

IFC

2001 ANNUAL REPORT
Volume 2

Management's Discussion and Analysis,
Financial Statements, and Investment Portfolio



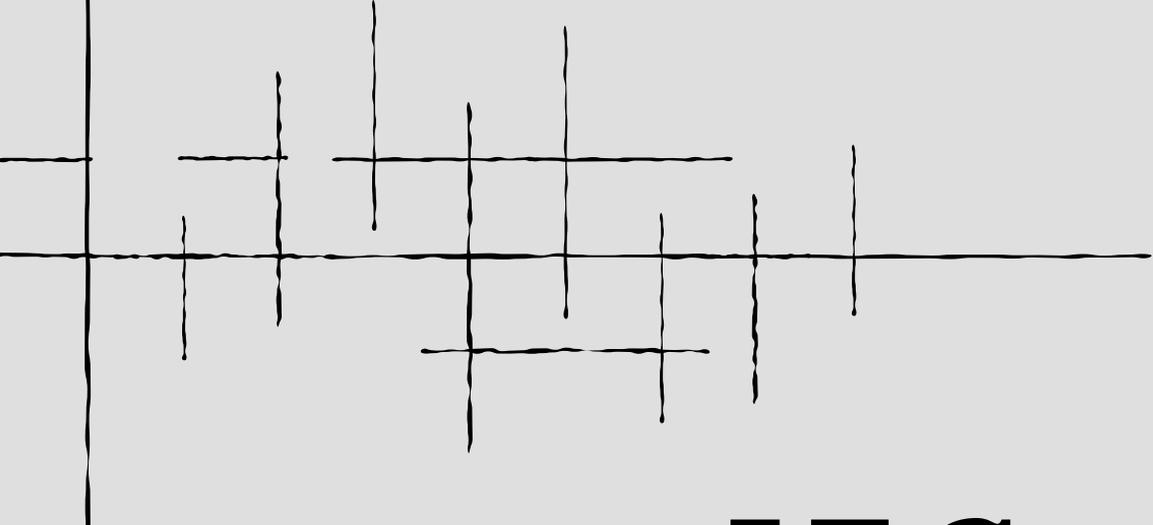
International Finance Corporation

Since its founding in 1956 IFC has committed more than \$31 billion of its own funds and has arranged \$20 billion in syndications for 2,636 companies in 140 developing countries. IFC coordinates its activities with the other institutions in the World Bank Group—the International Bank for Reconstruction and Development, the International Development Association, and the Multilateral Investment Guarantee Agency—but is legally and financially independent. Its 175 member countries provide its share capital and collectively determine its policies.

The IFC Annual Report on the Web: www.ifc.org/ar2001
Enhanced this year for easier navigation and searches for IFC investment and portfolio projects.

Note: The regional reports, project listings, and other information on IFC operations during the 2001 fiscal year appear in Volume 1 of the annual report.

Currency is given in U.S. dollars throughout unless otherwise specified.



IFC

2001 ANNUAL REPORT
Volume 2

CONTENTS

Management's Discussion and Analysis of Financial Condition and Results of Operations	2
Financial Statements	16
Investment Portfolio	40

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

I. OVERVIEW

International Finance Corporation (IFC or the Corporation) is an international organization, established in 1956 to further economic growth in its developing member countries by promoting private sector development. IFC is a member of the World Bank Group, which also includes the International Bank for Reconstruction and Development (IBRD or the World Bank), the International Development Association (IDA), and the Multilateral Investment Guarantee Agency (MIGA). It is a legal entity separate and distinct from the World Bank, IDA, and MIGA, with its own Articles of Agreement, share capital, financial structure, management, and staff. Membership in IFC is open only to member countries of the World Bank. As of June 30, 2001, IFC's entire share capital was held by 175 member countries.

IFC's principal products are loans and equity investments, with a small but growing guarantee portfolio. Unlike most multilateral development institutions, IFC does not accept host government guarantees. IFC raises virtually all of the funds for its lending activities through the issuance of debt obligations in the international capital markets, while maintaining a small borrowing window with the World Bank. Equity investments are funded from net worth. During the year ended June 30, 2001 (FY01), IFC had an authorized borrowing ceiling of \$4.0 billion. Under this authority, IFC was authorized to borrow up to \$200 million (5%) under a facility with the World Bank.

IFC's capital base and its assets and liabilities are primarily in US dollars. The Corporation seeks to minimize market risk (foreign exchange and interest rate risks) by closely matching the currency, rate bases, and maturity of its liabilities in various currencies with assets with the same characteristics. The Corporation controls residual market risk by utilizing currency and interest rate swaps and other derivative instruments.

II. FINANCIAL SUMMARY

BASIS OF PREPARATION OF THE CORPORATION'S FINANCIAL STATEMENTS

The Corporation has traditionally prepared one set of financial statements, complying with both generally accepted accounting principles in the United States (US GAAP) and International Accounting Standards (IAS). However, due to the promulgation of US Statement of Financial Accounting Standards (SFAS) No. 133, *Accounting for Derivative Instruments and Hedging Activities*, as amended by SFAS No. 138, *Accounting for Certain Derivatives and Certain Hedging Relationships* (collectively SFAS No. 133), it is no longer possible for the Corporation to satisfy the requirements of both US GAAP and IAS via one set of financial statements. Accordingly, as explained in the Corporation's financial statements for the year ended June 30, 2001 (FY01), the accounting and reporting policies conform with US GAAP, and the Corporation has presented in Note T to the FY01 financial statements a balance sheet and income statement conforming with IAS, together with a reconciliation between US GAAP and IAS.

Unless stated otherwise, discussions of financial performance refer to operating income excluding the effects of adopting SFAS No. 133. The effects of SFAS No. 133 on net income are discussed in Section VI.

FINANCIAL PERFORMANCE SUMMARY

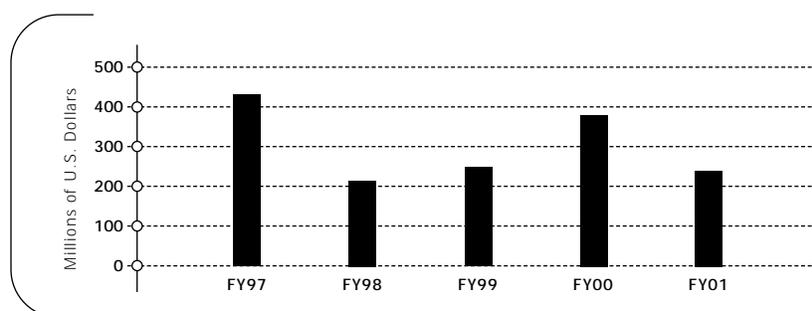
From year to year, IFC's operating income is affected by a number of factors, principally the magnitude of provisions for losses against its loans, equity investments, and guarantees; loans in nonaccrual status; and income (dividends and capital gains) generated from its equity portfolio.

Beginning in FY01, the Corporation classified all liquid asset securities as trading securities. As such, unrealized and realized gains and losses on all liquid asset securities are recorded in operating income. Prior to FY01, unrealized gains and losses on liquid asset securities classified as available for sale were excluded from operating income until realized. A significant part of IFC's liquid assets portfolio is invested in fixed-income securities, which are also subject to external market factors that affect the value of such securities, adding variability to operating income.

Beginning in FY01, net income also includes unrealized gains and losses on financial instruments other than from trading activities, pursuant to the implementation of SFAS No. 133.

IFC has been consistently profitable since its inception in 1956, and operating income for FY01 was \$241 million as compared with \$380 million for the year ended June 30, 2000 (FY00), and \$249 million for the year ended June 30, 1999 (FY99).

The Corporation's operating income for the past five fiscal years ending June 30 is presented below:



The table below presents selected financial data for the last five fiscal years (in millions of US dollars, except where otherwise stated):

	As of and for the years ended June 30				
	FY01	FY00	FY99	FY98	FY97
Net income highlights:					
Interest income	1,505	1,328	1,154	1,120	992
Of which:					
Interest and financial fees from loans	715	694	607	583	580
Income from time deposits and securities	790	634	547	537	412
Charges on borrowings	(961)	(812)	(670)	(651)	(536)
Net gains and losses on trading activities	87	(38)	(15)	13	(1)
Income from equity investments	222	262	265	314	344
Of which:					
Capital gains on equity sales	91	132	166	218	196
Dividends and profit participations	131	130	99	96	148
Provision for losses on loans, equity investments, and guarantees	(402)	(215)	(333)	(481)	(266)
Net noninterest expense	(210)	(145)	(152)	(103)	(101)
Operating income	241	380	249	212	432
Other unrealized gains and losses on financial instruments	11	-	-	-	-
Effect of accounting change	93	-	-	34	-
Net income	345	380	249	246	432
Balance sheet highlights:¹					
Total assets	26,170	38,719	33,456	31,621	28,975
Liquid assets, net of associated derivatives	13,258	12,204	10,075	9,434	7,615
Loans and equity investments	10,909	10,940	10,039	8,976	8,423
Reserve against losses on loans and equity investments	(2,213)	(1,973)	(1,825)	(1,522)	(1,076)
Borrowings withdrawn and outstanding	15,457	14,919	12,429	11,162	10,123
Total capital	6,095	5,733	5,344	5,084	4,737
Key financial ratios:²					
Return on average assets ³	0.6%	1.1%	0.8%	0.8%	1.7%
Return on average net worth ⁴	4.1%	6.9%	4.8%	5.0%	9.7%
Cash and liquid investments as a percentage of next three years' estimated net cash requirements	101%	103%	106%	77%	85%
Debt to equity ratio ⁵	2.6:1	2.6:1	2.3:1	2.3:1	2.1:1
Capital adequacy ratio ⁶	48%	48%	48%	49%	48%
Total reserve against losses to total disbursed portfolio ⁷	20.3%	18.0%	18.2%	17.0%	12.8%

1. In respect of loans, borrowings, and derivative assets and liabilities, the balance sheet and related disclosures as of June 30, 2001, are not comparable with the balance sheet and related disclosures as of June 30, 2000, and prior periods due to the effects of implementing SFAS No. 133.

2. Key financial ratios are calculated excluding the effects of SFAS No. 133.

3. Return on average assets is defined as operating income for the fiscal year as a percentage of the average of total assets at the end of such fiscal year and the previous fiscal year.

4. Return on average net worth is defined as operating income for the fiscal year as a percentage of the average of total net worth (excluding payments on account of pending subscriptions) at the end of such fiscal year and the previous fiscal year.

5. Debt to equity ratio is defined as the ratio of outstanding borrowings plus outstanding guarantees to subscribed capital plus retained earnings at the end of the fiscal year.

6. Capital adequacy ratio is defined as the ratio of capital (including paid-in capital, retained earnings, and general loss reserve) to risk-weighted assets, both on- and off-balance sheet.

7. Total reserves against losses to total disbursed portfolio is defined as reserve against losses on loans and equity investments as a percentage of the total disbursed loan and equity portfolio at the end of the fiscal year.

III. CLIENT SERVICES

BUSINESS OVERVIEW

In partnership with private investors, IFC assists in financing the establishment, improvement, and expansion of private sector enterprises by making investments where sufficient private capital is not otherwise available on reasonable terms. IFC seeks to bring together domestic and foreign private capital and experienced management and thereby create conditions conducive to the flow of private capital, domestic and foreign, into productive investments in its developing member countries. In this way, IFC plays a catalytic role in mobilizing additional project funding from other investors and lenders, either through cofinancing or through loan syndications, underwritings, and guarantees. In addition to project finance and resource mobilization, IFC offers financial and technical advisory services to private businesses in developing member countries. It also advises member governments on private sector development matters.

IFC's investments are normally made in its developing member countries. The Articles of Agreement mandate that IFC shall invest in productive private enterprise. The requirement for private ownership does not disqualify enterprises that are partly owned by the public sector, if such enterprises are organized under local commercial and corporate law, operate free of host government control in a market context and according to profitability criteria, and/or are in the process of being totally or partially privatized.

The Corporation's main investment activity is project financing. This encompasses "greenfield" projects, expansions, and modernizations. IFC also provides corporate credits to selected companies to finance ongoing programs of investment projects. In addition, the Corporation facilitates financing through financial intermediaries, covering project and general purpose lending and specialized lending products such as leasing, trade, and mortgage finance. These financial intermediaries function either as IFC's borrower, on-lending to private sector companies at their own risk, or as IFC's agent, identifying companies for direct loans from IFC.

The Corporation applies stringent tests of enterprise soundness, project viability, and developmental impact in determining the eligibility of projects for its investments.

INVESTMENT PROCESS AND PORTFOLIO SUPERVISION

IFC's investment process can be divided into six main stages:



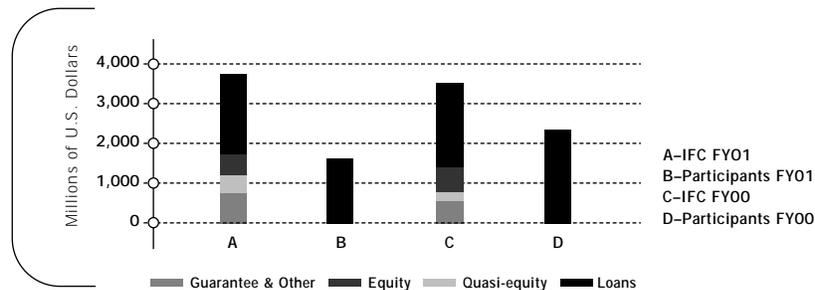
The initial four stages are carried out under the responsibility of the Vice President, Operations, while the fifth and sixth stages are overseen by the Vice President, Portfolio and Risk Management.

The Corporation carefully supervises its projects to monitor project performance and compliance with contractual obligations and with IFC's internal policies and procedures. IFC's Board of Directors is informed of such matters and of recommended courses of action at regular intervals.

INVESTMENT PROGRAM SUMMARY

Investment approvals, commitments, and disbursements for FY01 and FY00

In FY01 IFC approved new investments for its own account, including guarantees and client risk management facilities, totaling \$3.7 billion, representing 240 projects, compared with \$3.5 billion in FY00, representing 259 projects. In addition, IFC approved loan participations (B-loans) arranged to be placed with financial institutions (Participants) for loans approved by the Corporation's Board of Directors totaling \$1.6 billion in 31 projects in FY01, compared with \$2.3 billion in 45 projects in FY00. These comprised the following:

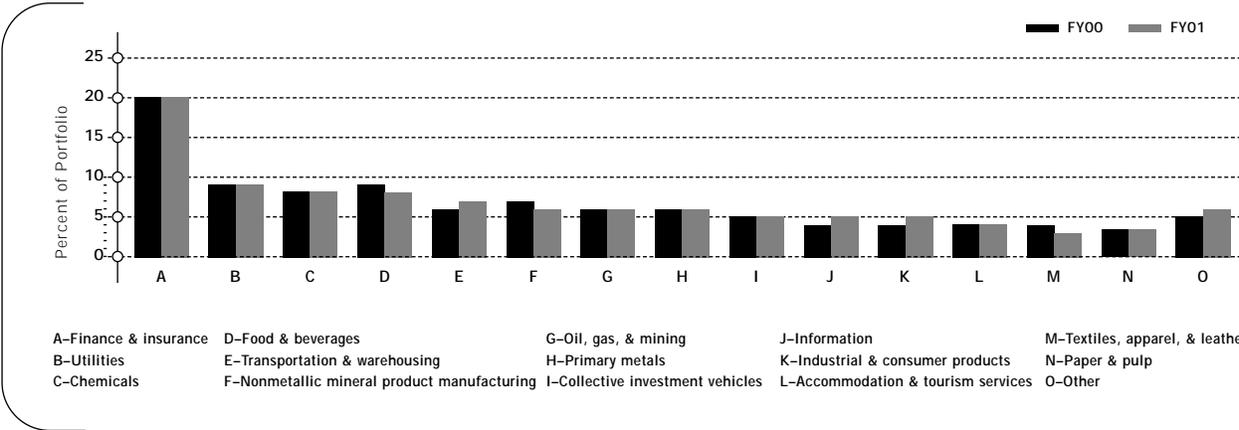


Approvals pending commitment at June 30, 2001, including guarantees and client risk management facilities, were \$3.9 billion (\$4.3 billion at June 30, 2000). During FY01, the Corporation entered into new commitments totaling \$2.7 billion, including \$0.5 billion of signed guarantees, compared with \$2.4 billion for FY00. Loan and equity investment commitments pending disbursement at June 30, 2001, were \$2.6 billion (\$2.6 billion at June 30, 2000). Guarantees and client risk management facilities committed but not utilized at June 30, 2001, were \$0.7 billion (\$0.3 billion at June 30, 2000). IFC disbursed \$1.5 billion in FY01 (\$2.2 billion in FY00). The lower level of disbursements in FY01 is partly attributable to the changing product mix in FY01 from direct investment products such as loans and equity investments to off-balance sheet products such as guarantees. At June 30, 2001, IFC's disbursed and outstanding loans and equity investments for its own account (disbursed investment portfolio) were \$10.9 billion, unchanged from June 30, 2000.

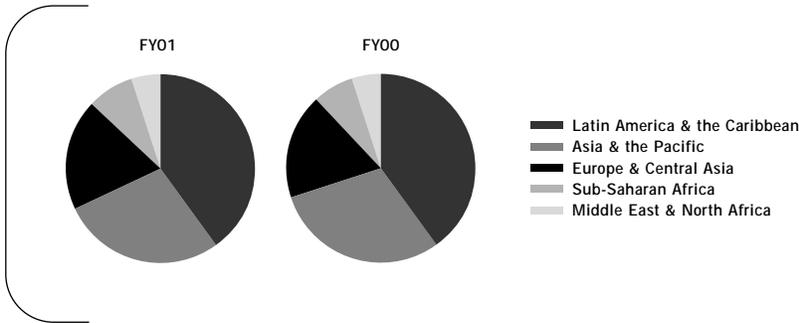
Disbursed investment portfolio

The Corporation's disbursed investment portfolio is widely diversified by sector and geography. The following charts show the distribution of the portfolio as of June 30, 2001, and June 30, 2000:

Distribution of disbursed portfolio by sector



Distribution of disbursed portfolio by region



The portfolio of disbursed and outstanding B-loans (including securitized loans) at June 30, 2001, totaled \$6.6 billion in 250 transactions compared with \$7.3 billion in 269 transactions at June 30, 2000.

Additional information on IFC's investment portfolio as of and for the years ended June 30, 2001, and 2000 can be found in Notes C, D, and E to the Corporation's FY01 financial statements.

INVESTMENT PRODUCTS

Loans

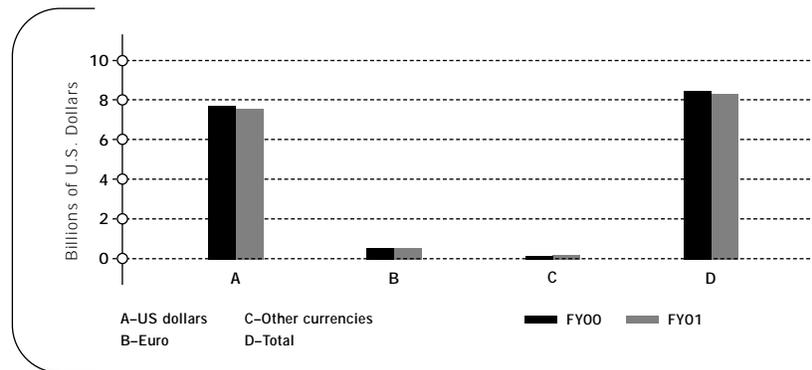
Loans account for the major part of the financing provided by IFC, representing 75% of the Corporation's disbursed investment portfolio as of June 30, 2001, compared with 76% at June 30, 2000.

Loans will generally have the following characteristics:

- *Term*: typically amortizing with final maturities of up to 12 years
- *Currency*: primarily in major convertible currencies, principally US dollar, euro, Swiss franc, and Japanese yen
- *Interest rate*: fixed or variable
- *Pricing*: reflects such factors as market conditions and country and project risks; variable rate loans are generally tied to the 6-month LIBOR index in the relevant currency.

Since FY99, IFC has offered local currency loan products to certain clients, provided the Corporation is able to hedge its local currency exposure through mechanisms such as cross-currency swaps or forward contracts. Fixed-rate loans and loans in other currencies are normally transformed, using currency and/or interest rate swaps, into US dollar variable rate loans.

On June 30, 2001, total loans disbursed and outstanding were \$8.2 billion (\$8.3 billion at June 30, 2000). At June 30, 2001, 91% of the Corporation's loans were US dollar-denominated, unchanged from June 30, 2000. The currency composition of the loan portfolio is shown on the accompanying diagram:



Equity

Equity investments accounted for 25% of the Corporation's disbursed investment portfolio at June 30, 2001, compared with 24% at June 30, 2000. IFC's equity investments are typically in the form of common or preferred stock and are usually denominated in the currency of the country in which the investment is made.

