0.9%
2007 GDP (\$ billion)*	443	2007 GDP (\$ billion)*	247	2007 GDP (\$ billion)*	655
2007 GDP/Capita (\$)***	5,314	2007 GDP/Capita (\$)***	8,402	2007 GDP/Capita (\$)***	11,463
06-07 Real GDP Growth	5.9%	06-07 Real GDP Growth	5.0%	06-07 Real GDP Growth	6.1%

Some oil wealth but growth primarily from reforms

Economies but with a strong entrepreneurial culture

Mix of modern industry and commerce with traditional agriculture

Population CAGR % (2002-2007)

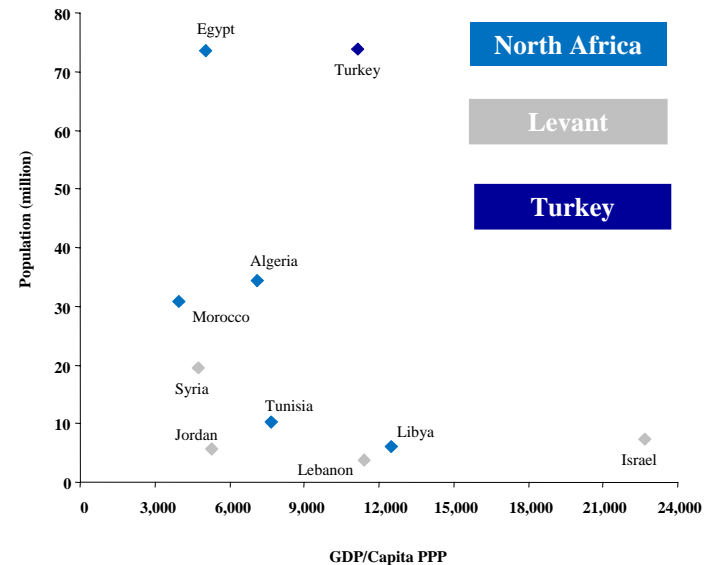


* Nominal

** PPP Adjusted

Source: EIU, IMF, WHO

Population Vs GDP / Capita



SEMED and the Infrastructure Opportunity

SEMED governments are committed to liberalization and stimulating growth through public spending

North Africa

- Union for Mediterranean initiative launched in 2008, with a view to tying the EU economies with those of the Southern and Eastern Mediterranean countries
- Egypt, Tunisia and Morocco are signatories to WTO
- Qualified Industrial Zones (QIZ) in Egypt providing duty free access to US markets
- Launch of privatization programs in Algeria and Libya
- Egypt experienced about 20x growth in FDI inflows during the period of 2002-2007, driven by government initiative for privatization and establishment of free zones
- Several government initiatives and subsidies for PPP/BOT and developed regulatory framework for investment in infrastructure
- Egypt announced a US\$5.4 billion stimulus package dedicated mostly to infrastructure spending in addition to subsidies to exporters and tax exemptions on capital and intermediary goods

Levant

- Union for Mediterranean initiative
- Establishment of a Free Trade Agreement between Jordan and the USA
- A series of reform initiatives have been launched in Syria, including the launch of the Damascus Stock Exchange, planned for March 2009
- Several government initiatives and subsidies for PPP/BOT and developed regulatory framework for investment in infrastructure

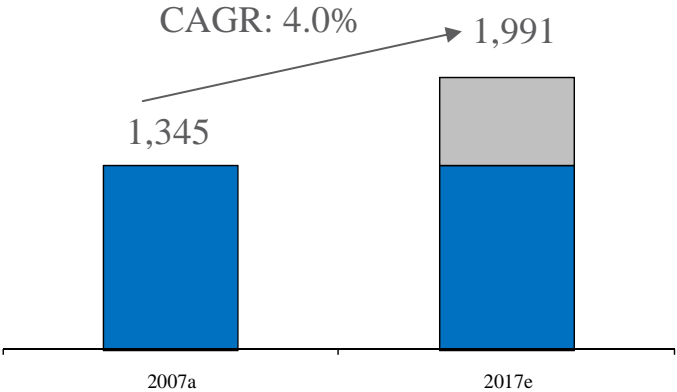
Turkey

- Union for Mediterranean initiative
- A series of large privatizations, the stability fostered by the start of Turkey's EU accession negotiations, strong and stable growth, and structural changes in the banking, retail, and telecommunications sectors have all contributed to the rise in foreign investment
- Several government initiatives and subsidies for PPP/BOT and developed regulatory framework for investment in infrastructure

SEMED and the Infrastructure Opportunity

GDP will continue to grow as SEMED will capitalize on its competitive advantages in a number of sectors

SEMED Nominal GDP Growth (US\$ billion)



Drivers

- ≡ Large, young and growing populations
- ≡ Geography and natural resources
- ≡ Low labor cost
- ≡ Cheap feed stock
- ≡ Under penetrated markets
- ≡ Liberalization and reforms

