



Russia and NEXI

< Presentation for Japan-Russia Investment Forum >

September 4, 2008

NEXI

Nippon Export and Investment Insurance

Introduction of NEXI

- **Name:** Incorporated Administrative Agency
Nippon Export and Investment Insurance (NEXI)
- **Date of Establishment:** April 1, 2001
- **Offices:** Head Office (Tokyo), NEXI Osaka,
NEXI Paris, NEXI New York, NEXI Singapore
- **Number of Officers and Staff:** 157 (As of March 31, 2008)
- **Capital:** JPY 104.4 billion
(Fully contributed by the government)
- **Total Underwritten Amount in FY2007:** JY 9.5 trillion
- **URL** <http://www.nexi.go.jp>

Past Experience

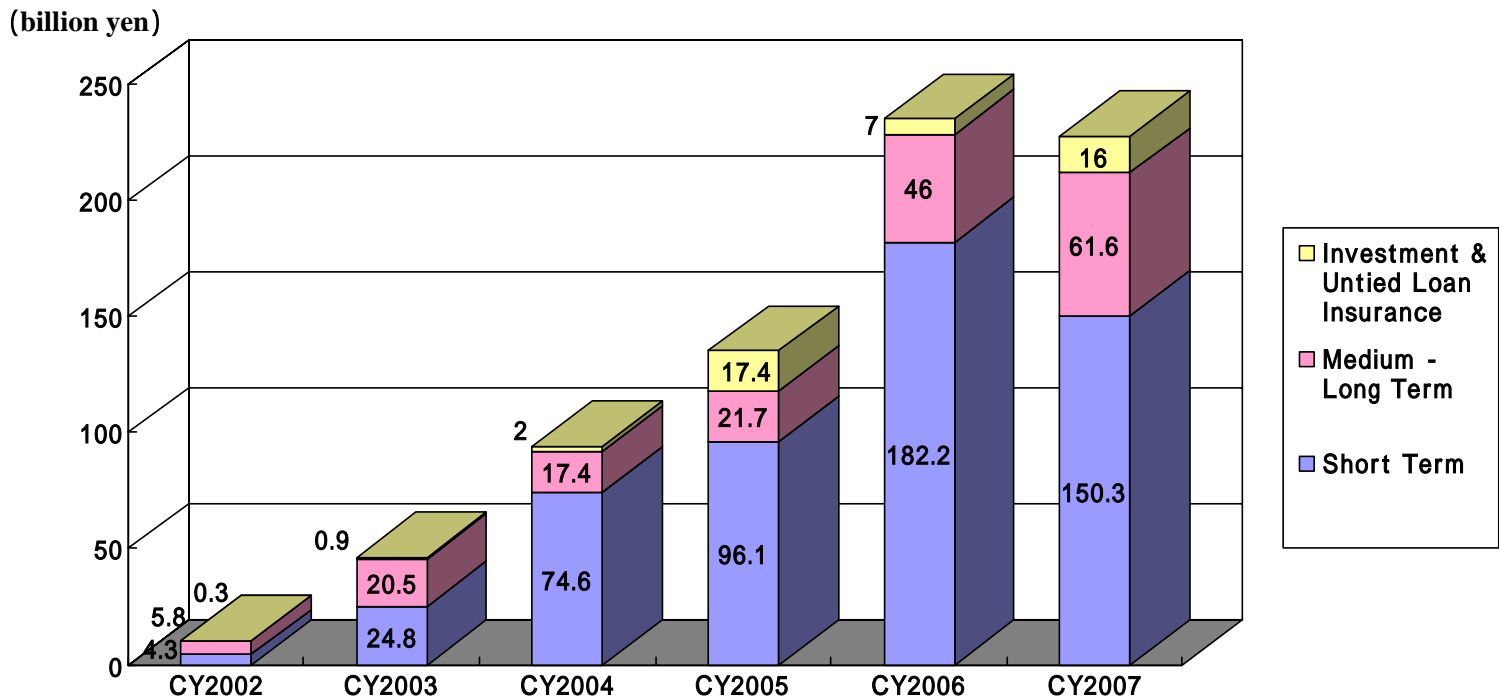
- **Former Soviet Union's public debts, rescheduled five times through Paris Club arrangements, have been fully repaid by Russia.**
 - **claims payment : JPY 200 billion (approx. US\$ 1,800 million) [1992 ~ 2002]
fully offset by the repayment from Russia [by 2006]**

- **Large-scale Projects in Russia**
 - **Steel Pipe Export Project [Gazprom / US\$ 700 million] (1993)**

 - **Blue Stream Natural Gas Pipeline Project
[Gazprom / US\$ 450 million] (2001)**

Underwriting Amount Has Been on the Rise

Underwriting Amount : JPY 227.8 billion (US\$ 2,000 million) (CY2007)
Outstanding Commitment : JPY 135.5 billion (US\$ 1,200 million) (May 2008)



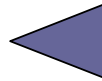


Recent Transactions

- Coking Coal Mining at Nerungri Mine Project
[Yakutugol / US\$ 75 million] (2005)
- Sheremetyevo Airport Terminal 3 Construction Project
[Vnesheconombank (VEB) / US\$ 57 million] (2007)
- Linked Pickle Line Tandem Cold Mill Export Project
**[Severstal North America (SNA) (subsidiary of OAO Severstal) /
US\$ 86 million] (2007)**

Where to Contribute

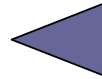
Short-term Export Transaction



Export Credit Insurance

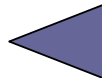
(up to 2 year's credit)

Commercial Plants (Oil & Gas, power, Industry, etc.) Supplied by Japanese Contractors



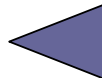
Buyer's Credit Insurance

Joint Venture / New Business



Overseas Investment Insurance

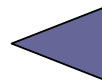
Infrastructure Projects



Overseas Untied Loan Insurance

(Japan Interest is needed.)

Oil & Gas / Natural Resource Projects (Equity Participation / Off-take by Japanese Companies)



Investment & Untied Loan Insurance for Natural Resources and Energy (Special Low Premium)



[annex]

Investment & Untied Loan Insurance for Natural Resources and Energy

➤ **Untied Loan Insurance special clause**

Insurance premium discount (60 to 75%) subject to resource off-take and establishment of an escrow account

Covering 100% political risk and 97.5% commercial risk

➤ **Investment Insurance special clause**

Covering 100% political risk



The Message

- Good past experience
- Business is on the rise; still much short of the potential
- Stand prepared to provide broad coverage including for trade, natural resource projects, plant engineering, joint ventures and stand-alone investments
- The ultimate decision by individual investors depends on the business climate