Quasi-equity

In addition to traditional equity investments, the Corporation provides financing through a variety of quasi-equity instruments, which constitute a small but growing portion of its investment portfolio. Quasi-equities include subordinated or convertible loans, asset-backed securities, and certain common or preferred shares with put and/or call features. Depending upon their characteristics, quasi-equities may be classified as either loans or equity investments in the Corporation's balance sheet. At June 30, 2001, the Corporation's disbursed and outstanding quasi-equity portfolio totaled \$1,326 million (\$1,186 million at June 30, 2000), of which \$1,160 million was classified as loans (\$1,060 million at June 30, 2000) and \$166 million (\$126 million at June 30, 2000) was classified as equity investments in the Corporation's balance sheet.

Loan participations (B-loans)

IFC finances only a portion, usually not more than 25%, of the cost of any project. All IFC-financed projects, therefore, require other financial partners. The principal direct means by which the Corporation mobilizes such private sector finance is through the sale of participations in its loans, known as the B-loan program. Through the B-loan program, IFC has cooperated primarily with commercial banks but also with nonbank financial institutions in financing projects since the early 1960s. More than 215 commercial banks and institutional investors currently participate in IFC's B-loan program.

Whenever it syndicates a loan, IFC will always make a loan for its own account (an A-loan), thereby sharing the risk alongside its loan participants. IFC acts as the lender of record and is responsible for the administration of the entire loan, including the B-loan. IFC charges fees to the borrower at prevailing market rates to cover the cost of the syndication of the B-loan. Since it began its loan syndication program, IFC has placed participations totaling \$19.8 billion.

Client risk management services

IFC provides clients access to asset and liability management tools such as currency swaps and interest rate swaps, caps, and floors by acting as an intermediary between clients and market counterparties. IFC also provides risk-sharing structures and guarantees that allow its clients to transact directly with market counterparties. The Corporation requires that all transactions are for hedging purposes only.

Guarantees and partial risk guarantees

Guarantees represent a growing product line for the Corporation. Beginning in FY01, the Corporation began offering partial risk guarantees to clients covering, on a risk-sharing basis, client obligations on bonds and/or loans. The Corporation's guarantee is available for debt instruments and trade obligations of clients and covers commercial as well as noncommercial risks. IFC will provide local currency guarantees but generally only if the Corporation is able to fund its commitment in local currency terms, for example, by hedging its exposure in the swap market. Guarantee fees are charged consistent with IFC's loan pricing policies. During FY01, the Corporation signed \$0.5 billion of guarantees, as compared with less than \$0.1 billion in FY00.

Underwritings and investment banking services

IFC provides underwriting and placement services for equity, quasi-equity, and/or debt securities issues of private sector companies in IFC's developing member countries. It also structures and underwrites country funds and pooled investment vehicles such as private investment funds. IFC is often a core investor in the enterprises it underwrites. Services are priced in conformity with market standards and practices, in consultation with international securities firms and financial intermediaries. Underwriting and other capital markets services requiring a financial commitment from IFC are subject to the same investment criteria and limits applicable to its loans and equity investments.

The Corporation does not conduct any placement activities within the United States or directed at US investors in connection with securities offerings of private sector companies or pooled investment vehicles.

Advisory activities

The Corporation, on its own or through a department jointly managed with the World Bank, provides three general types of advisory services to member countries as well as to individual enterprises:

- Special advisory services on project structuring and financial packaging
- Financial advisory services provided to member governments or to private sector clients
- Policy advice to governments on capital markets development and private sector development, including privatization and foreign investment.

The Corporation also assists governments with developing the legal framework for privatizing their state-owned sectors, as well as with the sale of individual enterprises. Fees are charged for advisory services consistent with market rates charged for comparable services. IFC charged fees amounting to \$41 million for FY01 (\$49 million for FY00 and \$33 million for FY99).

Specially targeted assistance

IFC has established a number of vehicles through which it provides specially targeted assistance to areas highly in need of development. In FY01, the Corporation contributed \$16 million to such vehicles, compared with \$7 million in FY00 and \$3 million in FY99. In FY01, such vehicles included:

- The World Bank Group's Global SME Capacity Building Facility, launched in September 2000 to act as a special window to encourage new models for small and medium enterprise support throughout the developing world
- The Frontier Privatization Fund, aimed at providing advisory funding support to resolve privatization issues and related transactional constraints in frontier markets worldwide.

The Corporation continues to fund its Technical Assistance Trust Funds to provide resources through which it cofinances technical assistance funding supported by donor agencies and finances stand-alone technical assistance where donor funding cannot be arranged.

IV. TREASURY SERVICES

LIQUID ASSETS

IFC invests its surplus liquidity in highly rated fixed and floating rate instruments issued or unconditionally guaranteed by governments, government agencies and instrumentalities, multilateral organizations, and AAA-rated corporate issuers, including mortgage- and asset-backed securities, and in time deposits and other unconditional obligations of banks and financial institutions.

The Corporation manages the market risk associated with these investments through a variety of hedging techniques including derivatives, principally, currency and interest rate swaps and financial futures.

IFC's liquid assets are invested in four separate portfolios.

Portfolio	Market Value*	Comprising	Managed by	Invested in	Benchmark
P0	\$0.5bn (—)	Funds awaiting disbursement or reinvestment	IFC's Treasury Department	Short-term deposits	US overnight Fed funds
P1	\$9.5bn (\$8.8bn)	Proceeds from market borrowings	IFC's Treasury Department	Principally bonds and mortgage- or asset-backed securities, swapped into 6-month US dollar LIBOR	Since January 2001, adjusted 3-month US dollar LIBID. Prior to January 2001, 6-month US dollar LIBOR
P2	\$2.5bn (\$2.6bn)	Primarily the Corporation's paid-in capital and accumulated earnings that have not been invested in equity and quasi-equity investments or fixed-rate loans	IFC's Treasury Department	US Treasuries and other sovereign and agency issues	3-year duration US Treasuries**
P3	\$0.8bn (\$0.8bn)	Proceeds from market borrowings	External managers appointed by IFC	Global government bonds and mortgage-backed securities	Since January 2001, adjusted 3-month US dollar LIBID. Prior to January 2001, 6-month US dollar LIBOR
Total	\$13.3bn (\$12.2bn)				

* at June 30, 2001 (June 30, 2000)

** duration of P2 portfolio plus fixed-rate loans

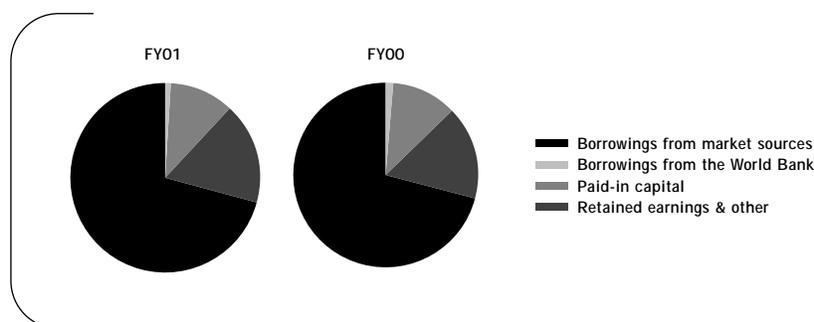
The P3 portfolio is not permitted to exceed 12% of the total value of liquid assets at any time.

The P1 and P2 portfolios were accounted for as available for sale portfolios through June 30, 2000. Effective July 1, 2000, these portfolios were redesignated as trading portfolios to more closely reflect the management style of the portfolios as discussed in Note A to the Corporation's financial statements for the year ended June 30, 2001. The P0 and P3 portfolios are also accounted for as trading portfolios.

All liquid assets are managed according to an investment authority approved by IFC's Board of Directors and investment guidelines approved by IFC's Finance and Risk Committee, a subcommittee of the Management Group.

CAPITALIZATION

The Corporation's capitalization as of June 30, 2001, and June 30, 2000 is as follows:



Borrowings

The major source of IFC's borrowings is the international capital markets. Under the Articles of Agreement, the Corporation may borrow in the public markets of a member country only with approvals from that member and also the member in whose currency the borrowing is denominated. The Corporation borrowed \$3.6 billion during FY01 (\$4.4 billion in FY00 and \$4.5 billion in FY99). In addition, IFC's Board of Directors has authorized the repurchase and redemption of, and tender for, debt obligations issued by the Corporation. During FY01, the Corporation repurchased and retired \$134 million of outstanding debt (\$200 million in FY00).

IFC diversifies its borrowings by currency, country, source, and maturity to provide flexibility and cost-effectiveness. Outstanding market borrowings have remaining maturities ranging from less than one year to almost 30 years with a weighted average life of 7.2 years at June 30, 2001 (6.7 years at June 30, 2000).

Market borrowings are generally swapped into floating-rate obligations denominated in US dollars. As of June 30, 2001, the Corporation had gross payables from borrowing-related currency swaps of \$10.6 billion (\$11.0 billion at June 30, 2000) and from borrowing-related interest rate swaps in the notional principal amount of \$6.3 billion (\$5.1 billion at June 30, 2000). After considering the effect of these derivative instruments all of the Corporation's market borrowings at June 30, 2001, and June 30, 2000 were US dollar-denominated.

The weighted average cost of market borrowings after currency and interest rate swap transactions was 4.3% at June 30, 2001, compared with 6.3% at June 30, 2000.

Capital and retained earnings

As of June 30, 2001, IFC's net worth (presented as Total Capital in the Corporation's balance sheet) amounted to \$6.1 billion, up from the June 30, 2000, level of \$5.7 billion.

As of June 30, 2001, and 2000, IFC's authorized capital was \$2.45 billion, of which \$2.37 billion was subscribed at June 30, 2001, unchanged from June 30, 2000. Over 99% of this was paid in (\$2.36 billion at June 30, 2001, and June 30, 2000). The subscription period for the share allocations made under the 1992 capital increases (as described in Note I to the Corporation's FY01 financial statements) closed on August 1, 1999. The Corporation agreed, however, to defer the payment dates for certain member countries until August 1, 2001. Pursuant to these arrangements, \$14 million of subscribed shares remained unpaid at June 30, 2001, unchanged from June 30, 2000.

V. RISK MANAGEMENT AND FINANCIAL POLICIES

RISK IN IFC'S BUSINESS

IFC assumes various kinds of risks in its private sector development business. The Corporation's operations and activities are principally subject to commercial or project risk, credit risk, market risk, liquidity risk, and operational risk. Active management of these risks is an essential part of the Corporation's operations and a key determinant of its ability to maintain a stable capital and earnings base. To this end, it has adopted several key financial policies and a number of prudential policies.

KEY FINANCIAL POLICIES

IFC currently operates under the following key financial policies which have been approved by its Board of Directors:

1. **Disbursed equity** plus quasi-equity investments (net of loss reserves) may not exceed 100% of net worth.
2. **Disbursed equity investments** (net of loss reserves) may not exceed 50% of IFC's net worth.
3. **Minimum liquidity** (including liquid assets and undrawn borrowing commitments from the World Bank) must be sufficient at all times to cover at least 65% of IFC's estimated net cash requirements for the next three years.
4. The currency, rate basis, and maturity of loan assets must be **closely matched** to borrowings.
5. **Capital** (including paid-in capital, retained earnings, and general loss reserve) must equal at least 30% of risk-weighted assets.

In addition, under IFC's Articles of Agreement, as long as IFC has outstanding borrowings from the World Bank, IFC's **leverage**, as measured by the ratio of IFC's debt (borrowings plus outstanding guarantees) to IFC's equity (subscribed capital plus retained earnings), may not exceed 4.0 to 1.

MANAGING COMMERCIAL (PROJECT) RISK

IFC is prohibited from accepting host government guarantees of repayment on its investments and therefore incurs the commercial risk of its investments. In addition to the key financial policies specified above, the Corporation's investments are subject to a number of operational or prudential limits, including limitations on single project exposure, single country exposure, and segment concentration. Thus:

1. IFC does not normally finance for its own account more than 25% of a project's cost.
2. An equity investment in a company does not normally represent more than 35% of the company's total share capital, provided further that IFC is not the single largest shareholder.
3. An investment in a single project or entity may not exceed 3% of IFC's total investment portfolio.
4. Equity and quasi-equity investments in a single project or entity may not exceed 3% of the Corporation's net worth plus general reserves.
5. Total investments in a single country will not normally represent more than 12% of IFC's total investment portfolio or 25% of its net worth, whichever is lower.
6. The Corporation's total exposure to a single risk sector may not exceed 8% of the total investment portfolio.

The quality of IFC's investment portfolio is monitored according to established supervision procedures. The portfolio management units of individual investment departments are responsible for the day-to-day monitoring and management of commercial risk associated with projects originated by the departments, including monitoring and evaluating credit quality of the borrowers.

Managing credit risk: loss reserves policy

Credit risk refers to the potential for a borrower, or a counterparty to a transaction with IFC, to default on its financial obligations to the Corporation. IFC's Credit Review Department analyzes information obtained from the investment departments and provides an independent review of the credit risk of IFC's borrowers.

IFC maintains its loss reserves and revenue recognition policies in accordance with US GAAP. IFC does not recognize income on loans where collectibility is in doubt or payments of interest or principal are past due more than 60 days unless management anticipates that collection of interest is expected in the near future.

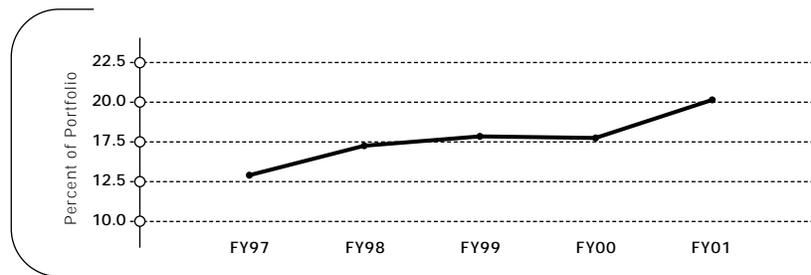
IFC's loss reserves policy reflects management's judgment in accordance with the following guidelines. In the case of specific loss reserves, IFC considers a loan as impaired when, based on current information and events, it is probable that it will be unable to collect all amounts due according to the loan's contractual terms. The reserve against losses for impaired loans represents management's judgment of the present value of expected future cash flows discounted at the loan's effective interest rate. IFC establishes a reserve against losses for equity investments when a decrease in value of the investment has occurred, below its US dollar equivalent cost, which is considered other than temporary. In addition to the reserve on specific investments, the reserve against losses includes an estimate of probable losses on loans and equity investments inherent in the portfolio but not specifically identifiable. The reserve against losses is maintained through annual charges to income in the form of a provision for losses. Investments written off, as well as any subsequent recoveries, are recorded through the reserve.

Management determines the total loss reserves by judgment taking into account internal guidelines and its assessment of recent portfolio quality trends and near-term outlook. The guidelines help management in decision making; however, these guidelines cannot replace management's judgment. The guidelines focus on the total loss reserve requirement (specific plus general loss reserves) inherent in the portfolio based on information available at the time of the review. The guidelines reference portfolio impairment based on simulation techniques, portfolio impairment based on country risk, and portfolio impairment based on long-term historical portfolio experience. After determination by management of the adequate level of total loss reserves using the aforementioned techniques, and an extensive investment-by-investment review of specific impairment, the general loss reserve is calculated as the difference between the total loss reserves and the total specific loss reserves.

The amount of nonaccruing loans as a percentage of the disbursed loan portfolio, a key indicator of portfolio performance, deteriorated to 12.9% at June 30, 2001, compared with 11.1% at June 30, 2000. The principal amount outstanding on nonaccruing loans totaled \$1,054 million at June 30, 2001, an increase of 14% from the June 30, 2000, level of \$922 million.

The quality of IFC's investment portfolio deteriorated in FY01, as measured by the average weighted risk class of the portfolio. Furthermore, the impairment probabilities and severity level probabilities increased, as did the country risk ratings of a significant number of countries and the Corporation's exposure in a number of higher-risk countries. As a result, total reserves against losses on loans and equity investments at June 30, 2001, increased to \$2,213 million (\$1,973 million at June 30, 2000). This is equivalent to 20.3% of the disbursed portfolio, up from 18.0% at the end of FY00 and higher than the historical high of 18.2% reached at the end of FY99.

The five-year trend of loss reserves is presented below:



Given that IFC has had very limited history with guarantees, IFC is working under the assumption that the guarantee portfolio is exposed to the same idiosyncratic and systematic risks as IFC's loan portfolio, and the inherent, probable losses in the guarantee portfolio need to be covered by an allowance for loss. Beginning in FY01, the Corporation has established such an allowance totaling \$13.0 million based on the year-end portfolio which is included in payables and other liabilities on the balance sheet.

MANAGING LIQUIDITY RISK

The Corporation's Liquidity Policy, as approved by its Board of Directors, requires the maintenance at all times of sufficient liquidity (including liquid assets and undrawn borrowing commitments from the World Bank) to cover at least 65% of its estimated net cash requirements for the next three years. As a prudential measure, the Corporation maintains an operating liquidity target of not less than 70% of three years' net cash requirements, including projected disbursement and debt service requirements. At June 30, 2001, the Corporation's liquidity level stood at \$13.3 billion, or 101% of its projected net cash requirements for three years (\$12.2 billion, and 103% at June 30, 2000).

MANAGING MARKET RISK

Market risk refers to changes in values of financial instruments or positions due to movements in interest or exchange rates, or to liquidity factors. IFC manages market risk by adopting a matched-funding policy and by using a variety of derivative instruments to convert assets and liabilities into 6-month floating US dollar assets and liabilities as detailed below. Implementation of the matched-funding policy is a two-step process: funds are earmarked at Board approval stage and matched, with respect to interest rate and currency, at disbursement. This policy limits the Corporation's exposure to unmatched interest rate and exchange risks.

Liquid asset investment activities

As noted above, the P1 and P3 portfolios have been generally invested, directly or synthetically, in floating-rate US dollar instruments. This reflects the Corporation's matched-funding policy, which requires that all loans be funded with liabilities bearing similar interest rate and currency characteristics, and the fact that its loans are predominantly denominated in floating-rate US dollars.

Beginning in FY01, the Corporation began to manage interest rate risk in the P1 portfolio on a portfolio basis by investing in fixed- or floating-rate instruments against a standard benchmark within specified risk parameters.

The P2 portfolio is invested in fixed-rate US dollar-denominated instruments. Unlike the P1 portfolio, which accepts mostly credit risk, the P2 portfolio incurs mainly market risk, with additional flexibility to deviate from its duration benchmark. The P0 portfolio is generally invested in short-dated deposits reflecting its use for short-term funding requirements.

IFC uses a variety of derivative instruments in its liquid asset management activities to manage the interest rate, currency, and other market risks associated with certain of its liquid asset portfolios consistent with the Corporation's matched-funding policy. The derivative instruments used include short-term, over-the-counter foreign exchange forwards (covered forwards), interest rate and currency swaps, and exchange-traded interest rate futures and options.

Borrowing activities

The Corporation issues debt securities in various capital markets in a variety of currencies, sometimes using complex structures. These structures include borrowings payable in multiple currencies, or borrowings with principal and/or interest determined by reference to a specified index such as a stock market index, a reference interest rate, a commodity index, or one or more foreign exchange rates. Market risk associated with fixed-rate obligations and structured instruments is mitigated by using derivative instruments to convert them into variable-rate US dollar obligations, consistent with the Corporation's matched-funding policy.

Lending activities

Currency and interest rate swaps are used in connection with the Corporation's lending activities to minimize the level of interest rate and currency exchange risk in fixed- or floating-rate non-US dollar or fixed rate US dollar lending.

Client risk management activities

The Corporation offers risk management products to its clients and seeks to minimize its exposure to market risk resulting from derivative asset and liability management transactions with clients by entering into offsetting positions with highly rated market counterparties.

Asset and liability management activities

While IFC's matched-funding policy provides a significant level of protection against currency and interest rate risk, the Corporation can be exposed to residual market risk in its overall asset and liability management, which is monitored by the Asset-Liability Management group within the Corporation's Treasury Department.

The Corporation may be exposed to residual currency risk due to events such as changes in the level of non-US dollar loan loss reserves which it manages by monitoring the aggregate position in each lending currency and hedging the exposure when the net asset or liability position exceeds \$5 million equivalent (\$1 million at June 30, 2000) through spot sales or purchases.

IFC also faces residual interest rate risk from two sources:

- Assets that are fully match-funded at inception can become mismatched over time due to writedowns, prepayments, or rescheduling.
- LIBOR reset dates on assets can differ from those on liabilities (this risk, however, is limited by synchronizing reset dates on assets and liabilities at a portfolio level).

This residual interest rate risk is managed by measuring the sensitivity of the present value of assets and liabilities in each currency to each basis point change in interest rates, with a review trigger of \$50,000 on this measure.

MANAGING CREDIT RISK

Loans and equity investments

The risk of borrower default in connection with the Corporation's loans and equity investments is discussed above, under Managing Commercial (Project) Risk.

