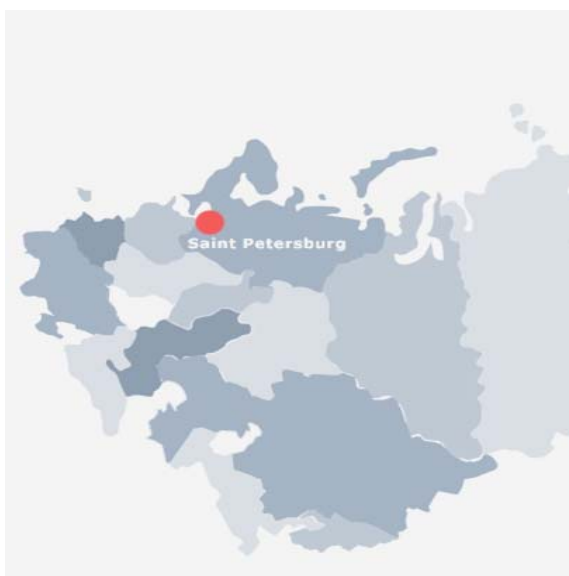
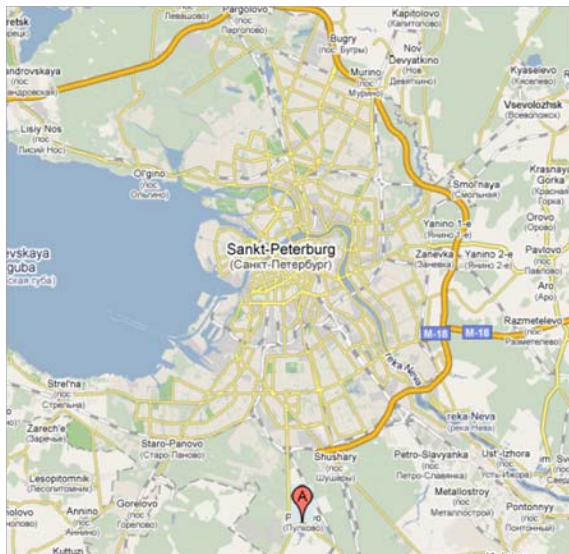


# Pulkovo Airport Project – Gateway to success



# Saint Petersburg – leading PPP revolution



## Saint Petersburg

- Russia's second largest city, industrial, scientific, transport & culture centre
- Ambitious infrastructure plans
- BBB rating from S&P (same level as the sovereign)

## Industrial and scientific centre

- Contributes 25% to the regional GDP
- EUR 10.8 bln of CAPEX in 2008
- Strong FDI – Toyota, General Motors, Ford, Nokian Tyre
- Supportive local authorities

## Transportation centre

- 5 railway hubs, 15 highways, 3 ports, 1 airport
- 50% of Russian import, 60% of Russian container turnover
- 5.5 mln daily commuters

## Culture centre

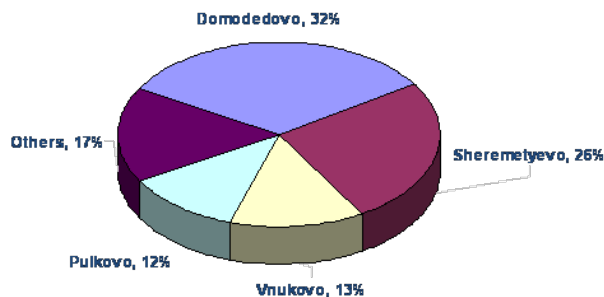
- Major tourist destination – “Venice of the North”
- 182 museums, 5830 monuments, 49 theatres
- 4.8 mln tourists in 2008

## Infrastructure development

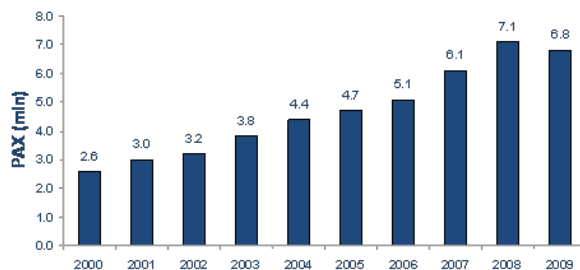
- First Russian region to adopt regional PPP law
- Strong pipeline of Infrastructure projects: Pulkovo Airport, Light Railway Express (NadEx), Orlovsky Tunnel, Waste processing plant in Yanino



Airport Pulkovo Terminal 1, current look



Passenger traffic, Russian top 10 airports



Passenger traffic at Airport Pulkovo

## Airport key characteristics

- 4<sup>th</sup> largest in Russia (after 3 Moscow airports)
- 8 mln live within vicinity of the airport
- Strong PAX growth since 2000 – CAGR 2000 – 2009 of 11.5%
- 50% of revenue (circa 90% of EBITDA) is linked to hard currency
- Dual independent runways
- Limited competition
- The Airport is an ongoing profitable business

## PPP project

- Implemented under St. Petersburg PPP law
- 30 years period
- CAPEX of circa EUR 1.2 bln.
- Three strong shareholders – VTB, Fraport, Copelouzos
- Fraport – lead operator (currently managing a portfolio of 12 airports worldwide)
- Minimum IATA Level C
- St. Petersburg receives 11.5% of project revenue
- ***The Airport was handed over to our consortium, Northern Capital Gateway, on 29 April 2010 (Effective Date)***

## New Terminal Design by Grimshaw



## New Forecourt



- Targeted development of Pulkovo as a state-of-the-art regional hub of Northern Europe
- New integrated (international + domestic) passenger terminal facility for up to 17 mpax pa will be constructed by 2013YE
- Existing Terminal 1 will be expanded, upgraded and refurbished
- Existing Terminal 2 will come out of operation
- Existing airside and landside infrastructure will be reconstructed, new facilities put into operation
- Active route development strategy to be implemented to grow passenger throughput
- Development of low costs carrier model and expansion of long haul traffic underpinned by local demand
- Strong untapped commercial potential will be realised via bringing in best European industry practices
- Sponsors' ambition is to grow current traffic of 6.8 mpax pa in 2009 to over 30 mln by 2039

- Financing of the reconstruction of Pulkovo Airport (2010-13) will be raised from the following sources:
  - Senior debt of over EUR 700 mln (long-term, non-recourse, project finance style) will consist of:
    - A-Loans provided by international Multilateral Lending Agencies (European Bank of Reconstruction & Development, International Financial Corporation, Nordic Investment Bank, Black Sea Trade & Development Bank, Eurasian Development Bank) and Russian VEB
    - B-Loans provided by commercial lenders under EBRD/IFC syndication (strong interest from commercial lenders)
  - Equity financing of up to EUR 500 mln including:
    - Shareholders' direct equity investments
    - Project free cash flows
- Financing documents for A-loans were signed on 28 April 2010. B-loan syndication to be completed within the next months (expected significant oversubscription)
- Construction (and drawdowns under debt facilities) is expected to commence in Q4 2010
- ***First PPP project in Russia implemented on a purely commercial basis with no state or regional subsidies***