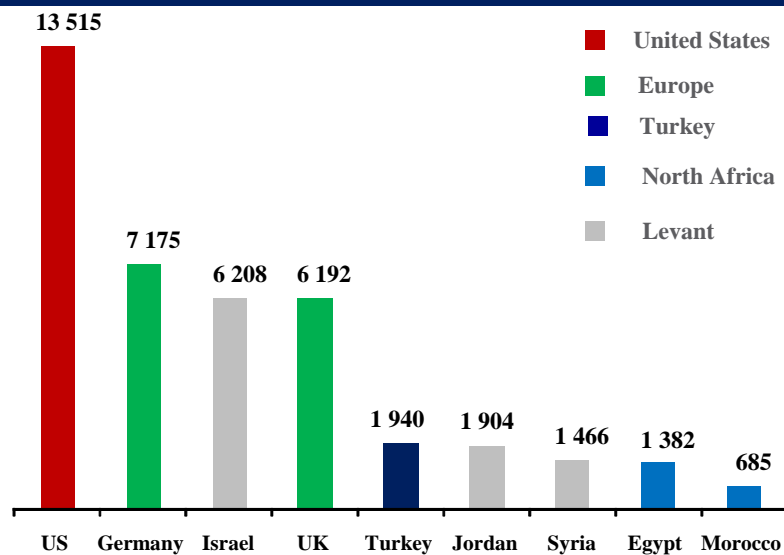
Sectors Impacts

- ≡ Tourism
- ≡ Financial Institutions
- ≡ Healthcare and Pharmaceuticals
- ≡ Industry
- ≡ Food and Agriculture
- ≡ FMCG / Retail

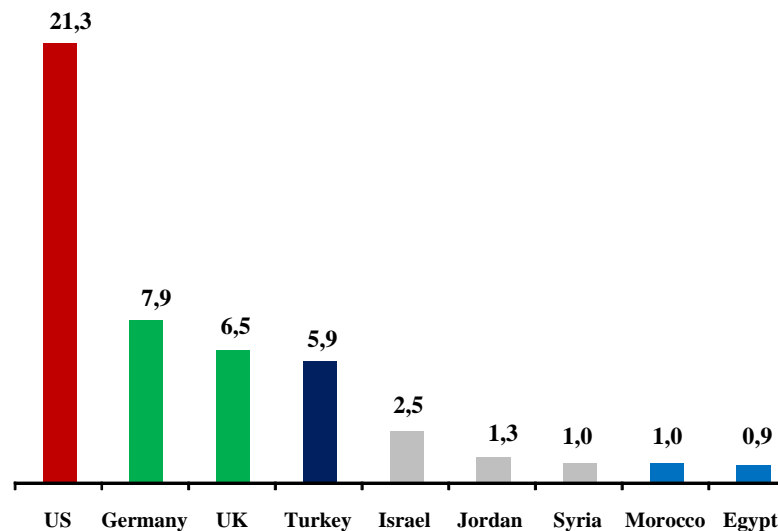
SEMED and the Infrastructure Opportunity

Over US\$ 300 billion of investments in SEMED infrastructure is required over the next 5 years

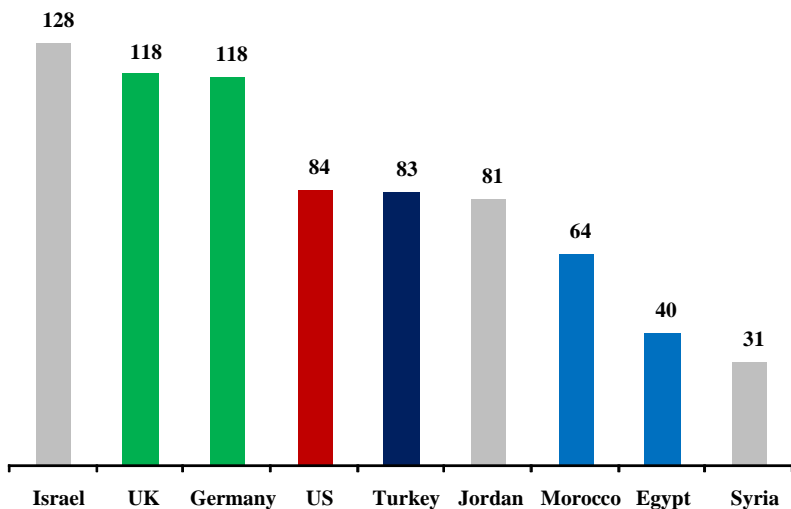
Electricity Consumption kWh / Capita - 2006



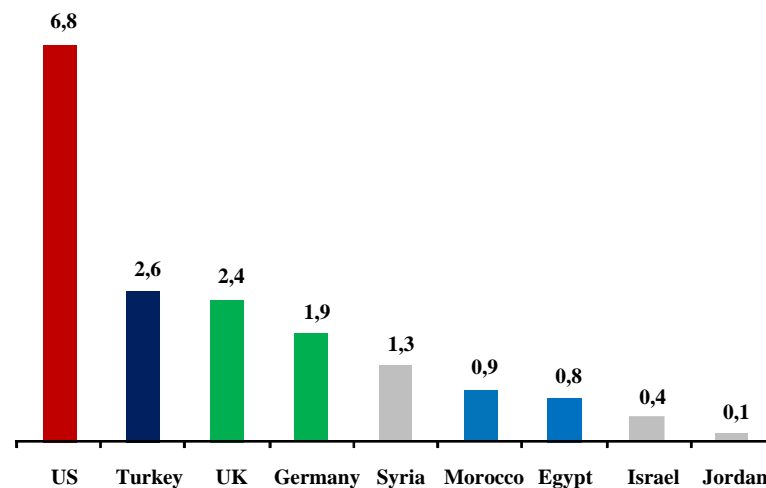
Km Roads / 000' Capita - 2007



Mobile Subscribers / 00' Capita - 2007



Renewable Water Resources / Capita (m3 000's) - 2007



Value Proposition

The Fund Manager is best positioned to tap the SEMED infrastructure opportunity