Treasury counterparty credit risk

Counterparty credit risk is the principal residual risk to the Corporation arising from its liquid assets and borrowing activities. IFC's credit policies set conservative eligibility criteria for counterparties and diversification caps on exposure to individual counterparties. IFC currently restricts counterparty eligibility to banks and financial institutions with a minimum credit rating of A by leading international credit rating agencies. In order to limit exposure to counterparties, IFC signs collateral agreements with counterparties that require the posting of collateral when net exposure exceeds certain predetermined thresholds, which decrease as a counterparty's credit rating deteriorates. Because counterparties can be downgraded during the life of a transaction, the agreements provide an option for IFC to terminate all swaps if the counterparty is downgraded below investment grade.

Limits are also imposed on the volume of over-the-counter derivative transactions with individual counterparties. IFC measures derivatives exposure to counterparties in terms of "worst case" potential exposure based on simulations of market variables which are updated monthly to reflect market movements.

These restrictions and limits are revised annually at the beginning of each fiscal year and approved by IFC's Finance and Risk Committee. During the year, institution-specific limits are updated monthly based on changes in counterparty size or credit status. For exchange-traded instruments, IFC limits credit risk by restricting transactions to a list of authorized exchanges, contracts, and dealers, and by placing limits on the Corporation's open interest rate position in each contract.

Credit risks arising in connection with IFC's treasury activities are monitored and controlled in accordance with credit risk guidelines established by the Corporation's Risk Management Group.

Client risk management activities

The Corporation minimizes its credit risk exposure to clients with which it transacts derivative asset and liability management business by conducting credit appraisals of the clients.

MANAGING OPERATIONAL RISK

Operational risk is concerned with the risk to an organization's performance due to how it is *operated* as opposed to how it is *financed*.¹ IFC has extended this definition of operational risk to be the potential for losses arising from internal activities or external events caused by breakdowns in information systems, communications, physical safeguards, business continuity, supervision, transaction processing, and the execution of legal, fiduciary, and agency responsibilities.

Like all financial institutions, IFC is exposed to many types of operational risks. It seeks to mitigate such risks by maintaining a comprehensive system of internal controls that is designed not only to identify the parameters of various risks but also to monitor and control those areas of particular concern. The Corporation has adopted the COSO² control framework and a control self-assessment methodology to evaluate the effectiveness of its internal controls, and it has an ongoing program in place to cover all significant business operations. In each of the last six fiscal years, IFC has obtained an attestation report from its external auditors on its assertion that as of June 30 of each of the fiscal years, its system of internal control over external financial reporting met the criteria for effective internal control described in COSO and that the Corporation's assertion is fairly stated in all material respects.

During FY01 several ongoing initiatives emphasized the area of operational risk management, including those described below:

1. IFC has established an Operational Risk Management (ORM) Sounding Board, and identified a framework for the prioritized review of key ORM components as part of IFC's implementation of the COSO methodology in FY01.
2. IFC launched its first online version of IFC's Operating Policies, Practices, and Guiding Principles integrated with a revised version of IFC's Operational Procedures so that staff can consult the latest comprehensive version easily.
3. IFC is using the COBIT³ methodology to supplement the COSO review of the information technology function—deemed a high-priority operational risk by the ORM Sounding Board.
4. IFC is reducing its dependence upon isolated information repositories by virtue of the design, development, and implementation of the Information Pyramid set of system streams, with the underlying objective of minimum redundant data and a single corporate repository of operational and financial data that is consistent, comprehensive, and timely. This is supplemented by a Data Stabilization initiative and other data integrity efforts.
5. IFC and other international financial institutions have established an Investments Impediments Database which is now available to all staff at IFC for use to help identify potential project risks.
6. IFC's Environmental and Social Risk Rating framework in the Project Supervision Report (PSR) and Credit Risk Rating provides an indication of the current level of environmental and social risk associated with a portfolio project. The PSR now has an automatic link to the Legal Agreements Database managed by the Legal Department.
7. Independent reviews of the financial, administrative, and organizational structure of several IFC project development facilities have resulted in improved controls, information flows, and donor reporting.
8. Monthly closing procedures have been formalized across departmental lines to minimize information flow breaks and ensure timeliness of financial reporting, with ex post exception reviews conducted as a further control.
9. The enterprisewide system has been strengthened for IFC through system enhancements, upgrading staff skills through training, and stricter recruitment criteria. This has led to improved control over financial accounting and administrative expense processing including budget, expense, travel, procurement, and leave and absence attendance administration.
10. Streamlined equity sale procedures have been formulated by the Portfolio Management Department and will be implemented in early FY02 by the central Equity Management Desk.

¹ Operational Risk: Measurement and Modeling, Jack L. King, John Wiley & Sons, LTD., 2001.

² COSO refers to the *Internal Control-Integrated Framework* formulated by the Committee of Sponsoring Organizations of the Treadway Commission, which was convened by the US Congress in response to the well-publicized irregularities that occurred in the financial sector during the late 1980s.

³ COBIT refers to Control Objectives for Information and Related Technology, first released in 1996, updated to the third edition released in July 2000, sponsored by the Information Systems Audit and Control Association (ISACA).

ECONOMIC AND MONETARY UNION IN EUROPE

Since January 1, 1999, in the normal course of business as a multicurrency organization, IFC has been conducting euro-denominated transactions in paying and receiving, liquid asset investments, and debt issuance and in its loan and equity investment portfolio activities. IFC adopted a gradual approach to redenominating national currency balance sheet items to the euro during the transition period and expects to complete the redenomination by December 31, 2001. The incremental cost of euro conversion is immaterial to the Corporation's financial statements and has been included in the Corporation's administrative expenses.

VI. RESULTS OF OPERATIONS

OVERVIEW

The main elements of IFC's net income, and influences on the level and variability of operating and net income from year-to-year, are:

Elements	Significant influences
Operating income:	
Spread on interest-earning assets	Nonaccruals and the interest collection rate on loan interest income
Trading gains (losses)	Realized and unrealized gains and losses on the liquid asset portfolios
Income from the equity investment portfolio	Performance of the equity portfolio (dividends and capital gains)
Provisions for losses on loans, equity investments, and guarantees	Level of provisions for losses on loans and equity investments and, beginning in FY01, on guarantees
Noninterest income and expense	Level of technical assistance and advisory services provided by the Corporation to its clients, the level of income from the staff retirement and other benefits plans, and the approved administrative and other budgets
Net income:	
Other unrealized gains and losses on financial instruments	Principally, differences between changes in fair value of derivative instruments and changes in fair value of hedged items in fair value hedging relationships

In addition, the Corporation's FY01 net income reflects the one-time impact of adopting SFAS No. 133.

The following paragraphs detail significant variances between FY01 and FY00, and FY00 and FY99, covering the periods included in the Corporation's FY01 financial statements.

FY01 VERSUS FY00

Operating income

The Corporation's operating income for FY01 was \$241 million, substantially lower than FY00's operating income of \$380 million. FY01 operating income, unlike prior years, reflects unrealized gains and losses on the P1 and P2 liquid asset portfolios due to the change in classification of these portfolios from available for sale to trading on July 1, 2000. The decline was mainly attributable to significant provisions for losses on loans, equity investments, and guarantees, reflecting the downturn in portfolio quality in FY01. In addition, due to the tough economic conditions in the markets in which IFC operates, realized capital gains were significantly lower in FY01 than in FY00. Offsetting these negative factors were strong realized and unrealized gains on the Corporation's liquid asset trading activities, which benefited considerably from the recent declining interest rate environment.

Net interest income

IFC's primary interest-earning assets are its loan portfolio and its liquid assets portfolios. After charges on borrowings are taken into account, net interest income improved by \$28 million or 5% from \$516 million in FY00 to \$544 million in FY01.

Interest and financial fees for FY01 were \$715 million, compared with \$694 million for FY00, an increase of 3%. The disbursed and outstanding loan portfolio declined marginally by 1%, and the Corporation's interest collection rate was lower in FY01 than in FY00. Loans in nonaccrual status grew from \$922 million at June 30, 2000, to \$1,054 million at June 30, 2001, an increase of 14%.

Interest income from time deposits and securities for FY01 was \$790 million, \$156 million higher than the \$634 million recorded in FY00. The liquid assets portfolio, net of derivatives and securities lending activities, grew from \$12.2 billion at June 30, 2000, to \$13.3 billion, largely funded by the growth in the Corporation's borrowings program and the slower pace of loan and equity disbursements experienced in FY01. The \$1.1 billion growth in the portfolio offset the negative effect of the declining interest rate environment experienced throughout much of FY01 on interest income from time deposits and securities.

The Corporation's charges on borrowings grew by \$149 million during FY01 from \$812 million to \$961 million, largely reflecting the growth of the borrowings portfolio, offset by the effect of the declining interest rate environment. After the effect of associated derivative financial instruments, the borrowings portfolio grew by \$0.8 billion in FY01, from \$15.8 billion at June 30, 2000, to \$16.6 billion at June 30, 2001.

As previously noted, up to and including FY00, unrealized gains and losses on the Corporation's P1 and P2 liquid assets portfolios were excluded from net income until realized. Effective July 1, 2000, the Corporation reclassified these portfolios from available for sale to trading, and now the Corporation reflects unrealized gains and losses on these portfolios in net income.

Due to the declining interest rate environment in FY01, and the favorable impact of this on the carrying value of the Corporation's fixed-income liquid asset investments, the Corporation recorded net unrealized gains on its liquid asset portfolios of \$87 million.

Income from equity investments

Overall income from the equity investment portfolio declined by \$40 million, or 15%, from \$262 million in FY00 to \$222 million in FY01.

The Corporation generated capital gains for FY01 of \$91 million as compared with \$132 million for FY00, a decline of 31%. Dividend income, however, was substantially unchanged at \$131 million for FY01 as compared with \$130 million for FY00. Consistent with FY00, the stable performance in dividend income in FY01 was largely attributable to the continuing high level of oil prices during much of FY01, which significantly improved returns on the Corporation's joint ventures in oil, gas, and mining.

Provisions for losses on loans, equity investments, and guarantees

The income charge for provisions for losses of \$402 million in FY01, which included \$13 million in respect of guarantees, was significantly higher than the charge in FY00 of \$215 million, a growth of \$187 million or 87%. On June 30, 2001, the Corporation's total reserves against losses on loans and equity investments were 20.3% of the disbursed and outstanding portfolio (18.0% at June 30, 2000).

Noninterest income

Noninterest income of \$121 million for FY01 was \$6 million lower than in FY00 (\$127 million), principally due to the sale of assets, including assets associated with the Corporation's information provision business in FY00 that did not recur in FY01. Service fees were also lower at \$41 million for FY01 as compared with \$49 million for FY00.

Offsetting these negative factors was an increase in net periodic pension income from the Staff Retirement Plan and from the change in the Corporation's share of net assets held for postretirement benefits, from \$47 million in FY00 to \$52 million in FY01.

Noninterest expense

Administrative expenses (the principal component of noninterest expense) rose 16% from \$267 million in FY00 to \$309 million in FY01. This increase was in line with budget funding of the anticipated growth in the investment portfolio and the continuing move into smaller investments in frontier countries within IFC's portfolio.

Net income and the impact of new accounting standards

As more fully disclosed in Notes A, L, and M to the Corporation's FY01 financial statements, the Corporation changed its method of accounting for derivative instruments to conform with SFAS No. 133. Pursuant to SFAS No. 133, the Corporation has designated certain hedging relationships in its borrowing activities and its lending activities as fair value hedges. The Corporation generally matches the terms of its derivatives with the terms of the specific underlying financial instruments hedged, in terms of currencies, maturity dates, reset dates, interest rates, and other features. However, differing valuation methodologies are applied to the derivative and the hedged financial instrument, as prescribed by SFAS No. 133. The resulting ineffectiveness calculated for such relationships is recorded in other unrealized gains on financial instruments in net income.

The effects of SFAS No. 133 on net income for the year ended June 30, 2001, can be summarized as follows (US\$ millions):

Operating income	241
SFAS No. 133 adjustments:	
Other unrealized gains on financial instruments	11
Cumulative effect of change in accounting principle	93
Net income	345

The cumulative effect of the change in accounting principle (the transition adjustment) comprises the difference between the previous balance sheet carrying value and the fair value of all freestanding derivatives together with the offsetting gains and losses on assets and liabilities held under hedging relationships in existence prior to the adoption of SFAS No. 133.

Other unrealized gains and losses on financial instruments largely comprise the difference between the change in fair value of derivative instruments and the change in fair value of the hedged item under designated hedging relationships.

FY00 VERSUS FY99

Net income

The Corporation's net income for FY00 was \$380 million, substantially higher than FY99's net income of \$249 million. Several components of net income varied significantly in FY00 as compared with FY99 although the majority of the improved performance was a result of a more stable investment portfolio quality, which resulted in lower provisions for losses in FY00 (\$215 million) compared with FY99 (\$333 million).

Net interest income

IFC's primary interest-earning assets are its loan portfolio and its liquid assets portfolios. After charges on borrowings are taken into account, net interest income improved by \$32 million or 7% from \$484 million in FY99 to \$516 million in FY00.

Interest and financial fees for FY00 were \$694 million, compared with \$607 million for FY99, an increase of 14%. The disbursed and outstanding loan portfolio grew by 7%, the Corporation's interest collection rate was marginally higher in FY00 than in FY99, and the interest rate environment in general was higher during FY00 than in FY99. Offsetting these positive effects on interest and financial fees, loans in nonaccrual status grew from \$857 million at June 30, 1999, to \$922 million at June 30, 2000, an increase of 8%.

Interest income from time deposits and securities for FY00 was \$634 million, \$87 million higher than the \$547 million recorded in FY99. The liquid assets portfolios, net of derivatives and securities lending activities, grew from \$10.1 billion to \$12.2 billion largely funded by the growth in the Corporation's borrowings program.

The \$2.1 billion growth in the liquid assets portfolios, combined with the overall higher interest rate environment, resulted in an \$86 million increase in interest income in the P1 and P2 portfolios (classified as available for sale). As part of its management of the P2 portfolio, IFC periodically buys newer issue US Treasury bonds funded through the sale of older, less liquid securities. Due to the rising interest rate environment in FY00 and FY99, losses were realized on sales of securities in the P1 and P2 portfolios undertaken in both years. In FY00, such realized losses on the P1 and P2 portfolios were \$42 million compared with \$22 million in FY99. Income on the P3 portfolio (classified as trading) declined by \$2 million in FY00. The decline was attributable to the heavy volatility of bond markets, the flattening of the US yield curve, and the consequent widening of swap spreads, which particularly hit IFC's portfolio of asset-backed securities.

The Corporation's charges on borrowings rose by \$142 million during FY00 from \$670 million to \$812 million reflecting the growth of the borrowings portfolio and the rising interest rate environment. After the effect of associated derivative financial instruments, the borrowings portfolio grew by \$2.6 billion in FY00 from \$13.2 billion at June 30, 1999, to \$15.8 billion.

Income from equity investments

Overall income from the equity investment portfolio declined marginally by \$3 million, or 1%, from \$265 million in FY99 to \$262 million in FY00.

The Corporation generated capital gains for FY00 of \$132 million as compared with \$166 million for FY99, a decline of 20%. During the early part of FY98, IFC was able to liquidate a number of individual equity investment holdings to realize capital gains due to a relatively strong environment in the emerging markets. Subsequent to various crises in late FY98 and early FY99, this trend did not continue and led to the decline in realized capital gains in FY99 and into FY00.

Dividend income, however, rose to \$130 million for FY00 as compared with \$99 million for FY99. The growth in dividend income was largely attributable to the growth in oil prices during FY00, which significantly improved returns on the Corporation's joint ventures in oil, gas, and mining.

Provisions for losses on investments

The income charge for provisions for losses of \$215 million in FY00 was significantly lower than the charge in FY99 of \$333 million, a decline of \$118 million or 35%. On June 30, 2000, the Corporation's total reserves against losses on loans and equity investments were 18.0% of the disbursed and outstanding portfolio (18.2% at June 30, 1999). Provisions were lower in FY00 because impairment was less severe than in FY99, reflecting a more stable portfolio quality.

Noninterest income

Noninterest income of \$127 million for FY00 was \$17 million higher than FY99 (\$110 million), principally due to the sale of assets, including assets associated with the Corporation's information provision business. Service fees were also higher at \$49 million for FY00 as compared with \$33 million for FY99.

Offsetting these factors was a decrease in net periodic pension income from the Staff Retirement Plan and from the change in the Corporation's share of net assets held for postretirement benefits, from \$64 million in FY99 to \$47 million in FY00.

Noninterest expense

Administrative expenses (the principal component of noninterest expense) rose 3% from \$258 million in FY99 to \$267 million in FY00. This increase was in line with budget funding of the anticipated growth in the investment portfolio and the continuing move into smaller investments in frontier countries within IFC's portfolio.

FINANCIAL STATEMENTS

REPORT OF INDEPENDENT ACCOUNTANTS
FINANCIAL STATEMENTS INCLUDING NOTES

Deloitte Touche Tohmatsu (International Firm)
Suite 500
555 12th Street, N.W.
Washington, DC 20004-1207

Tel: (202) 897 5600
Fax: (202) 879 5309
www.us.deloitte.com

**Deloitte
Touche
Tohmatsu
(International Firm)**

President and Board of Governors
International Finance Corporation

We have audited the accompanying balance sheets of the International Finance Corporation, as of June 30, 2001 and 2000, including the statements of capital stock and voting power, as of June 30, 2001, and the related statements of income, comprehensive income, changes in capital and cash flows for each of the three fiscal years in the period ended June 30, 2001. These financial statements are the responsibility of the International Finance Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the International Finance Corporation as of June 30, 2001 and 2000, and the results of its operations and its cash flows for each of the three fiscal years in the period ended June 30, 2001 in conformity with accounting principles generally accepted in the United States of America and also as of June 30, 2000 and for each of the two fiscal years in the period ended June 30, 2000 in conformity with International Accounting Standards.

As discussed in Notes A, L and M to the financial statements, the International Finance Corporation changed its method of accounting for derivative instruments to conform with Statement of Accounting Standards (SFAS) No. 133 *Accounting for Derivative Instruments and Hedging Activities*, as amended by SFAS No. 137, *Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133*, and SFAS No. 138, *Accounting for Certain Derivative Instruments and Certain Hedging Activities*.

Accounting principles generally accepted in the United States vary in certain significant respects from International Accounting Standards. The application of the latter would have affected the determination of net income for the fiscal year ended June 30, 2001 and the determination of the total assets and capital at June 30, 2001 to the extent summarized in Note T.

Deloitte Touche Tohmatsu (International Firm)

July 30, 2001

BALANCE SHEET

as of June 30, 2001 and June 30, 2000 (US\$ millions)

	<u>2001</u>	<u>2000</u>
Assets		
Due from banks	\$ 136	\$ 52
Time deposits	4,145	4,345
Securities—Note B		
Trading	10,300	536
Available for sale	-	8,585
Securities purchased under resale agreements	-	222
Loans and equity investments disbursed and outstanding—Note C		
Loans	8,170	8,304
Equity investments	<u>2,739</u>	<u>2,636</u>
Total loans and equity investments	10,909	10,940
Less: Reserve against losses on loans and equity investments	<u>(2,213)</u>	<u>(1,973)</u>
Net loans and equity investments	<u>8,696</u>	<u>8,967</u>
Derivative assets	1,143	14,224
Receivables and other assets—Note F	1,750	1,788
	<u> </u>	<u> </u>
Total assets	<u>\$ 26,170</u>	<u>\$ 38,719</u>
Liabilities and capital		
Liabilities		
Securities sold under repurchase agreements and payable for cash collateral received	\$ 1,641	\$ 1,739
Borrowings withdrawn and outstanding—Note G		
From market sources	15,251	14,646
From International Bank for Reconstruction and Development	<u>206</u>	<u>273</u>
Total borrowings	<u>15,457</u>	<u>14,919</u>
Derivative liabilities	1,768	14,990
Payables and other liabilities—Note H	1,209	1,338
	<u> </u>	<u> </u>
Total liabilities	<u>20,075</u>	<u>32,986</u>
Capital		
Capital stock, authorized 2,450,000 shares of \$1,000 par value each—Note I		
Subscribed	2,374	2,372
Less: Portion not yet paid	<u>(14)</u>	<u>(14)</u>
Total capital stock	2,360	2,358
Payments received on account of pending subscriptions	-	2
Accumulated other comprehensive income	12	(5)
Retained earnings	<u>3,723</u>	<u>3,378</u>
Total capital	<u>6,095</u>	<u>5,733</u>
	<u> </u>	<u> </u>
Total liabilities and capital	<u>\$ 26,170</u>	<u>\$ 38,719</u>

The notes to financial statements are an integral part of these statements.

INCOME STATEMENT

for the three years ended June 30, 2001 (US\$ millions)

	<u>2001</u>	<u>2000</u>	<u>1999</u>
Interest income			
Interest and financial fees from loans–Note C	\$ 715	\$ 694	\$ 607
Interest from time deposits and securities–Note B	<u>790</u>	<u>634</u>	<u>547</u>
Total interest income	<u>1,505</u>	<u>1,328</u>	<u>1,154</u>
Interest expense			
Charges on borrowings–Note G	<u>961</u>	<u>812</u>	<u>670</u>
Total interest expense	<u>961</u>	<u>812</u>	<u>670</u>
Net interest income	544	516	484
Net gains and losses on trading activities–Note B	87	(38)	(15)
Income from equity investments			
Capital gains on equity sales	91	132	166
Dividends and profit participations	<u>131</u>	<u>130</u>	<u>99</u>
Total income from equity investments	<u>222</u>	<u>262</u>	<u>265</u>
Provision for losses on loans, equity investments and guarantees–Note C	402	215	333
Net income from loans, equity investments and trading activities	451	525	401
Noninterest income			
Service fees	41	49	33
Income from Staff Retirement Plan–Note Q	51	48	64
Change in share of net assets held for postretirement benefits	1	(1)	-
Other income–Note J	<u>28</u>	<u>31</u>	<u>13</u>
Total noninterest income	<u>121</u>	<u>127</u>	<u>110</u>
Noninterest expense			
Administrative expenses–Note R	309	267	258
Other expenses	2	1	4
Translation adjustments, net	4	(3)	(3)
Contributions to special programs–Note K	<u>16</u>	<u>7</u>	<u>3</u>
Total noninterest expense	<u>331</u>	<u>272</u>	<u>262</u>
Operating income	241	380	249
Other unrealized gains and losses on financial instruments–Notes L and M	11	-	-
Cumulative effect of change in accounting principle–Note L	<u>93</u>	<u>-</u>	<u>-</u>
Net income	<u>\$ 345</u>	<u>\$ 380</u>	<u>\$ 249</u>

The notes to financial statements are an integral part of these statements.

STATEMENT OF COMPREHENSIVE INCOME

for the three years ended June 30, 2001 (US\$ millions)

	2001	2000	1999
Net income	\$ 345	\$ 380	\$ 249
Other comprehensive income			
Cumulative effect of change in accounting principle—Note L	14	-	-
Reclassification to net income of net interest accruals on swaps in cash flow hedging relationships at June 30, 2000	(2)	-	-
Transfer to net income of accumulated unrealized holding gains and losses on available for sale securities reclassified as trading securities	5	-	-
Unrealized holding losses on available for sale securities arising during period	-	(41)	(25)
Less: Reclassification adjustment for realized losses on available for sale securities included in net income	-	42	23
	<u> </u>	<u> </u>	<u> </u>
Total comprehensive income	\$ 362	\$ 381	\$ 247

STATEMENT OF CHANGES IN CAPITAL

for the three years ended June 30, 2001 (US\$ millions)

	Retained earnings	Accumulated other comprehensive income	Capital stock	Payments received on account of pending subscriptions	Total capital
At July 1, 1998	\$ 2,749	\$ (4)	\$ 2,337	\$ 2	\$ 5,084
Year ended June 30, 1999					
Net income	249				249
Other comprehensive income		(2)			(2)
Payments received for capital stock subscribed	<u> </u>	<u> </u>	<u>13</u>	<u> </u>	<u>13</u>
At June 30, 1999	\$ 2,998	\$ (6)	\$ 2,350	\$ 2	\$ 5,344
Year ended June 30, 2000					
Net income	380				380
Other comprehensive income		1			1
Payments received for capital stock subscribed	<u> </u>	<u> </u>	<u>8</u>	<u> </u>	<u>8</u>
At June 30, 2000	\$ 3,378	\$ (5)	\$ 2,358	\$ 2	\$ 5,733
Year ended June 30, 2001					
Net income	345				345
Other comprehensive income		17			17
Payments received on account of pending subscriptions allocated to capital stock subscribed	<u> </u>	<u> </u>	<u>2</u>	<u>(2)</u>	<u>-</u>
At June 30, 2001	\$ 3,723	\$ 12	\$ 2,360	\$ -	\$ 6,095

The notes to financial statements are an integral part of these statements.

STATEMENT OF CASH FLOWS

for the three years ended June 30, 2001 (US\$ millions)

	<u>2001</u>	<u>2000</u>	<u>1999</u>
Cash flows from loans and equity investment activities			
Loan disbursements	\$ (1,200)	\$ (1,719)	\$ (1,813)
Equity disbursements	(335)	(491)	(290)
Loan repayments	1,209	1,065	878
Equity redemptions	8	4	3
Sales of equity investments	<u>257</u>	<u>282</u>	<u>276</u>
Net cash used in investing activities	<u>(61)</u>	<u>(859)</u>	<u>(946)</u>
Cash flows from financing activities			
Drawdown of borrowings	3,570	4,434	4,481
Repayment of borrowings	(2,458)	(1,618)	(3,061)
Capital subscriptions	<u>-</u>	<u>8</u>	<u>13</u>
Net cash provided by financing activities	<u>1,112</u>	<u>2,824</u>	<u>1,433</u>
Cash flows from operating activities			
Net income	345	380	249
Adjustments to reconcile net income to net cash provided by operating activities:			
Capital gains on equity sales	(91)	(132)	(166)
Provision for losses on loans, equity investments and guarantees	402	215	333
Translation adjustments, net	4	(3)	(3)
Unrealized gains and losses on financial instruments	(104)	-	-
Change in accrued income on loans, time deposits and securities	8	(51)	6
Change in payables and other liabilities	217	2,467	231
Change in receivables and other assets	<u>(373)</u>	<u>(2,546)</u>	<u>(834)</u>
Net cash provided by (used in) operating activities	<u>408</u>	<u>330</u>	<u>(184)</u>
Change in cash and cash equivalents	1,459	2,295	303
Effect of exchange rate changes on cash and cash equivalents	<u>(396)</u>	<u>52</u>	<u>131</u>
Net change in cash and cash equivalents	1,063	2,347	434
Beginning cash and cash equivalents	<u>13,518</u>	<u>11,171</u>	<u>10,737</u>
Ending cash and cash equivalents	<u>\$ 14,581</u>	<u>\$ 13,518</u>	<u>\$ 11,171</u>
Composition of cash and cash equivalents			
Due from banks	\$ 136	\$ 52	\$ 54
Time deposits	4,145	4,345	2,423
Securities held in trading portfolio	10,300	536	670
Securities held in available for sale portfolio	<u>-</u>	<u>8,585</u>	<u>8,024</u>
Total cash and cash equivalents	<u>\$ 14,581</u>	<u>\$ 13,518</u>	<u>\$ 11,171</u>
Supplemental disclosure			
Change in ending balances resulting from exchange rate fluctuations:			
Loans outstanding	\$ 68	\$ 56	\$ 17
Borrowings	(869)	(386)	(153)

The notes to financial statements are an integral part of these statements.

STATEMENT OF CAPITAL STOCK AND VOTING POWER

as of June 30, 2001 (US\$ thousands)

MEMBERS	Capital Stock		Voting Power		MEMBERS	Capital Stock		Voting Power	
	Amount paid	Percent of total	Number of votes	Percent of total		Amount paid	Percent of total	Number of votes	Percent of total
Afghanistan	\$ 111	*	361	0.02	Egypt, Arab Republic of	\$ 12,360	0.52	12,610	0.52
Albania	1,302	0.06	1,552	0.06	El Salvador	29	*	279	0.01
Algeria	5,621	0.24	5,871	0.24	Equatorial Guinea	43	*	293	0.01
Angola	1,481	0.06	1,731	0.07	Eritrea	935	0.04	1,185	0.05
Antigua and Barbuda	13	*	263	0.01	Estonia	1,434	0.06	1,684	0.07
Argentina	38,129	1.62	38,379	1.60	Ethiopia	127	0.01	377	0.02
Armenia	992	0.04	1,242	0.05	Fiji	287	0.01	537	0.02
Australia	47,329	2.01	47,579	1.98	Finland	15,697	0.67	15,947	0.66
Austria	19,741	0.84	19,991	0.83	France	121,015	5.13	121,265	5.04
Azerbaijan	2,367	0.10	2,617	0.11	Gabon	1,268	0.05	1,518	0.06
Bahamas, The	335	0.01	585	0.02	Gambia, The	94	*	344	0.01
Bahrain	1,746	0.07	1,996	0.08	Georgia	861	0.04	1,111	0.05
Bangladesh	9,037	0.38	9,287	0.39	Germany	128,908	5.46	129,158	5.37
Barbados	361	0.02	611	0.03	Ghana	5,071	0.21	5,321	0.22
Belarus	5,162	0.22	5,412	0.23	Greece	6,898	0.29	7,148	0.30
Belgium	50,610	2.14	50,860	2.12	Grenada	74	*	324	0.01
Belize	101	*	351	0.01	Guatemala	1,084	0.05	1,334	0.06
Benin	119	0.01	369	0.02	Guinea	339	0.01	589	0.02
Bolivia	1,902	0.08	2,152	0.09	Guinea-Bissau	18	*	268	0.01
Bosnia and Herzegovina	620	0.03	870	0.04	Guyana	1,392	0.06	1,642	0.07
Botswana	113	*	363	0.02	Haiti	822	0.03	1,072	0.04
Brazil	39,479	1.67	39,729	1.65	Honduras	495	0.02	745	0.03
Bulgaria	4,867	0.21	5,117	0.21	Hungary	10,932	0.46	11,182	0.47
Burkina Faso	836	0.04	1,086	0.05	Iceland	42	*	292	0.01
Burundi	100	*	350	0.01	India	81,342	3.45	81,592	3.39
Cambodia	339	0.01	589	0.02	Indonesia	28,539	1.21	28,789	1.20
Cameroon	885	0.04	1,135	0.05	Iran, Islamic Republic of	1,444	0.06	1,694	0.07
Canada	81,342	3.45	81,592	3.39	Iraq	147	0.01	397	0.02
Cape Verde	15	*	265	0.01	Ireland	1,290	0.05	1,540	0.06
Central African Republic	119	0.01	369	0.02	Israel	2,135	0.09	2,385	0.10
Chad	1,364	0.06	1,614	0.07	Italy	81,342	3.45	81,592	3.39
Chile	11,710	0.50	11,960	0.50	Jamaica	4,282	0.18	4,532	0.19
China	24,500	1.04	24,750	1.03	Japan	141,174	5.98	141,424	5.88
Colombia	12,606	0.53	12,856	0.53	Jordan	941	0.04	1,191	0.05
Comoros	14	*	264	0.01	Kazakhstan	4,637	0.20	4,887	0.20
Congo, Dem. Rep. of	2,159	0.09	2,409	0.10	Kenya	4,041	0.17	4,291	0.18
Congo, Republic of	131	0.01	381	0.02	Kiribati	12	*	262	0.01
Costa Rica	952	0.04	1,202	0.05	Korea, Republic of	15,946	0.68	16,196	0.67
Côte d'Ivoire	3,544	0.15	3,794	0.16	Kuwait	9,947	0.42	10,197	0.42
Croatia	2,882	0.12	3,132	0.13	Kyrgyz Republic	1,720	0.07	1,970	0.08
Cyprus	2,139	0.09	2,389	0.10	Lao People's Dem. Rep.	278	0.01	528	0.02
Czech Republic	8,913	0.38	9,163	0.38	Latvia	2,150	0.09	2,400	0.10
Denmark	18,554	0.79	18,804	0.78	Lebanon	135	0.01	385	0.02
Djibouti	21	*	271	0.01	Lesotho	71	*	321	0.01
Dominica	42	*	292	0.01	Liberia	83	*	333	0.01
Dominican Republic	1,187	0.05	1,437	0.06	Libya	55	*	305	0.01
Ecuador	2,161	0.09	2,411	0.10	Lithuania	\$ 2,341	0.10	2,591	0.11

The notes to financial statements are an integral part of these statements.

STATEMENT OF CAPITAL STOCK AND VOTING POWER (continued)

as of June 30, 2001 (US\$ thousands)

MEMBERS	Capital Stock		Voting Power		MEMBERS	Capital Stock		Voting Power	
	Amount paid	Percent of total	Number of votes	Percent of total		Amount paid	Percent of total	Number of votes	Percent of total
Luxembourg	2,139	0.09	2,389	0.10	Senegal	\$ 2,299	0.10	2,549	0.11
Macedonia, FYR of	484	0.02	734	0.03	Seychelles	27	*	277	0.01
Madagascar	432	0.02	682	0.03	Sierra Leone	223	0.01	473	0.02
Malawi	1,822	0.08	2,072	0.09	Singapore	177	0.01	427	0.02
Malaysia	15,222	0.65	15,472	0.64	Slovak Republic	4,457	0.19	4,707	0.20
Maldives	16	*	266	0.01	Slovenia	1,585	0.07	1,835	0.08
Mali	451	0.02	701	0.03	Solomon Islands	37	*	287	0.01
Marshall Islands	663	0.03	913	0.04	Somalia	83	*	333	0.01
Mauritania	214	0.01	464	0.02	South Africa	15,948	0.68	16,198	0.67
Mauritius	1,665	0.07	1,915	0.08	Spain	37,026	1.57	37,276	1.55
Mexico	27,589	1.17	27,839	1.16	Sri Lanka	7,135	0.30	7,385	0.31
Micronesia, Fed. States of	744	0.03	994	0.04	Sudan	111	*	361	0.02
Moldova	744	0.03	994	0.04	Swaziland	684	0.03	934	0.04
Mongolia	144	0.01	394	0.02	Sweden	26,876	1.14	27,126	1.13
Morocco	9,037	0.38	9,287	0.39	Switzerland	41,580	1.76	41,830	1.74
Mozambique	322	0.01	572	0.02	Syrian Arab Republic	194	0.01	444	0.02
Myanmar	666	0.03	916	0.04	Tajikistan	1,212	0.05	1,462	0.06
Namibia	404	0.02	654	0.03	Tanzania	1,003	0.04	1,253	0.05
Nepal	822	0.03	1,072	0.04	Thailand	10,941	0.46	11,191	0.47
Netherlands	56,131	2.38	56,381	2.35	Togo	808	0.03	1,058	0.04
New Zealand	3,583	0.15	3,833	0.16	Tonga	34	*	284	0.01
Nicaragua	715	0.03	965	0.04	Trinidad and Tobago	4,112	0.17	4,362	0.18
Niger	147	0.01	397	0.02	Tunisia	3,566	0.15	3,816	0.16
Nigeria	21,643	0.92	21,893	0.91	Turkey	14,545	0.62	14,795	0.62
Norway	17,599	0.75	17,849	0.74	Turkmenistan	810	0.03	1,060	0.04
Oman	1,187	0.05	1,437	0.06	Uganda	735	0.03	985	0.04
Pakistan	19,380	0.82	19,630	0.82	Ukraine	8,907	0.38	9,157	0.38
Palau	25	*	275	0.01	United Arab Emirates	4,033	0.17	4,283	0.18
Panama	1,007	0.04	1,257	0.05	United Kingdom	121,015	5.13	121,265	5.04
Papua New Guinea	1,147	0.05	1,397	0.06	United States	569,379	24.13	569,629	23.70
Paraguay	436	0.02	686	0.03	Uruguay	3,569	0.15	3,819	0.16
Peru	6,898	0.29	7,148	0.30	Uzbekistan	3,873	0.16	4,123	0.17
Philippines	12,606	0.53	12,856	0.53	Vanuatu	55	*	305	0.01
Poland	7,236	0.31	7,486	0.31	Venezuela, Rep. Boliv. de	27,588	1.17	27,838	1.16
Portugal	8,324	0.35	8,574	0.36	Vietnam	446	0.02	696	0.03
Romania	2,661	0.11	2,911	0.12	Yemen, Republic of	715	0.03	965	0.04
Russian Federation	81,342	3.45	81,592	3.39	Yugoslavia, Fed. Rep. of	1,803	0.08	2,053	0.09
Rwanda	306	0.01	556	0.02	Zambia	1,286	0.05	1,536	0.06
Saint Kitts and Nevis	638	0.03	888	0.04	Zimbabwe	2,120	0.09	2,370	0.10
St. Lucia	74	*	324	0.01					
Samoa	35	*	285	0.01	Total June 30, 2001	\$2,360,089	100.00+	2,403,839	100.00+
Saudi Arabia	30,062	1.27	30,312	1.26	Total June 30, 2000	\$2,357,552	100.00+	2,401,052	100.00+

* Less than .005 percent.

+ May differ from the sum of the individual percentages shown because of rounding.

The notes to financial statements are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

Purpose

The International Finance Corporation (the Corporation), an international organization, was established in 1956 to further economic development in its member countries by encouraging the growth of private enterprise. The Corporation is a member of the World Bank Group, which also includes the International Bank for Reconstruction and Development (IBRD), the International Development Association, and the Multilateral Investment Guarantee Agency (MIGA). The Corporation's activities are closely coordinated with and complement the overall development objectives of the other World Bank Group institutions. The Corporation, together with private investors, assists in financing the establishment, improvement and expansion of private sector enterprises by making loans and equity investments where sufficient private capital is not otherwise available on reasonable terms. The Corporation's share capital is provided by its member countries. It raises most of the funds for its investment activities through the issuance of notes, bonds and other debt securities in the international capital markets. The Corporation also plays a catalytic role in mobilizing additional project funding from other investors and lenders, either through cofinancing or through loan syndications, underwritings and guarantees. In addition to project finance and resource mobilization, the Corporation offers an array of financial and technical advisory services to private businesses in the developing world to increase their chances of success. It also advises governments on how to create an environment hospitable to the growth of private enterprise and foreign investment.

Note A—Summary of significant accounting and related policies

The accounting and reporting policies of the Corporation conform with generally accepted accounting principles in the United States (US GAAP).

The Corporation has traditionally prepared one set of financial statements and footnotes, complying with both US GAAP and International Accounting Standards (IAS). However, due to the promulgation of US Statement of Financial Accounting Standards (SFAS) No. 133, *Accounting for Derivative Instruments and Hedging Activities*, as amended by SFAS No. 138, *Accounting for Certain Derivatives and Certain Hedging Relationships* (collectively SFAS No. 133), it is no longer possible for the Corporation to satisfy the requirements of both US GAAP and IAS via one set of financial statements. The Corporation presents in note T a balance sheet and income statement conforming with IAS, together with a reconciliation between US GAAP and IAS.

Financial statements presentation—Certain amounts in the prior year have been reclassified to conform to the current year's presentation.

As a result of the adoption of SFAS No. 133 on July 1, 2000, in respect of loans, borrowings and derivative assets and liabilities, the balance sheet and related footnote disclosures as of June 30, 2001 are not comparable with the balance sheet and related footnote disclosures as of June 30, 2000.

Use of estimates—The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from these estimates. A significant degree of judgment has been used in the determination of: the adequacy of the reserve against losses on loans and equity investments; estimated fair values of all derivative instruments and related financial instruments in qualifying hedging relationships; and net periodic pension income. There are inherent risks and uncertainties related to the Corporation's operations. The possibility exists that changing economic conditions could have an adverse effect on the financial position of the Corporation.

Translation of currencies—Assets and liabilities not denominated in United States dollars (US dollars or \$), other than disbursed equity investments, are expressed in US dollars at the exchange rates prevailing at June 30, 2001 and June 30, 2000. Disbursed equity investments are expressed in US dollars at the prevailing exchange rates at the time of disbursement. Income and expenses are translated at the rates of exchange prevailing at the time of the transaction. Translation gains and losses are credited or charged to income.

Loans and equity investments—Loans and equity investments are recorded as assets when disbursed. Loans are carried at the principal amounts outstanding. In addition, beginning July 1, 2000, where loans are part of a designated hedging relationship employing derivative instruments, the carrying value is adjusted for changes in fair value attributable to the risk being hedged. These adjustments are reported in other unrealized gains and losses on financial instruments in net income. It is the Corporation's practice to obtain collateral security such as, but not limited to, mortgages and third-party guarantees. Equity investments are carried at cost. On occasion the Corporation enters into put and call option agreements in connection with equity investments.

Reserve against losses for loans and equity investments—The Corporation considers a loan as impaired when, based on current information and events, it is probable that the Corporation will be unable to collect all amounts due according to the loan's contractual terms. The reserve against losses for impaired loans represents management's judgment of the present value of expected future cash flows discounted at the loan's effective interest rate. The Corporation establishes a reserve against losses for equity investments when a decrease in value of the investments has occurred which is considered other than temporary. The reserve against losses for loans and equity investments includes an estimate of probable losses on loans and equity investments inherent in the portfolio but not specifically identifiable. The reserve is established through annual charges to income in the form of a provision for losses on loans and equity investments. Investments written off, as well as any subsequent recoveries, are recorded through the reserve.

Revenue recognition on loans and equity investments—Interest income and commitment fees on loans are recorded as income on an accrual basis. All other fees are recorded as income when received in freely convertible currencies. The Corporation does not recognize income on loans where collectibility is in doubt or payments of interest or principal are past due more than 60 days unless management anticipates that collection of interest will occur in the near future. Any interest accrued on a loan placed in nonaccrual status is reversed out of income and is thereafter recognized as income only when the actual payment is received. Interest not previously recognized but capitalized as part of a debt restructuring is recorded as deferred income and credited to income only when the related principal is received.

Dividends and profit participations are recorded as income when received in freely convertible currencies. Capital gains on the sale of equity investments are measured against the average cost of the investments sold and are recorded as income when received in freely convertible currencies.

Guarantees—The Corporation extends guarantee facilities to its clients to provide credit enhancement for their debt securities and trade obligations. Under the terms of the guarantees, the Corporation agrees to assume responsibility for the client's financial obligations in the event of default by the client. Guarantees are regarded as outstanding when the underlying financial obligation of the client is incurred, and called when the Corporation's obligation under the guarantee has been invoked. Guarantees remain off-balance sheet while outstanding; when called, the amount disbursed is recorded as a new loan. A contingent liability is established for probable losses on outstanding guarantees and is included in payables and other liabilities on the balance sheet. Specific reserves are established on called guarantees and are included in the reserve against losses on loans and equity investments on the balance sheet.

NOTES TO FINANCIAL STATEMENTS (continued)

Liquid asset portfolio—The Corporation's liquid funds are invested in government and agency obligations, time deposits and asset-backed securities. Government and agency obligations include highly rated fixed rate bonds, notes, bills and other obligations issued or unconditionally guaranteed by governments of countries or other official entities including government agencies and instrumentalities or by multilateral organizations. The liquid asset portfolio, as defined by the Corporation and as detailed in note B, comprises: these time deposits and securities; related derivative instruments; securities purchased under resale agreements, securities sold under repurchase agreements and payable for cash collateral received; receivables from sales of securities and payables for purchases of securities; and related accrued income and charges.

On July 1, 2000, the Corporation reclassified all of its available for sale securities as trading securities. This resulted in a transfer of accumulated net unrealized holding losses on available for sale securities of \$5 million from other comprehensive income to net income in the year ended June 30, 2001. Beginning with the year ended June 30, 2001, realized and unrealized gains and losses on trading securities are reported separately in the income statement.

Trading securities are carried at fair value with any changes in fair value reported in net gains and losses on trading activities. Interest on securities and amortization of premiums and accretion of discounts are reported in interest from time deposits and securities.

The Corporation classifies due from banks, time deposits and securities (collectively, cash and cash equivalents) as an element of liquidity in the statement of cash flows because of their nature and the Corporation's policies governing the level and use of such investments.

Repurchase and resale agreements—Repurchase agreements are contracts under which a party sells securities and simultaneously agrees to repurchase the same securities at a specified future date at a fixed price. Resale agreements are contracts under which a party purchases securities and simultaneously agrees to resell the same securities at a specified future date at a fixed price.

It is the Corporation's policy to take possession of securities purchased under resale agreements, which are primarily liquid government securities. The market value of these securities is monitored and, within parameters defined in the agreements, additional collateral is obtained when their value declines. The Corporation also monitors its exposure with respect to securities sold under repurchase agreements and, in accordance with the terms of the agreements, requests the return of excess securities held by the counterparty when their value increases.

Repurchase and resale agreements are accounted for as collateralized financing transactions and recorded at the amount at which the securities were acquired or sold plus accrued interest. Securities purchased under resale agreements, securities sold under agreements to repurchase and securities payable for cash collateral received are recorded at fair value.

Borrowings—To diversify its access to funding and reduce its borrowing costs, the Corporation borrows in a variety of currencies and uses a number of borrowing structures, including foreign exchange rate-linked, inverse floating rate and zero coupon notes. Generally, the Corporation simultaneously converts such borrowings into variable rate US dollar borrowings through the use of currency and interest rate swap transactions. Under certain outstanding borrowing agreements, the Corporation is not permitted to mortgage or allow a lien to be placed on its assets (other than purchase money security interests) without extending equivalent security to the holders of such borrowings.

Borrowings are recorded at the amount repayable at maturity, adjusted for unamortized premium and unaccrued discount. In addition, beginning July 1, 2000, where borrowings are part of a designated hedging relationship employing derivative instruments, the carrying amount is adjusted for changes in fair value attributable to the risk being hedged. Adjustments for changes in fair value attributable to hedged risks are reported in other unrealized gains and losses on financial instruments. Interest on borrowings and amortization of premiums and accretion of discounts are reported in charges on borrowings.

Risk management, derivative instruments and hedge accounting—The Corporation enters into transactions in various derivative instruments for risk management purposes in connection with its principal business activities, including lending, client risk management, borrowing, liquid asset portfolio management and asset and liability management. The Corporation does not use derivatives for speculative, marketing or merchandising purposes.

Beginning July 1, 2000, all derivative instruments are recorded on the balance sheet at fair value as derivative assets or derivative liabilities. Derivative instruments embedded in market borrowing transactions entered into on or after January 1, 1999 are bifurcated from the host contract and recorded at fair value as derivative assets and liabilities. The value at inception of these embedded derivatives is excluded from the carrying value of market borrowings on the balance sheet. Changes in fair values of derivative instruments used in liquid asset portfolio management activities are recorded in net gains and losses on trading activities. Changes in fair values of derivative instruments other than those used in liquid asset portfolio management activities are recorded in other unrealized gains and losses on financial instruments. Prior to July 1, 2000, changes in fair values of derivative instruments associated with the liquid asset portfolio classified as available for sale were included in other comprehensive income until realized, and those associated with the liquid asset portfolio classified as trading were included in net income; other derivative instruments were recorded on the balance sheet at amortized cost.

Subject to certain specific qualifying conditions in SFAS No. 133, a derivative instrument may be designated either as a hedge of the fair value of an asset or liability (fair value hedge), or as a hedge of the variability of cash flows of an asset or liability or forecasted transaction (cash flow hedge). For a derivative instrument qualifying as a fair value hedge, fair value gains or losses on the derivative instrument are reported in net income, together with offsetting fair value gains or losses on the hedged item that are attributable to the risk being hedged. For a derivative instrument qualifying as a cash flow hedge, fair value gains or losses associated with the risk being hedged are reported in other comprehensive income and released to net income in the period(s) in which the effect on net income of the hedged item is recorded. Fair value gains and losses on a derivative instrument not qualifying as a hedge are reported in net income.

The Corporation has designated certain hedging relationships in its borrowing and lending activities as fair value hedges. The Corporation generally matches the terms of its derivatives with the terms of the specific underlying financial instruments hedged, in terms of currencies, maturity dates, reset dates, interest rates and other features. However, the valuation methodologies applied to the derivative and the hedged financial instrument, as prescribed by SFAS No. 133, may differ. The resulting ineffectiveness calculated for such relationships is recorded in other unrealized gains and losses on financial instruments in the income statement.

The Corporation has not designated any hedging relationships as cash flow hedges. Consequently, the change in fair value of the derivatives in cash flow-like hedges recorded in net income is not offset by changes in fair value of the related asset or liability.

The risk management policy for each of the Corporation's principal business activities, and the accounting policies particular to them, are described below.

Lending activities: To minimize the level of interest rate and currency exchange risk associated with fixed rate US dollar or non-US dollar lending, derivative instruments with generally matching terms are used to convert the cash flows from those loans into variable rate US dollars, consistent with the Corporation's matched funding policy. The impact on net income of changes in fair value of interest rate swaps qualifying for the short cut method under SFAS No. 133 is exactly offset by a corresponding adjustment to the fair value of the related loans. The Corporation has elected not to designate hedging relationships for all other lending-related derivatives that do not qualify for the short cut method.

NOTES TO FINANCIAL STATEMENTS (continued)

Client risk management activities: The Corporation enters into derivatives transactions with its clients to help them hedge their own currency, interest rate or commodity risk, which, in turn, improves the overall quality of the Corporation's loan portfolio. To hedge the market risks that arise from these transactions with clients, the Corporation enters into offsetting derivative transactions with matching terms with authorized market counterparties. Changes in fair value of all derivatives associated with these activities are reflected currently in net income. Though hedge accounting is not applicable to these activities, the matching of terms between the offsetting transactions minimizes the impact on net income.

Borrowing activities: The Corporation issues debt securities in various capital markets with the objectives of minimizing its borrowing costs, diversifying funding sources, and developing member countries' capital markets, sometimes using complex structures. These structures include borrowings payable in multiple currencies, or borrowings with principal and/or interest determined by reference to a specified index such as a stock market index, a reference interest rate, a commodity index, or one or more foreign exchange rates. The Corporation uses derivative instruments with matching terms, primarily currency and interest rate swaps, to convert such borrowings into variable rate US dollar obligations, consistent with the Corporation's matched funding policy. The Corporation has designated the majority of derivatives associated with borrowing activities as fair value hedges of the underlying borrowings. There are a small number of cash flow-like hedging transactions for which no hedge relationship has been designated.

Liquid asset portfolio management activities: The Corporation manages the interest rate, currency and other market risks associated with certain of the time deposits and securities in its liquid asset portfolio by entering into derivative transactions to convert the cash flows from those instruments into variable rate US dollars, consistent with the Corporation's matched funding policy. The derivative instruments used include short-term, over-the-counter foreign exchange forwards (covered forwards), interest rate and currency swaps, and exchange-traded interest rate futures and options. As the entire liquid asset portfolio is classified as a trading portfolio, all securities (including derivatives) are carried at fair value, and no hedging relationships have been designated.

Asset and liability management: In addition to the risk managed in the context of its business activities detailed above, the Corporation faces residual market risk in its overall asset and liability management. Residual currency risk is managed by monitoring the aggregate position in each lending currency and eliminating the net excess asset or liability position through spot sales or purchases. Interest rate risk due to reset date mismatches is reduced by synchronizing the reset dates on assets and liabilities and managing overall interest rate risk on an aggregate basis. Interest rate risk arising from mismatches due to writedowns, prepayments and reschedulings, and residual reset date mismatches, is monitored by measuring the sensitivity of the present value of assets and liabilities in each currency to each basis point change in interest rates.

The Corporation monitors the credit risk associated with these activities by careful assessment and monitoring of prospective and actual clients and counterparties. In respect of liquid assets and derivatives transactions, credit risk is managed by establishing exposure limits based on the credit rating and size of the individual counterparty. In addition, the Corporation has entered into master agreements governing derivative transactions that contain close-out and netting provisions and collateral arrangements. Under these agreements, if the Corporation's credit exposure to a counterparty, on a mark-to-market basis, exceeds a specified level, the counterparty must post collateral to cover the excess, generally in the form of liquid government securities.

Resource mobilization—The Corporation mobilizes funds from commercial banks and other financial institutions (Participants) through loan participations which are sold by the Corporation, without recourse, to Participants. These loan participations are administered and serviced by the Corporation on behalf of the Participants. The disbursed and outstanding balances of the loan participations are not included in the Corporation's balance sheet.

Staff Retirement Plan—The World Bank Group has a defined benefit retirement plan (the Plan) covering substantially all of the Corporation's staff. The Plan also covers substantially all the staff of IBRD and MIGA. Under the Plan, benefits are based on the years of contributory service and the highest three-year average of pensionable remuneration as defined in the Plan, with the staff contributing a fixed percentage of pensionable remuneration and the World Bank Group contributing the remainder of the actuarially determined cost of future Plan benefits. The actuarial present values of Plan obligations throughout the fiscal year are determined at the beginning of the fiscal year by the Plan's actuary. The Corporation's total contribution to the Plan is based upon the aggregate funding method. All contributions to the Plan and all other assets and income held for purposes of the Plan are held separately from the other assets and income of the World Bank Group and can be used only for the benefit of the participants in the Plan and their beneficiaries, until all liabilities to them have been paid or provided for. Plan assets consist primarily of equity and fixed income securities, with small holdings of cash, real estate and other investments.

The net periodic pension income or expense allocated to the Corporation is included in income from (contributions to) Staff Retirement Plan in the income statement.

Other postretirement benefits—Other postretirement benefits are provided for eligible active and retired World Bank Group staff, including those of the Corporation, through a Retired Staff Benefits Plan and a Post Employment Benefits Plan.

Some of the assets designated for other postretirement benefits meet the requirements for plan assets prescribed under SFAS No. 106, *Employer's Accounting for Postretirement Benefits Other Than Pensions*. Other plan assets and liabilities that do not qualify for off-balance sheet accounting are recorded on IBRD's balance sheet. The Corporation includes a receivable from IBRD in receivables and other assets relating to its share of these postretirement benefits net assets, representing prepaid postretirement benefits costs. Any increase or decrease in the Corporation's share of these net assets is recognized in increase (decrease) in share of net assets held for postretirement benefits in the income statement.

Introduction of the Euro—Effective January 1, 1999 certain member states of the European Union adopted the Euro as their common currency and the European Currency Unit was automatically redenominated into the Euro. Amounts stated in Euros appearing herein for both the current and prior periods have been recast from the legacy currencies regardless of the timing of the redenomination of the instruments concerned. Recasting has had no impact on the US dollar equivalents reported in these financial statements except insofar as, in the footnotes that disclose currency analyses of balance sheet amounts, legacy currency items have been aggregated and single Euro amounts are disclosed in their place.

Accounting and financial reporting developments—The Corporation adopted SFAS No. 133 on July 1, 2000. The effect of adoption is detailed in note L.

In March 1999, the International Accounting Standards Committee issued IAS No. 39, *Financial Instruments Recognition and Measurement*. Further details are given in note T.

In September 2000, the Financial Accounting Standards Board issued SFAS No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*. SFAS No. 140, which replaces SFAS No. 125, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, provides accounting and reporting standards for securitizations and other transfers of financial assets. The accounting requirements of the Standard are effective for transfers and servicing of financial assets and extinguishments of liabilities after March 31, 2001, and must be applied prospectively. The Corporation applied the provisions of SFAS No. 140 beginning April 1, 2001. SFAS No. 140 also requires certain disclosures related to securitization transactions, collateral arrangements and repurchase agreements for fiscal years ending after December 15, 2000. These disclosures are given in note B, "Liquid asset portfolio." The adoption of SFAS No. 140 did not have a material impact on the Corporation's financial position or results of operations for the period.

NOTES TO FINANCIAL STATEMENTS (continued)

Note B—Liquid asset portfolio

The composition of the Corporation's liquid asset portfolio is as follows (US\$ millions):

	June 30, 2001		June 30, 2000	
	Trading portfolio	Trading portfolio	Available for sale portfolio	Total
Assets				
Due from banks	\$ 19	\$ -	\$ 31	\$ 31
Time deposits	4,145	183	4,162	4,345
Securities	10,300	536	8,585	9,121
Securities purchased under resale agreements	-	4	218	222
Receivables and other assets:				
Receivables from sales of securities	312	301	63	364
Accrued interest income on time deposits and securities	154	5	138	143
Accrued income on derivative instruments	70	-	94	94
Derivative assets	501	92	3,392	3,484
Total assets	\$ 15,501	\$ 1,121	\$ 16,683	\$ 17,804
Liabilities				
Payables and other liabilities:				
Payables for purchases of securities	\$ 299	\$ 220	\$ 114	\$ 334
Accrued charges on derivative instruments	91	-	83	83
Securities sold under repurchase agreements and payable for cash collateral received	1,641	-	1,739	1,739
Derivative liabilities	212	91	3,353	3,444
Total liabilities	\$ 2,243	\$ 311	\$ 5,289	\$ 5,600
Total net liquid asset portfolio	\$ 13,258	\$ 810	\$ 11,394	\$ 12,204

The liquid asset portfolio is denominated primarily in US dollars; investments in other currencies, net of the effect of associated derivative instruments that convert non-US dollar securities into US dollar securities, represent less than 1% of the portfolio at June 30, 2001 (less than 1%—June 30, 2000). The annualized rate of return on the trading portfolio during the year ended June 30, 2001, was 7.1% (5.1%—year ended June 30, 2000; 5.6%—year ended June 30, 1999). After the effect of associated derivative instruments, the liquid asset portfolio generally reprices within one year.

TRADING SECURITIES

The composition of trading securities is as follows:

	Year ended	At June 30, 2001			
	June 30, 2001	Fair value average daily balance (US\$ millions)	Fair value (US\$ millions)	Average maturity (years)	Average yield (%)
Government and agency obligations	\$ 4,518	\$ 4,931	4.6	5.3	
Asset-backed securities	2,341	2,448	8.9	4.7	
Corporate securities	2,815	2,921	3.2	5.4	
Total trading securities	\$ 9,674	\$ 10,300			
	Year ended	At June 30, 2000			
	June 30, 2000	Fair value average daily balance (US\$ millions)	Fair value (US\$ millions)	Average maturity (years)	Average yield (%)
Government and agency obligations	\$ 106	\$ 113	2.7	3.6	
Asset-backed securities	207	242	23.3	7.4	
Corporate securities	291	181	1.3	6.5	
Total trading securities	\$ 604	\$ 536			

The expected maturity of the asset-backed securities will differ from the contractual maturity, as reported above, due to prepayment features.

NOTES TO FINANCIAL STATEMENTS (continued)

AVAILABLE FOR SALE SECURITIES

On July 1, 2000 the Corporation reclassified all of its available for sale securities as trading securities. As of June 30, 2000 the amortized cost, gross unrealized gains and losses, fair value and average yield of securities classified as available for sale were as follows:

	June 30, 2000				
	(US\$ millions)				
	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value	Average yield (%)
Government and agency obligations	\$ 4,164	\$ 125	\$ (34)	\$ 4,255	5.7
Asset-backed securities	2,116	6	(2)	2,120	6.8
Corporate securities	2,164	67	(21)	2,210	5.8
Associated derivative instruments, net	191	45	(191)	45	
Total available for sale securities	\$ 8,635	\$ 243	\$ (248)	\$ 8,630	

INCOME FROM LIQUID ASSET PORTFOLIO

Income from liquid asset portfolio for the years ended June 30, 2001, 2000 and 1999 comprises (US\$ millions):

	2001	2000	1999
Interest income:			
Trading portfolio	\$ 790	\$ 32	\$ 30
Available for sale portfolio	-	602	517
Total interest from time deposits and securities	<u>790</u>	<u>634</u>	<u>547</u>
Net gains and losses on trading activities:			
Realized-			
Trading portfolio		9	(6)
Available for sale portfolio		(42)	(23)
Unrealized-			
Trading portfolio	<u>26</u>	<u>(5)</u>	<u>14</u>
Total net gains and losses on trading activities	<u>87</u>	<u>(38)</u>	<u>(15)</u>
Total income from liquid asset investments	\$ 877	\$ 596	\$ 532

Collateral

The estimated fair value of securities held by the Corporation at June 30, 2001 as collateral, in connection with derivatives transactions and purchase and resale agreements, that may be sold or repledged was \$113 million.

Note C—Loans and equity investments and reserve against losses

The distribution of the disbursed portfolio by sector is as follows (US\$ millions):

	June 30, 2001			June 30, 2000		
	Loans	Equity investments	Total	Loans	Equity investments	Total
Finance and insurance	\$ 1,570	\$ 601	\$ 2,171	\$ 1,656	\$ 479	\$ 2,135
Utilities	884	109	993	843	113	956
Chemicals	740	101	841	740	117	857
Food and beverages	680	156	836	783	173	956
Transportation and warehousing	534	177	711	497	160	657
Nonmetallic mineral product manufacturing	576	114	690	649	136	785
Oil, gas and mining	455	179	634	482	196	678
Primary metals	515	101	616	539	109	648
Collective investment vehicles	-	579	579	-	555	555
Information	409	156	565	349	118	467
Industrial and consumer products	403	100	503	378	113	491
Accommodation and tourism services	314	72	386	334	72	406
Textiles, apparel and leather	292	83	375	337	114	451
Paper and pulp	227	102	329	272	105	377
Wholesale and retail trade	193	17	210	151	16	167
Agriculture and silviculture	161	26	187	148	19	167
Plastics and rubber	81	35	116	68	20	88
Health care	75	17	92	57	17	74
Other	42	14	56	21	4	25
Total disbursed portfolio	8,151	2,739	10,890	8,304	2,636	10,940
Fair value adjustments	19	-	19	-	-	-
Carrying value of loans and equity investments	\$ 8,170	\$ 2,739	\$ 10,909	\$ 8,304	\$ 2,636	\$ 10,940

NOTES TO FINANCIAL STATEMENTS (continued)

	June 30, 2001			June 30, 2000		
	Loans	Equity investments	Total	Loans	Equity investments	Total
Latin America and Caribbean	\$ 3,495	\$ 861	\$ 4,356	\$ 3,463	\$ 855	\$ 4,318
Asia	2,132	894	3,026	2,405	847	3,252
Europe and Central Asia	1,570	500	2,070	1,578	458	2,036
Sub-Saharan Africa	576	276	852	527	269	796
Middle East and North Africa	378	158	536	331	162	493
Other	-	50	50	-	45	45
Total disbursed portfolio	8,151	2,739	10,890	8,304	2,636	10,940
Fair value adjustments	19	-	19	-	-	-
Carrying value of loans and equity investments	\$ 8,170	\$ 2,739	\$ 10,909	\$ 8,304	\$ 2,636	\$ 10,940

At June 30, 2001, 23% (24%–June 30, 2000) of the disbursed loan portfolio consisted of fixed rate loans, while the remainder was at variable rates.

The currency composition and average yield of loans disbursed and outstanding are summarized below (US\$ millions):

	June 30, 2001		June 30, 2000	
	Amount	Average yield (%)	Amount	Average yield (%)
US dollar	\$ 7,390	7.7	\$ 7,565	9.3
Euro	552	7.6	583	7.4
Other currencies	209	8.0	156	7.1
Total loans disbursed and outstanding	8,151	7.7	8,304	9.1
Fair value adjustments	19	-	-	-
Carrying value of loans	\$ 8,170		\$ 8,304	

After the effect of interest rate and currency swaps, the Corporation's loans are principally denominated in US dollars.

Loans disbursed and outstanding in all currencies are repayable during the years ending June 30, 2002 through June 30, 2006, and thereafter, as follows (US\$ millions):

	2002	2003	2004	2005	2006	Thereafter	Total
Fixed rate loans	\$ 483	\$ 283	\$ 233	\$ 239	\$ 177	\$ 422	\$ 1,837
Variable rate loans	1,209	934	902	857	776	1,636	6,314
Total loans disbursed and outstanding	\$ 1,692	\$ 1,217	\$ 1,135	\$ 1,096	\$ 953	\$ 2,058	8,151
Fair value adjustments							19
Carrying value of loans							\$ 8,170

The Corporation's variable rate loans disbursed and outstanding generally reprice within one year.

Loans on which the accrual of interest has been discontinued amounted to \$1,054 million at June 30, 2001 (\$922 million–June 30, 2000). Interest income not recognized on nonaccruing loans during the year ended June 30, 2001 totaled \$100 million (\$84 million–year ended June 30, 2000; \$73 million–year ended June 30, 1999). Interest collected on loans in nonaccrual status, related to current and prior years, during the year ended June 30, 2001 was \$27 million (\$28 million–year ended June 30, 2000; \$17 million–year ended June 30, 1999). The average recorded investment in impaired loans during the year ended June 30, 2001, was \$1,534 million (\$1,331 million–year ended June 30, 2000). The recorded investment in impaired loans at June 30, 2001 was \$1,918 million (\$1,150 million–June 30, 2000).

NOTES TO FINANCIAL STATEMENTS (continued)

Changes in the reserve against losses for the years ended June 30, 2001, 2000 and 1999 are summarized below (US\$ millions):

	2001			2000			1999		
	Loans	Equity investments	Total	Loans	Equity investments	Total	Loans	Equity investments	Total
Beginning balance	\$ 1,228	\$ 745	\$ 1,973	\$ 1,118	\$ 707	\$ 1,825	\$ 977	\$ 545	\$ 1,522
Investments written off	(45)	(91)	(136)	(20)	(37)	(57)	(12)	(14)	(26)
Investments recovered	-	-	-	1	-	1	-	-	-
Translation adjustments	(13)	-	(13)	(11)	-	(11)	(4)	-	(4)
Provision for losses	193	196	389	140	75	215	157	176	333
Ending balance	\$ 1,363	\$ 850	\$ 2,213	\$ 1,228	\$ 745	\$ 1,973	\$ 1,118	\$ 707	\$ 1,825

The translation gain of \$13 million (\$11 million gain-year ended June 30, 2000; \$4 million gain-year ended June 30, 1999) has been offset by an equivalent translation loss (loss-years ended June 30, 2000 and 1999) on currency hedges. Both amounts have been recorded in translation adjustments in the income statement.

Provision for losses on loans, equity investments and guarantees in the income statement for the year ended June 30, 2001 includes \$13 million in respect of guarantees (\$nil-years ended June 30, 2000 and 1999). At June 30, 2001 the accumulated reserve for losses on guarantees, included in the balance sheet in payables and other liabilities, was \$13 million (\$nil-June 30, 2000 and 1999).

Interest and financial fees from loans and equity investments for the years ended June 30, 2001, 2000 and 1999 comprise the following (US\$ millions):

	2001	2000	1999
Interest income	\$ 687	\$ 656	\$ 570
Commitment fees	7	8	9
Other financial fees	21	30	28
Total interest and financial fees	\$ 715	\$ 694	\$ 607

Note D-Projects approved and committed but not disbursed or utilized

Projects approved by the Board of Directors but not committed, loan and equity commitments signed but not yet disbursed, and guarantee and client risk management facilities signed but not yet utilized are summarized below (US\$ millions):

	June 30, 2001	June 30, 2000
Projects approved but not committed:		
Loans	\$ 2,621	\$ 3,283
Equity investments	609	556
Guarantees	474	429
Client risk management facilities	179	70
Total projects approved but not committed	<u>3,883</u>	<u>4,338</u>
Projects committed but not disbursed:		
Loans	1,731	1,748
Equity investments	896	839
Projects committed but not utilized:		
Guarantees	511	164
Client risk management facilities	174	131
Total projects committed but not disbursed or utilized	<u>3,312</u>	<u>2,882</u>
Total projects approved but not disbursed or utilized	\$ 7,195	\$ 7,220

Note E-Resource mobilization

Loan participations arranged to be placed with Participants in respect of loans approved by the Board of Directors, loan participations signed as commitments for which disbursement has not yet been made, and loan participations disbursed and outstanding and serviced by the Corporation for the Participants are as follows (US\$ millions):

	June 30, 2001	June 30, 2000
Loan participations arranged to be placed with Participants approved but not committed	\$ 2,021	\$ 3,308
Loan participations signed as commitments but not disbursed	979	876
Loan participations arranged to be placed with Participants approved but not disbursed	\$ 3,000	\$ 4,184
Loan participations disbursed and outstanding which are serviced by the Corporation	\$ 6,551	\$ 7,330

During the year ended June 30, 2001 the Corporation called and disbursed \$835 million (\$1,097 million-year ended June 30, 2000) of Participants' funds.

NOTES TO FINANCIAL STATEMENTS (continued)

The Corporation has securitized and sold variable rate US dollar loan participations to a trust (the Trust). Concurrently, the Corporation provided a \$20 million liquidity facility to the Trust and acquired \$20 million of the Trust's Class C certificates. The outstanding balance of the Trust's Class C certificates held by the Corporation was \$10 million at June 30, 2001 (\$10 million–June 30, 2000) and is included in equity investments. The liquidity facility is included in receivables and other assets and totaled \$nil at June 30, 2001 (\$5 million–June 30, 2000). The Corporation has provided reserves for losses against these instruments of \$3 million at June 30, 2001 (\$4 million–June 30, 2000). Certain of the securitized loan participations are secured by security interests in personal and real property. The principal balance outstanding of total loans securitized at June 30, 2001 was \$46 million (\$65 million–June 30, 2000).

Note F–Receivables and other assets

Receivables and other assets are summarized below (US\$ millions):

	June 30, 2001	June 30, 2000
Receivables from sales of securities	\$ 312	\$ 364
Accrued interest income on time deposits and securities	154	143
Accrued income on derivative instruments	469	520
Accrued interest income on loans	136	158
Prepaid pension costs	232	181
Receivable from IBRD representing prepaid postretirement benefits costs	18	17
Headquarters building:		
Land	89	89
Building	184	185
Less: Building depreciation	(20)	(15)
Headquarters building, net	<u>253</u>	<u>259</u>
Deferred charges and other assets	<u>176</u>	<u>146</u>
Total receivables and other assets	<u>\$ 1,750</u>	<u>\$ 1,788</u>

Note G–Borrowings

The Corporation's borrowings outstanding from market sources and currency and interest rate swaps, net of unamortized issue premiums and discounts, are summarized below:

	June 30, 2001							
	Market borrowings		Currency swaps payable (receivable)		Interest rate swaps notional principal payable (receivable)		Net currency obligation	
	Amount (US\$ millions)	Weighted average cost (%)	Amount (US\$ millions)	Weighted average cost (%)	Notional amount (US\$ millions)	Weighted average cost (%)	Amount (US\$ millions)	Weighted average cost (%)
US dollar	\$ 6,263	6.1	\$10,059	(4.2)	\$ 5,827 (5,836)	4.3 (5.9)	\$ 16,313	4.3
Pound sterling	2,776	5.7	(2,776)	(5.6)	425 (425)	5.3 (5.8)	-	-
Japanese yen	2,171	4.9	(2,171)	(4.9)	-	-	-	-
Euro	1,928	5.0	(1,928)	(5.0)	-	-	-	-
Hong Kong dollar	949	7.7	(949)	(7.7)	-	-	-	-
South African rand	393	14.0	(393)	(14.0)	-	-	-	-
Singapore dollar	230	4.4	(230)	(4.4)	-	-	-	-
Greek drachma	219	5.7	(219)	(5.7)	-	-	-	-
New Zealand dollar	104	6.8	(104)	(6.8)	-	-	-	-
Netherland guilder	78	3.3	(78)	(3.3)	-	-	-	-
Swiss franc	57	3.8	(57)	(2.7)	57 (57)	2.7 (3.8)	-	-
Philippine peso	50	10.3	(50)	(10.3)	-	-	-	-
Slovak koruna	41	15.8	(41)	(15.8)	-	-	-	-
Estonian kroon	5	10.0	(5)	(10.0)	-	-	-	-
Principal at face value	15,264		\$ 1,058		\$ (9)		\$16,313	
Less: Unamortized discounts, net	(280)							
Total market borrowings	14,984							
Fair value adjustments	267							
Carrying value of market borrowings	\$15,251							

NOTES TO FINANCIAL STATEMENTS (continued)

	June 30, 2000							
	Market borrowings		Currency swaps payable (receivable)		Interest rate swaps notional principal payable (receivable)		Net currency obligation	
	Amount (US\$ millions)	Weighted average cost (%)	Amount (US\$ millions)	Weighted average cost (%)	Notional amount (US\$ millions)	Weighted average cost (%)	Amount (US\$ millions)	Weighted average cost (%)
US dollar	\$ 4,686	6.1	\$10,825	(6.1)	\$ 4,576 (4,585)	6.5 (5.8)	\$ 15,502	6.3
Euro	2,702	5.2	(2,702)	(5.2)	-	-	-	-
Pound sterling	2,408	5.8	(2,408)	(5.9)	451 (451)	6.1 (5.8)	-	-
Japanese yen	2,212	4.9	(2,212)	(4.9)	-	-	-	-
Hong Kong dollar	1,311	8.5	(1,311)	(8.5)	-	-	-	-
South African rand	464	14.0	(464)	(14.0)	-	-	-	-
Greek drachma	268	7.3	(268)	(7.3)	-	-	-	-
Singapore dollar	242	4.4	(242)	(4.4)	-	-	-	-
Australian dollar	180	-	(180)	-	-	-	-	-
Swiss franc	152	4.8	(152)	(4.1)	61 (61)	3.2 (4.8)	-	-
Canadian dollar	128	-	(128)	-	-	-	-	-
New Zealand dollar	117	6.8	(117)	(6.8)	-	-	-	-
Philippine peso	60	10.3	(60)	(10.3)	-	-	-	-
Slovak koruna	44	15.8	(44)	(15.8)	-	-	-	-
Polish new zloty	23	10.8	(23)	(10.8)	-	-	-	-
Estonian kroon	6	10.0	(6)	(10.0)	-	-	-	-
Principal at face value	15,003		\$ 508		\$ (9)		\$15,502	
Less: Unamortized discounts, net	(357)							
Total market borrowings	14,646							

The weighted average cost of the Corporation's borrowings outstanding from market sources after currency and interest rate swap transactions was 4.3% at June 30, 2001 (6.3%–June 30, 2000). The weighted average remaining maturity of the Corporation's borrowings from market sources was 7.2 years at June 30, 2001 (6.7 years–June 30, 2000).

Fair value adjustments to the carrying value of market borrowings comprises \$286 million representing adjustments to the carrying value of transactions in designated fair value hedging relationships, less \$19 million in respect of the value at inception of derivative instruments embedded in transactions entered into on or after January 1, 1999.

The net nominal amount payable from currency swaps of \$1,058 million and the net notional amount receivable from interest rate swaps of \$9 million at June 30, 2001, shown in the above table, are represented by currency and interest rate swap assets at fair value of \$362 million and currency and interest rate swap liabilities at fair value of \$1,448 million, included in derivative assets and derivative liabilities, respectively, on the balance sheet. The net nominal amount payable from currency swaps at June 30, 2000 of \$508 million, shown in the above table, consisted of currency swap receivables of \$10,520 million and currency swap payables of \$11,028 million, which were included in receivables from currency and interest rate swaps and payables for currency and interest rate swaps, respectively, on the balance sheet. The notional amounts of interest rate swaps are recorded off-balance sheet.

Borrowings outstanding from IBRD are summarized below:

	June 30, 2001		June 30, 2000	
	Principal amount (US\$ millions)	Weighted average cost (%)	Principal amount (US\$ millions)	Weighted average cost (%)
US dollar	\$ 145	6.5	\$ 167	6.5
Euro	31	7.5	57	7.2
Japanese yen	15	5.9	29	5.7
Swiss franc	14	5.8	19	5.7
Pound sterling	1	7.5	1	7.6
Total borrowings outstanding from IBRD	\$ 206		\$ 273	

The weighted average remaining maturity of borrowings from IBRD was 5.2 years at June 30, 2001 (5.6 years–June 30, 2000).

There were no undrawn balances on committed borrowings from IBRD at June 30, 2001 (\$nil–June 30, 2000). Charges on borrowings for the year ended June 30, 2001 includes \$16 million (\$21 million–year ended June 30, 2000; \$28 million–year ended June 30, 1999) in respect of IBRD borrowings.

NOTES TO FINANCIAL STATEMENTS (continued)

The principal amounts repayable on borrowings outstanding in all currencies, gross of any premiums or discounts, during the years ending June 30, 2002 through June 30, 2006 and thereafter are summarized below (US\$ millions):

	2002	2003	2004	2005	2006	Thereafter	Total
Borrowings from market sources	\$ 2,136	\$ 2,937	\$ 2,232	\$ 1,601	\$ 1,251	\$ 5,107	\$ 15,264
Borrowings from IBRD	<u>42</u>	<u>37</u>	<u>35</u>	<u>38</u>	<u>24</u>	<u>30</u>	<u>206</u>
Total borrowings, gross	\$ 2,178	\$ 2,974	\$ 2,267	\$ 1,639	\$ 1,275	\$ 5,137	15,470
Less: Unamortized discounts, net							(280)
Fair value adjustments							<u>267</u>
Carrying value of borrowings							\$ 15,457

After the effect of interest rate and currency swaps, the Corporation's borrowings generally reprice within one year.

Note H—Payables and other liabilities

Payables and other liabilities are summarized below (US\$ millions):

	June 30, 2001	June 30, 2000
Accrued charges on borrowings	\$ 357	\$ 360
Accrued charges on derivatives instruments	343	419
Payables for purchases of securities	299	334
Accounts payable, accrued expenses and other liabilities	143	173
Deferred income	<u>67</u>	<u>52</u>
Total payables and other liabilities	\$ 1,209	\$ 1,338

Note I—Capital stock

The Corporation's authorized share capital was increased to \$2,450 million through two capital increases in 1992. The subscription and payment period for shares then allocated ended on August 1, 1999. The Corporation agreed, however, to defer the payment date for certain member countries until August 1, 2001. Pursuant to these arrangements, \$14 million of subscribed shares remained unpaid at June 30, 2001 (\$14 million—June 30, 2000).

During the year ended June 30, 2001, 624 shares were subscribed by member countries at a par value of \$1,000 each (7,773—year ended June 30, 2000). A total of less than \$1 million was paid in on account of subscriptions (\$8 million—year ended June 30, 2000).

Note J—Other income

Other income predominantly comprises fees collected from clients for expenses incurred by the Corporation on their behalf, included in administrative expenses. In the year ended June 30, 2000, other income also included revenues from the sale of assets, including assets associated with the Corporation's information provision business.

Note K—Contributions to special programs

From time to time, the Board of Directors approves recommendations under which the Corporation contributes to special programs, which presently are the Africa Project Development Facility, the South Pacific Project Facility, the Foreign Investment Advisory Service, the Enterprise Support Service for Africa, and the Mekong Project Development Facility. During the year ended June 30, 2001, the Corporation contributed \$16 million to these facilities (\$7 million—year ended June 30, 2000; \$3 million—year ended June 30, 1999).

NOTES TO FINANCIAL STATEMENTS (continued)

Note L—Implementation of Statement of Financial Accounting Standards No. 133

The Corporation adopted SFAS No. 133 on July 1, 2000. The Standard requires all freestanding derivative instruments, and certain derivatives embedded in other financial instruments, to be recognized as either assets or liabilities on the balance sheet, at fair value. The Standard is effective for all contracts outstanding at June 30, 2000. However, the Standard contains a grandfathering election, under which derivatives embedded in other instruments executed prior to January 1, 1999 need not be bifurcated. In prior periods, the Corporation separately reported the gross receivable and gross payable amounts of certain freestanding derivatives as assets and liabilities, respectively.

At the date of initial application of SFAS No. 133, certain items were recorded as a transition adjustment, denoted as the cumulative effect of a change in accounting principle in the income statement. The transition adjustment included, first, the difference between the previous carrying value and the fair value of all freestanding derivative instruments. Secondly, it included the offsetting gains and losses on assets and liabilities held under fair value-like hedging relationships in existence prior to the adoption of SFAS No. 133 that are also recognized by adjusting their carrying value to fair value. Finally, the adjustment included the fair value of derivatives embedded in hybrid financial instruments entered into on or after January 1, 1999, where they are required to be separated from their respective host contracts, and also recorded on the balance sheet at fair value. The total amount of the transition adjustment, recorded on July 1, 2000, was \$93 million.

Upon adoption of SFAS No. 133, the Corporation also recorded a gain of \$15 million to accumulated other comprehensive income to adjust the book value to fair value of cross currency interest rate swaps in cash flow-like hedges. The Corporation elected not to seek hedge accounting for these transactions under the Standard and, accordingly, records the cross currency interest rate swaps at fair value, with the change in fair value included in quarterly earnings. The gain recorded in accumulated other comprehensive income upon adoption of the Standard is released into earnings over the remaining original hedge term. The amount released for the year ended June 30, 2001 was \$3 million; the expected release for the year ending June 30, 2002 is \$3 million.

Note M—Other unrealized gains and losses on financial instruments

Other unrealized gains on financial instruments for the year ended June 30, 2001 comprises (US\$ millions):

	<u>2001</u>
Difference between change in fair value of derivative instruments designated as a fair value hedge and change in fair value of hedged items attributable to risks being hedged	\$ 16
Change in fair value of derivative instruments, other than those associated with liquid asset investments, not designated as a hedge	(5)
Amortization of difference between fair value and carrying value of hedged items at July 1, 2000 not designated for hedge accounting under SFAS No. 133	(3)
Release from accumulated other comprehensive income of transition gain on cash flow-like hedges	<u>3</u>
Total other unrealized gains and losses on financial instruments	\$ 11

Of the total other unrealized gains and losses on financial instruments, unrealized gains of \$22 million are attributable to borrowings and related derivatives transactions, unrealized losses of \$7 million are attributable to loans and related derivatives transactions and unrealized losses of \$4 million are attributable to client risk management activities.

Note N—Derivative and other financial instruments

Many of the Corporation's financial instruments lack a trading market, characterized as exchanges between willing buyers and sellers. Accordingly, estimates and present value calculations of future cash flows were used to estimate the fair values. Determining future cash flows for fair value estimation is subjective and imprecise, and minor changes in assumptions or methodologies may materially affect the estimated values. The excess or deficit resulting from the difference between the carrying amounts and the fair values presented does not necessarily reflect the realizable values since the Corporation generally holds loans, borrowings and other financial instruments to maturity with the aim of realizing their recorded values.

The estimated fair values reflect the interest rate environments as of June 30, 2001 and June 30, 2000. In different interest rate environments, fair value results can differ significantly, especially for certain fixed rate financial instruments. Reasonable comparability of fair values among financial institutions is not likely, because of the wide range of permitted valuation techniques and numerous estimates that must be made in the absence of secondary market prices. This lack of objective pricing standards introduces a greater degree of subjectivity and volatility to these derived or estimated fair values. Therefore, while disclosure of estimated fair values of financial instruments is required, readers are cautioned in using these data for purposes of evaluating the financial condition of the Corporation. The fair values of the individual financial instruments do not represent the fair value of the Corporation taken as a whole.

The methodologies used and key assumptions made to estimate fair values as of June 30, 2001 and June 30, 2000 are summarized below.

Liquid assets—The estimated fair value of time deposits and the trading securities portfolio are based on quoted market prices and the present value of estimated future cash flows using appropriate discount rates.

Derivative instruments—Fair values for interest rate and currency swaps were derived by determining the present value of estimated future cash flows using appropriate discount rates. Fair values for covered forwards were derived by using quoted market forward exchange rates. Fair values for commodity-indexed contracts and call options were based on pricing models. Fair value for put warrants was based on quoted market prices.

NOTES TO FINANCIAL STATEMENTS (continued)

Loans and loan commitments—The Corporation, which extends loans to entities operating in the private sector in its developing member countries, generally has not sold its loans from the portfolio and there is no comparable secondary market. Fair values for fixed rate loans and loan commitments were determined using a discounted cash flow model based on a discount rate comprising the fixed rate loan spread plus the year-end estimated cost of funds. Since rates on variable rate loans and loan commitments are generally reset on a quarterly or semiannual basis, the carrying value adjusted for credit risk was determined to be the best estimate of fair value. The Corporation also holds options to convert loans into equity of certain of its investee companies. Fair values of these conversion options are based on quoted market prices or other calculated values of the underlying equity investment.

Equity investments—Fair values were determined using market prices where available, put option prices, book values or cost, certain of which were discounted based upon management's estimate of net realizable value. Where market prices were not available or alternate valuation techniques were not practical, cost was determined to be the best estimate of fair value. Management's estimate of fair value takes into consideration the relative illiquidity and volatility, as well as the overall business constraints, in the emerging markets in which the Corporation invests.

Borrowings—Fair values were derived by determining the present value of estimated future cash flows using appropriate discount rates.

Estimated fair values of the Corporation's financial assets and liabilities and off-balance sheet financial instruments are summarized below (US\$ millions). The Corporation's credit exposure is represented by the estimated fair values of its financial assets.

	June 30, 2001		June 30, 2000	
	Carrying amount	Fair value adjustments	Fair value	Fair value
Financial assets				
Due from banks, time deposits, securities and securities purchase under resale agreements	\$ 14,581	\$ -	\$ 14,581	\$ 13,740
Loans	8,170	366	8,536	8,617
Equity investments	2,739	465	3,204	3,098
Total loans and equity investments	10,909	831	11,740	11,715
Reserve against losses	(2,213)	-	(2,213)	(1,973)
Net loans and equity investments	8,696	831	9,527	9,742
Derivative assets:				
Liquid asset portfolio-related	501	-	501	3,484
Loans-related	110	-	110	717
Borrowings-related	505	-	505	10,719
Client risk management-related	27	-	27	71
Other	-	-	-	15
Total derivative assets	1,143	-	1,143	15,006
Nonfinancial assets	1,750	-	1,750	1,788
Total assets	\$ 26,170	\$ 831	\$ 27,001	\$ 40,276
Financial liabilities				
Securities sold under repurchase agreements and payable for cash collateral received	\$ 1,641	\$ -	\$ 1,641	\$ 1,739
Market and IBRD borrowings outstanding	15,457	22	15,479	15,482
Derivative liabilities:				
Liquid asset portfolio-related	212	-	212	3,438
Loans-related	13	-	13	626
Borrowings-related	1,518	-	1,518	11,076
Client risk management-related	25	-	25	64
Other	-	-	-	8
Total derivative liabilities	1,768	-	1,768	15,212
Nonfinancial liabilities	1,209	-	1,209	1,338
Total liabilities	\$ 20,075	\$ 22	\$ 20,097	\$ 33,771
Off-balance sheet financial instruments				
Loan commitments	\$ 1,731	\$ 8	\$ 1,739	\$ 1,755
Guarantees				
Signed	589	-	589	259
Outstanding	78	-	78	95

NOTES TO FINANCIAL STATEMENTS (continued)

Note O—Currency position

The Corporation conducts its operations for its loans, time deposits and securities and borrowings in multiple currencies. The Corporation's policy is to minimize the level of currency risk by closely matching the currency of its assets (other than equity investments and quasi-equity investments) and liabilities by using hedging instruments. The Corporation's equity investments in enterprises located in its developing member countries are typically made in the local currency of the country. As a matter of policy, the Corporation carries the currency risk of equity investments and quasi-equity investments and funds these investments from its capital and retained earnings.

The following table summarizes the Corporation's exposure in major currencies at June 30, 2001 and June 30, 2000 (US\$ millions):

	June 30, 2001					Total
	US dollar	Euro	Japanese yen	Other currencies	Fair value adjustments	
Assets						
Cash and cash equivalents	\$ 10,813	\$ 1,193	\$ 1,483	\$ 292	\$ -	\$ 14,581
Loans disbursed and outstanding	7,930	552	38	171	19	8,170
Equity investments disbursed and outstanding	-	-	-	2,739	-	2,739
Total investments	7,390	552	38	2,910	19	10,909
Reserve against losses	(2,062)	(127)	(5)	(19)	-	(2,213)
Net investments	5,328	425	33	2,891	19	8,696
Derivative assets	5,269	1,999	2,180	4,567	(12,872)	1,143
Receivables and other assets	1,398	138	53	161	-	1,750
Total assets	\$ 22,808	\$ 4,555	\$ 3,749	\$ 7,911	\$ (12,853)	\$ 26,170
Liabilities						
Securities sold under repurchase agreements and payable for cash collateral received	\$ 1,641	\$ -	\$ -	\$ -	\$ -	\$ 1,641
Borrowings	6,396	2,023	2,189	4,582	267	15,457
Derivative liabilities	10,699	2,402	1,499	404	(13,236)	1,768
Payables and other liabilities	872	121	63	153	-	1,209
Total liabilities	\$ 19,608	\$ 4,546	\$ 3,751	\$ 5,139	\$ (12,969)	\$ 20,075
June 30, 2000						
	US dollar	Euro	Japanese yen	Other currencies	Total	
Assets						
Liquid assets	\$ 10,107	\$ 1,352	\$ 1,320	\$ 739	\$ 13,518	
Securities purchased under resale agreements	150	72	-	-	222	
Loans disbursed and outstanding	7,566	583	66	89	8,304	
Equity investments disbursed and outstanding	-	-	-	2,636	2,636	
Total investments	7,566	583	66	2,725	10,940	
Reserve against losses	(1,825)	(127)	(8)	(13)	(1,973)	
Net investments	5,741	456	58	2,712	8,967	
Derivative assets	4,237	2,716	2,210	5,061	14,224	
Receivables and other assets	1,407	157	45	179	1,788	
Total assets	\$ 21,642	\$ 4,753	\$ 3,633	\$ 8,691	\$ 38,719	
Liabilities						
Borrowings	4,840	2,737	2,244	5,098	14,919	
Derivative liabilities	11,108	1,784	1,354	744	14,990	
Other liabilities	1,111	141	36	50	1,338	
Securities sold under repurchase agreements and payable for cash collateral received	1,664	75	-	-	1,739	
Total liabilities	\$ 18,723	\$ 4,737	\$ 3,634	\$ 5,892	\$ 32,986	

NOTES TO FINANCIAL STATEMENTS (continued)

Note P—Segment reporting

For management purposes, the Corporation's business comprises two segments: client services and treasury services. The client services segment primarily consists of lending and equity investment activities. The treasury services segment consists of the borrowing, liquid asset management, asset and liability management and client risk management activities.

The assessment of segment performance by senior management includes net income for each segment, return on assets, and return on capital employed. The Corporation's management reporting system and policies are used to determine revenues and expenses attributable to each segment. Consistent with internal reporting, administrative expenses are allocated to each segment based largely upon personnel costs and segment head counts. Transactions between segments are immaterial and, thus, are not a factor in reconciling to the consolidated data.

The accounting policies of the Corporation's segments are, in all material respects, consistent with those described in note A, "Summary of significant accounting and related policies."

An analysis of the Corporation's major components of income and expense by business segment for the years ended June 30, 2001, 2000 and 1999 is given below (US\$ millions):

	2001			2000			1999		
	Client services	Treasury services	Total	Client services	Treasury services	Total	Client services	Treasury services	Total
Interest income	\$ 715	\$ 790	\$ 1,505	\$ 694	\$ 634	\$ 1,328	\$ 606	\$ 547	\$ 1,153
Charges on borrowings	(390)	(571)	(961)	(371)	(441)	(812)	(295)	(375)	(670)
Net gains and losses on trading activities	-	87	87	-	(38)	(38)	-	(15)	(15)
Income from equity investments	222	-	222	262	-	262	265	-	265
Provision for losses	(402)	-	(402)	(215)	-	(215)	(333)	-	(333)
Service fees	41	-	41	49	-	49	33	-	33
Administrative expenses	(300)	(9)	(309)	(258)	(9)	(267)	(255)	(3)	(258)
Other noninterest income and expense	58	-	58	73	-	73	74	-	74
Unrealized gains and losses on financial instruments	12	92	104	-	-	-	-	-	-
Net income	\$ (44)	\$ 389	\$ 345	\$ 234	\$ 146	\$ 380	\$ 95	\$ 154	\$ 249

During the year ended June 30, 2001, the Corporation changed its method of allocating certain costs amongst business units within the Corporation. Segment disclosures for the years ended June 30, 2000 and 1999 have been restated to be consistent with the new allocation method. Geographical segment data in respect of client services are disclosed in note C, and are not relevant in respect of treasury services.

Note Q—Staff Retirement Plan

The following table summarizes the benefit costs associated with the Staff Retirement Plan (SRP) allocated to the Corporation, included in income from Staff Retirement Plan, for the years ended June 30, 2001, 2000 and 1999 (US\$ millions):

	2001	2000	1999
Benefit cost			
Service cost	\$ (42)	\$ (39)	\$ (29)
Interest cost	(83)	(67)	(50)
Expected return on plan assets	154	132	115
Amortization of prior service costs	(1)	(1)	(1)
Amortization of unrecognized net gain/loss	21	21	27
Amortization of transition asset	2	2	2
Net periodic pension income	\$ 51	\$ 48	\$ 64

NOTES TO FINANCIAL STATEMENTS (continued)

The following table summarizes the benefit obligations, plan assets, and funded status associated with the SRP for the World Bank Group at June 30, 2001 and 2000 (US\$ millions):

	June 30, 2001	June 30, 2000
Benefit obligation		
Beginning of year	\$ 6,951	\$ 6,483
Service cost	271	271
Interest cost	536	461
Employee contributions	64	64
Benefits paid	(312)	(244)
Actuarial (gain)/loss	(233)	(84)
End of year	<u>7,277</u>	<u>6,951</u>
Fair value of plan assets		
Beginning of year	11,562	10,226
Employee contributions	64	64
Actual return on assets	(950)	1,516
Benefits paid	(312)	(244)
End of year	<u>10,364</u>	<u>11,562</u>
Funded status		
Plan assets in excess of benefit obligation	3,087	4,611
Unrecognized net gain from past experience different from that assumed and from changes in assumptions	(1,415)	(3,258)
Unrecognized prior service cost	33	41
Remaining unrecognized net transition asset	(26)	(39)
Prepaid (accrued) pension cost	<u>\$ 1,679</u>	<u>\$ 1,355</u>

The underlying actuarial assumptions used are based on financial market interest rates, past experience and management's best estimate of future benefit changes and economic conditions. Changes in these assumptions will impact future benefit costs and obligations. The weighted average assumptions used in determining expense and benefit obligations are as follows (%):

	June 30, 2001	June 30, 2000
Discount rate	7.00	7.75
Expected return on plan assets	9.00	9.00
Rate of compensation increase	5.00–11.50	5.75–12.25

The effect of projected compensation levels was calculated based on a scale that provides for a decreasing rate of salary increase depending on age, beginning with 11.50% (12.25%–June 30, 2000) at age 20 and decreasing to 5.00% (5.75%–June 30, 2000) at age 64.

Note R–Service and support payments

The Corporation obtains certain administrative and overhead services from IBRD in those areas where common services can be efficiently provided by IBRD. This includes shared costs of the Boards of Governors and Directors, and other services such as communications, internal auditing, administrative support, supplies and insurance. Payments for these services are made by the Corporation to IBRD based on negotiated fees, chargebacks and allocated charges, where chargeback is not feasible. Expenses allocated to the Corporation for the year ended June 30, 2001, were \$19 million (\$16 million–year ended June 30, 2000; \$17 million–year ended June 30, 1999).

Note S–Trust funds

The Corporation uses the services of IBRD to administer funds on behalf of donors which are restricted for specific uses, including technical assistance, feasibility studies and project preparation, global and regional programs and research and training programs. These funds are placed in trust and are not included in the Corporation's assets. The responsibilities of the Corporation are to arrange for services generally not otherwise provided by it including full project implementation and procurement of goods and services. The distribution of Trust Fund assets by executing agent is as follows (US\$ millions):

	June 30, 2001		June 30, 2000	
	Total fiduciary assets	Number of active funds	Total fiduciary assets	Number of active funds
Executed by the Corporation	\$ 99	474	\$ 89	464
Executed by the recipient	5	4	-	3
Total	<u>\$ 104</u>	<u>478</u>	<u>\$ 89</u>	<u>467</u>

NOTES TO FINANCIAL STATEMENTS (continued)

Note T—Financial statements conforming with International Accounting Standards

The balance sheet as of June 30, 2001 and income statement for the year ended June 30, 2001, prepared in accordance with IAS, are presented below (US\$ millions).

BALANCE SHEET

	<u>2001</u>	<u>2000</u>
Assets		
Due from banks	\$ 136	\$ 52
Time deposits	4,145	4,345
Securities		
Trading	10,300	536
Available for sale	-	8,585
Securities purchased under resale agreements	-	222
Loans and equity investments disbursed and outstanding		
Loans	8,151	8,304
Equity investments	<u>2,739</u>	<u>2,636</u>
Total loans and equity investments	10,890	10,940
Less: Reserve against losses on loans and equity investments	<u>(2,213)</u>	<u>(1,973)</u>
Net loans and equity investments	<u>8,677</u>	<u>8,967</u>
Derivative assets	14,015	14,224
Receivables and other assets	<u>1,750</u>	<u>1,788</u>
Total assets	<u>\$ 39,023</u>	<u>\$ 38,719</u>
Liabilities and capital		
Liabilities		
Securities sold under repurchase agreements and payable for cash collateral received	\$ 1,641	\$ 1,739
Borrowings withdrawn and outstanding		
From market sources	14,984	14,646
From International Bank for Reconstruction and Development	<u>206</u>	<u>273</u>
Total borrowings	<u>15,190</u>	<u>14,919</u>
Derivative liabilities	15,004	14,990
Payables and other liabilities	<u>1,209</u>	<u>1,338</u>
Total liabilities	<u>33,044</u>	<u>32,986</u>
Capital		
Capital stock, authorized 2,450,000 shares of \$1,000 par value each		
Subscribed	2,374	2,372
Less: Portion not yet paid	<u>(14)</u>	<u>(14)</u>
Total capital stock	2,360	2,358
Payments received on account of pending subscriptions	-	2
Accumulated other comprehensive income	-	(5)
Retained earnings	<u>3,619</u>	<u>3,378</u>
Total capital	<u>5,979</u>	<u>5,733</u>
Total liabilities and capital	<u>\$ 39,023</u>	<u>\$ 38,719</u>

NOTES TO FINANCIAL STATEMENTS (continued)

INCOME STATEMENT

	2001	2000	1999
Interest income			
Interest and financial fees from loans	\$ 715	\$ 694	\$ 607
Interest from time deposits and securities	<u>790</u>	<u>634</u>	<u>547</u>
Total interest income	<u>1,505</u>	<u>1,328</u>	<u>1,154</u>
Interest expense			
Charges on borrowings	<u>961</u>	<u>812</u>	<u>670</u>
Total interest expense	<u>961</u>	<u>812</u>	<u>670</u>
Net interest income	544	516	484
Net gains and losses on trading activities	87	(38)	(15)
Income from equity investments			
Capital gains on equity sales	91	132	166
Dividends and profit participations	<u>131</u>	<u>130</u>	<u>99</u>
Total income from equity investments	<u>222</u>	<u>262</u>	<u>265</u>
Provision for losses on loans, equity investments and guarantees	<u>402</u>	<u>215</u>	<u>333</u>
Net income from loans, equity investments and trading activities	451	525	401
Noninterest income			
Service fees	41	49	33
Income from Staff Retirement Plan	51	48	64
(Decrease)/increase in share of net assets held for postretirement benefits	1	(1)	-
Other income	<u>28</u>	<u>31</u>	<u>13</u>
Total noninterest income	<u>121</u>	<u>127</u>	<u>110</u>
Noninterest expense			
Administrative expenses	309	267	258
Other expenses	2	1	4
Translation adjustments, net	4	(3)	(3)
Contributions to special programs	<u>16</u>	<u>7</u>	<u>3</u>
Total noninterest expense	<u>331</u>	<u>272</u>	<u>262</u>
Net income	\$ 241	\$ 380	\$ 249

Accounting and financial reporting developments—In March 1999, the International Accounting Standards Committee issued IAS No. 39, *Financial Instruments Recognition and Measurement*. The Standard prescribes balance sheet recognition of all financial assets and financial liabilities, including derivatives. It requires financial assets and financial liabilities to be initially measured at cost, and to be carried at fair value on the balance sheet thereafter. The Standard is effective for the Corporation for the year ending June 30, 2002.

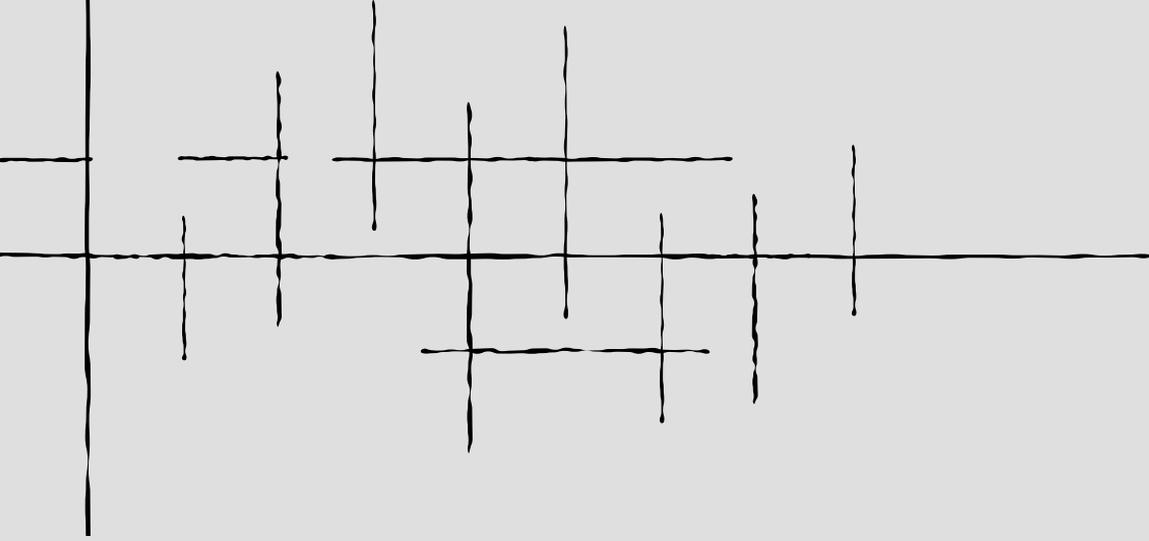
Reconciliation from US GAAP to IAS—A reconciliation between net income for the year ended June 30, 2001, and total assets and total capital as of June 30, 2001, as measured in accordance with US GAAP, and the equivalent amounts measured in accordance with IAS, is presented below (US\$ millions).

	Net income	Total assets	Total capital
As measured in accordance with US GAAP	\$ 345	\$ 26,170	\$ 6,095
Derivatives and hedging transactions	<u>(104)</u>	<u>12,853</u>	<u>(116)</u>
As measured in accordance with IAS	<u>\$ 241</u>	<u>\$ 39,023</u>	<u>\$ 5,979</u>

Net income—Net other unrealized gains on financial instruments and the cumulative effect of change in accounting principle have been eliminated from net income measured in accordance with US GAAP.

Total assets—Under IAS, both the gross receivable leg and the gross payable leg of currency swaps are recorded on the balance sheet. Under US GAAP, after the implementation of SFAS No. 133, only the fair value of these instruments is recorded on the balance sheet. In addition, in accordance with SFAS No. 133, the carrying value of certain hedged items has been adjusted and amortized through net income. This adjustment is eliminated to arrive at net income under IAS.

Total capital—The adjustment to total capital reflects the overall impact of the reconciling items described above.



INVESTMENT PORTFOLIO

STATEMENT OF CUMULATIVE GROSS COMMITMENTS

at June 30, 2001

Country, region, or other area	Number of enterprises	Cumulative commitments ¹ (US\$ thousands)			Country, region, or other area	Number of enterprises	Cumulative commitments ¹ (US\$ thousands)		
		IFC	Syndications ²	Total			IFC	Syndications ²	Total
Afghanistan	1	322	0	322	Guinea	9	31,681	0	31,681
Albania	6	47,930	0	47,930	Guinea-Bissau	4	7,168	0	7,168
Algeria	5	21,039	5,177	26,216	Guyana	4	4,862	0	4,862
Angola	2	2,110	0	2,110	Haiti	2	1,900	0	1,900
Argentina	161	2,617,912	2,373,586	4,991,498	Honduras	7	63,333	79,401	142,734
Armenia	1	3,567	0	3,567	Hungary	26	312,412	71,420	383,832
Australia	4	975	0	975	India	142	1,899,964	475,007	2,374,971
Azerbaijan	11	132,595	100,000	232,595	Indonesia	74	1,043,687	1,167,622	2,211,309
Bangladesh	13	94,637	45,584	140,221	Iran	7	34,342	8,192	42,534
Barbados	3	8,625	0	8,625	Israel	1	10,500	0	10,500
Belarus	1	2,250	0	2,250	Italy	1	960	0	960
Belize	3	21,500	11,000	32,500	Jamaica	14	97,907	48,926	146,833
Benin	8	2,240	0	2,240	Jordan	22	185,175	70,250	255,425
Bolivia	18	219,283	46,000	265,283	Kazakhstan	15	222,486	117,917	340,403
Bosnia and Herzegovina	18	66,864	7,366	74,230	Kenya	57	268,907	59,200	328,107
Botswana	5	4,663	0	4,663	Korea, Republic of	46	649,995	195,738	845,733
Brazil	134	2,841,096	2,290,232	5,131,328	Kyrgyz Republic	4	42,150	0	42,150
Bulgaria	13	135,548	21,397	156,945	Lao People's Democratic Republic	4	3,247	0	3,247
Burkina Faso	6	2,555	0	2,555	Latvia	4	48,987	0	48,987
Burundi	2	6,335	0	6,335	Lebanon	24	305,879	230,430	536,309
Côte d'Ivoire	44	245,230	73,779	319,009	Lesotho	2	454	0	454
Cambodia	1	490	0	490	Liberia	3	12,703	0	12,703
Cameroon	22	264,616	460,100	724,716	Lithuania	6	70,697	0	70,697
Cape Verde	3	3,194	0	3,194	Macedonia	10	80,048	25,000	105,048
Chad	1	13,900	13,900	27,800	Madagascar	11	47,602	0	47,602
Chile	36	800,097	463,733	1,263,830	Malawi	14	36,631	0	36,631
China	45	568,876	513,983	1,082,859	Malaysia	11	54,903	5,389	60,292
Colombia	52	565,584	343,193	908,777	Maldives	1	6,000	0	6,000
Congo, Democratic Republic of	8	49,248	0	49,248	Mali	18	88,506	40,000	128,506
Congo, Republic of	6	115,168	25,000	140,168	Mauritania	9	41,655	9,558	51,213
Costa Rica	13	138,581	99,709	238,290	Mauritius	10	38,425	98	38,523
Croatia	9	164,262	84,592	248,854	Mexico	104	2,297,286	1,876,908	4,174,194
Cyprus	5	14,307	597	14,904	Moldova	4	27,927	25,000	52,927
Czech Republic	16	380,918	241,465	622,383	Mongolia	1	1,750	0	1,750
Dominica	1	701	0	701	Morocco	28	412,127	502,931	915,058
Dominican Republic	13	114,999	76,100	191,099	Mozambique	19	186,556	0	186,556
Ecuador	15	117,861	24,236	142,097	Namibia	4	15,131	0	15,131
Egypt	42	629,669	476,367	1,106,036	Nepal	6	69,651	36,000	105,651
El Salvador	9	63,821	38,500	102,321	Nicaragua	7	19,643	929	20,572
Eritrea	1	940	0	940	Niger	1	2,267	0	2,267
Estonia	11	82,469	10,078	92,547	Nigeria	47	329,467	99,016	428,483
Ethiopia	4	21,850	1,719	23,569	Oman	3	28,864	57,000	85,864
Fiji	7	26,663	2,500	29,163	Pacific Islands	1	3,000	0	3,000
Finland	4	1,233	1,915	3,148	Pakistan	78	983,061	555,634	1,538,695
Gabon	4	105,249	110,000	215,249	Panama	10	220,100	138,000	358,100
Gambia, The	8	6,280	0	6,280	Papua New Guinea	2	13,300	0	13,300
Georgia	8	58,331	0	58,331	Paraguay	4	15,008	0	15,008
Ghana	37	251,410	272,000	523,410	Peru	34	356,858	290,621	647,479
Greece	7	26,007	41,107	67,114	Philippines	66	902,039	645,879	1,547,918
Grenada	1	6,000	0	6,000	Poland	41	360,284	118,029	478,313
Guatemala	12	163,375	98,000	261,375	Portugal	8	51,889	11,000	62,889

STATEMENT OF CUMULATIVE GROSS COMMITMENTS

at June 30, 2001

Country, region, or other area	Number of enterprises	Cumulative commitments ¹ (US\$ thousands)			Country, region, or other area	Number of enterprises	Cumulative commitments ¹ (US\$ thousands)		
		IFC	Syndications ²	Total			IFC	Syndications ²	Total
Romania	15	163,088	193,885	356,973	REGIONAL INVESTMENTS				
Russian Federation	37	506,510	93,000	599,510	Africa	14	176,586	1,940	178,526
Rwanda	2	2,307	0	2,307	Asia	11	378,265	0	378,265
Saint Lucia	2	9,940	0	9,940	Europe	23	231,471	25,000	256,471
Samoa	4	1,074	0	1,074	Latin America	34	414,772	65,000	479,772
Saudi Arabia	1	1,600	0	1,600	Other ³	23	102,926	96,273	199,199
Senegal	19	89,884	11,782	101,666	Worldwide Investments	23	418,682	133,000	551,682
Seychelles	6	29,519	2,500	32,019					
Sierra Leone	3	25,186	0	25,186	Total	2,636	31,221,588	20,413,750	51,635,338
Slovak Republic	5	113,866	0	113,866					
Slovenia	11	226,654	54,026	280,680					
Somalia	2	1,351	0	1,351					
South Africa	32	182,105	15,000	197,105					
Spain	5	19,048	1,685	20,733					
Sri Lanka	23	111,235	23,672	134,907					
Sudan	6	26,510	6,489	32,999					
Swaziland	9	40,833	0	40,833					
Syrian Arab Republic	1	1,000	0	1,000					
Tajikistan	5	17,246	0	17,246					
Tanzania	36	85,863	13,386	99,249					
Thailand	52	962,195	1,701,374	2,663,569					
Togo	7	18,157	0	18,157					
Trinidad and Tobago	7	91,759	235,000	326,759					
Tunisia	19	87,364	2,324	89,688					
Turkey	106	1,720,706	1,288,646	3,009,352					
Uganda	37	76,671	1,588	78,259					
Ukraine	4	13,989	0	13,989					
Uruguay	10	74,919	20,000	94,919					
Uzbekistan	14	57,464	16,250	73,714					
Vanuatu	1	5,478	0	5,478					
Venezuela, República Bolivariana de	33	678,170	703,791	1,381,961					
Vietnam	15	180,287	203,375	383,662					
Yemen, Republic of	7	38,352	1,099	39,451					
Yugoslavia, Federal Republic of	6	166,554	46,610	213,164					
Zambia	26	143,524	24,045	167,569					
Zimbabwe	50	285,729	99,000	384,729					

1 Cumulative commitments are composed of disbursed and undisbursed balances. The undisbursed portion is revalued at current exchange rates, while the disbursed portion represents the cost of commitment at the time of disbursement. Excludes risk management and guarantee facilities.

2 Reflects B-loan amounts at the date of the signing of investment agreement.

3 Of this amount, \$9.8 million represents investments made at a time when the authorities on Taiwan represented China in International Finance Corporation. The balance represents investments in West Bank and Gaza.

INVESTMENT PORTFOLIO SUMMARY

at June 30, 2001

	June 30, 2001			June 30, 2000		
	Loans	Equity (at cost)	Total loans and equity	Loans	Equity (at cost)	Total loans and equity
IFC portfolio						
Total	9,882	3,635	13,517	10,052	3,475	13,527
Undisbursed balances	1,731	896	2,627	1,748	839	2,587
Disbursed balances	8,151	2,739	10,890	8,304	2,636	10,940
Loans and equity held by IFC for participants						
Total	7,530	-	7,530	8,206	-	8,206
Undisbursed balances	979	-	979	876	-	876
Disbursed balances	6,551	-	6,551	7,330	-	7,330
IFC portfolio and loans and equity held for participants						
Total	17,412	3,635	21,047	18,258	3,475	21,733
Undisbursed balances	2,710	896	3,606	2,624	839	3,463
Disbursed balances	14,702	2,739	17,442	15,634	2,636	18,270

SUB-SAHARAN AFRICA

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
ANGOLA							
Fabrica de Bleach Corasol Limitada	Chemicals	99	0.6	-	0.6	-	0.6
					0.6		0.6
BENIN							
Bank of Africa Benin (BOAB)	Finance ¹	93, 94, 95	0.3	-	-	0.3	0.3
Equipbail S.A.	Finance ¹	95	0.5	-	-	0.1	0.1
Finadev Microfinance	Finance ¹	01	0.3	-	-	0.3	0.3
Union Béninoise d'Assurances	Finance ¹	96	0.1	-	-	0.1	0.1
						0.8	0.8
BOTSWANA							
Abercrombie & Kent Botswana (Proprietary) Limited	Tourism ²	92, 00	2.8	-	2.7	-	2.7
Africa Banking Corp Holdings	Finance ¹	92	-	-	-	1.8	1.8
					2.7	1.8	4.5
BURKINA FASO							
Ecobank-Burkina	Finance ¹	98	0.3	-	-	0.3	0.3
Société des Mines du Faso, Fasomine	Oil, Gas, & Mining	99	1.4	-	1.0	0.4	1.4
Société Générale de Banques au Burkina	Finance ¹	98	0.4	-	-	0.4	0.4
					1.0	1.0	2.0
BURUNDI							
Investment Banking and Trust Company Ltd	Agriculture ³	01	0.5	-	0.4	-	0.4
					0.4		0.4

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
CAMEROON							
Banque International du Cameroun Pour L'Épargne et le Crédit	Finance ¹	92	0.7	-	-	0.6	0.6
Cameroun Oil Transportation Company	Oil, Gas, & Mining	01	86.1	86.1	86.1	-	86.1
Complexe Avicole Mvog-Betsi	Agriculture ³	96	0.3	-	0.2	-	0.2
Cotonnière Industrielle du Cameroun (CICAM)	Textiles ⁴	86	6.5	-	3.9	-	3.9
Horizon Bilingual Education Complex	Education Services	01	0.3	-	0.3	-	0.3
Nouvelle Tannerie du Cameroun	Textiles ⁴	97	0.9	-	0.6	-	0.6
Pecten Cameroon Company	Oil, Gas, & Mining	92, 96, 97, 98	95.0	241.8	19.6	-	19.6
Société Agro-Industrielle et Commerciale du Cameroun (SAICAM)	Agriculture ³	00	0.4	-	0.3	-	0.3
Société de Production, de Collecte, de Transformation et de Conditionnement de Légumes	Agriculture ³	94, 97	1.5	-	-	‡	‡
United Transport Africa (UTA)	Transportation ⁵	94, 97	2.1	-	0.1	-	0.1
					111.2	0.6	111.9
CAPE VERDE							
Central de Britagem de Cabo Verde	Oil, Gas, & Mining	00	1.2	-	1.2	-	1.2
Growela Cabo Verde, Limitada	Textiles ⁴	94	1.0	-	0.1	-	0.1
					1.4	-	1.4
CHAD							
Tchad Oil Transportation Company S.A. (TOTCO)	Oil, Gas, & Mining	01	13.9	13.9	13.9	-	13.9
					13.9	-	13.9
CONGO, DEMOCRATIC REPUBLIC OF							
Grands Hôtels du Zaïre, S.Z.A.R.L.	Tourism ²	85	15.0	-	2.0	-	2.0
Société Textile de Kisangani, S.Z.A.R.L.	Textiles ⁴	85	8.9	-	5.1	-	5.1
Utexafrica, S.P.R.L. and Usines Textiles Cotonnières de Kinsha	Textiles ⁴	88	13.5	-	7.3	-	7.3
					14.3	-	14.3
CONGO, REPUBLIC OF							
Congolaise des Bois Imprégnés, S.A.	Indus/Cons Products ⁶	87	2.1	-	1.9	-	1.9
Energy Africa Haute Mer Limited	Oil, Gas, & Mining	96	54.8	23.0	7.5	-	7.5
					9.4	-	9.4

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
CÔTE D'IVOIRE							
Africaine De Bourse	Finance ¹	00	‡	-	-	‡	‡
Bank of Africa (Côte d'Ivoire)	Finance ¹	99	0.2	-	-	0.2	0.2
Banque Atlantique-Côte d'Ivoire	Finance ¹	94, 98, 99	9.6	3.5	3.9	-	3.9
Béréby-Finances S.A.	Agriculture ³	96	3.0	-	-	3.0	3.0
Cinergy, SA	Utilities	99	40.5	30.3	38.3	-	38.3
Compagnie Ivoirienne de Production d'Électricité S.A.	Utilities	95	19.1	-	6.2	1.0	7.2
Drop Ivoire	Food ¹⁰	99	1.2	-	1.0	-	1.0
Établissements R. Gonfreville, S.A.	Textiles ⁴	77, 87	12.0	-	-	0.4	0.4
FTG-Filature et Tissage Gonfreville	Textiles ⁴	96	-	-	0.2	-	0.2
Industrial Promotion Services (Côte d'Ivoire)	Funds ⁷	88	0.8	-	-	0.8	0.8
Multi-Produits S.A.	Trade ⁸	94, 97	0.8	-	0.1	0.4	0.5
Ocean Energy, Inc.	Oil, Gas, & Mining	93, 95, 97, 98	48.7	-	-	48.7	48.7
Omnium Chimique et Cosmétique (COSMIVOIRE)	Food ¹⁰	87, 94, 97	9.2	-	1.3	2.4	3.7
Péto Ivoire S.A.	Utilities	96, 99	1.1	-	0.1	-	0.1
Société Agro-Industrielle du Neka	Food ¹⁰	00	1.0	-	0.8	0.2	0.9
Société des Caoutchoucs de Grand-Bereby	Agriculture ³	00	6.0	-	6.0	-	6.0
Société Hôtelière de la Lagune	Tourism ²	00	2.0	-	1.5	0.4	2.0
Société des Industries Alimentaires et Laitières (SIALIM)	Food ¹⁰	88, 90	4.9	-	1.6	0.4	2.0
Société Médicale de Moyens et d'Equipements - SIMMEQ, S.A.	Health Care	01	1.1	-	1.1	-	1.1
Société Pour le Développement Industriel de la Région d'Odienné	Agriculture ³	97	1.4	-	1.3	-	1.3
Texicodi S.A.	Textiles ⁴	96	-	-	0.2	-	0.2
Tropical Rubber	Agriculture ³	99	3.2	-	2.4	-	2.4
Union Africaine-IARD	Finance ¹	97	0.3	-	-	0.3	0.3
					66.1	58.3	124.4
ERITREA							
Tesinma Share Company	Indus/Cons Products ⁶	98	0.6	-	0.4	0.2	0.6
					0.4	0.2	0.6
GAMBIA, THE							
Kerr Konde Farms Ltd.	Agriculture ³	98	0.1	-	0.1	-	0.1
Kombo Beach Hotel Limited	Tourism ²	84, 90	2.8	-	4.8	‡	4.8
Lyefish Company Limited	Food ¹⁰	95	0.4	-	0.4	-	0.4
Ndebaan Medi-Services Company Limited	Health Care	94	0.2	-	0.2	-	0.2
					5.4		5.4

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
GHANA							
Afariwaa Farms and Livestock Products Limited	Agriculture ³	94	0.4	-	0.2	-	0.2
Antelope Company Limited	Chemicals	97	0.3	-	0.3	-	0.3
Billiton Bogosu Gold Limited	Oil, Gas, & Mining	88, 90, 91, 95	21.2	29.0	‡	-	‡
CAL Merchant Bank Limited	Finance ¹	90, 91, 93	8.9	-	-	0.9	0.9
Combined Farmers Limited	Agriculture ³	93	0.4	-	0.3	-	0.3
Enterprise Life Assurance Company Ltd. (ELAC)	Finance ¹	01	0.1	-	-	0.1	0.1
Ghana Aluminium Products	Metals ⁹	92	0.4	-	-	0.4	0.4
Ghana Leasing Company Limited	Finance ¹	93, 94	5.8	-	-	1.5	1.5
Ghana Telecommunications Company Limited	Information	01	40.0	60.0	40.0	-	40.0
Ghanaian Australian Goldfields Limited	Oil, Gas, & Mining	90, 92, 96, 97	27.2	18.5	10.5	2.5	13.0
Network Computer Systems (NCS)	Information	98	0.7	-	0.6	-	0.6
NIIT Computer Training School	Education Services	01	0.2	-	0.2	-	0.2
Packrite Cartons and Packaging Industries Ltd.	Pulp & Paper	92	0.6	-	‡	-	‡
Pharmacare Industries Limited	Chemicals	00	0.4	-	0.4	-	0.4
Professional Technical Services Limited	Indus/Cons Products ⁶	98	0.3	-	0.3	-	0.3
Shangri-la Hotel	Tourism ²	95	0.4	-	0.9	-	0.9
Tacks Farms Limited	Agriculture ³	97	0.4	-	0.4	-	0.4
Wahome Steel Limited	Metals ⁹	90, 93	5.2	-	0.9	0.4	1.3
					55.0	5.9	60.9
GUINEA							
Agro Investment Company S.A.	Agriculture ³	98	0.2	-	0.1	-	0.1
Société Aurifère de Guinée S.A.	Oil, Gas, & Mining	88	8.3	-	‡	-	‡
Société Guinéenne d'Hôtellerie et d'Investissements	Tourism ²	95, 99	4.5	-	2.5	0.6	3.0
					2.6	0.6	3.1
GUINEA-BISSAU							
Agribissau, S.A.R.L.	Agriculture ³	95	0.8	-	0.3	-	0.3
Banco de Africa Occidental, S.A.R.L.	Finance ¹	00	0.3	-	-	0.3	0.3
					0.3	0.3	0.6
KENYA							
AAA Growers Limited (Kenya)	Agriculture ³	00	0.5	-	0.5	-	0.5
AAR Health Services Limited	Health Care	98	0.5	-	-	0.5	0.5
Allpack Industries Limited	Pulp & Paper	92, 93	0.4	-	-	0.4	0.4
Anspar Beverages Limited and Anspar Distributors Limited	Food ¹⁰	00	2.7	-	2.0	0.7	2.7
Bawan Roses Limited	Agriculture ³	95	0.5	-	0.1	-	0.1
Capital Fish Kenya Limited	Food ¹⁰	95	0.6	-	0.1	-	0.1
Ceres Estates Limited	Food ¹⁰	97	0.9	-	0.9	-	0.9
CFC Bank Limited	Finance ¹	97	10.0	-	10.0	-	10.0
Deras Limited	Textiles ⁴	99	1.0	-	1.0	-	1.0
Development Bank of Kenya Limited	Finance ¹	80, 84, 98	16.4	-	9.4	1.3	10.7

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Diamond Trust of Kenya Limited	Finance ¹	82	0.8	-	-	0.8	0.8
East Africa Reinsurance Company Limited	Finance ¹	94, 99	0.9	-	-	0.9	0.9
Equitea EPZ Company Ltd.	Food ¹⁰	98	0.4	-	0.2	0.1	0.3
Frigoken Ltd.	Transportation ⁵	90	0.1	-	-	0.1	0.1
Future Hotels Limited	Tourism ²	93	0.5	-	0.3	-	0.3
Grain Bulk Handlers Limited	Transportation ⁵	98	10.0	-	9.1	-	9.1
Industrial Promotion Services (Kenya) Limited	Funds ⁷	82	0.5	-	-	0.5	0.5
International Hotels (Kenya) Limited	Tourism ²	95	6.0	-	4.3	-	4.3
Kep-Rep Bank Limited	Finance ¹	97, 99	1.4	-	-	1.4	1.4
Landmark Hotel Limited	Tourism ²	96	0.5	-	0.3	-	0.3
Leather Industries of Kenya Limited	Textiles ⁴	84, 92	1.9	-	-	0.6	0.6
Lesiolo Grain Handlers Limited	Transportation ⁵	01	2.5	-	2.5	-	2.5
Locland Limited	Agriculture ³	98	0.6	-	0.4	-	0.4
Mabati Rolling Mills Limited	Indus/Cons Products ⁶	00	11.5	-	11.5	-	11.5
The Magadi Soda Company Limited	Chemicals	96	9.0	-	3.4	-	3.4
Magana Flowers (K) Limited	Agriculture ³	00	1.1	-	1.1	-	1.1
Makini School Limited	Education Services	97	0.5	-	0.5	-	0.5
Multiple Haulers Limited	Transportation ⁵	99	1.0	-	0.5	-	0.5
Panafrican Paper Mills (E.A.) Ltd.	Pulp & Paper	70, 74, 77, 79, 81, 88, 90, 94, 96	68.5	4.0	23.2	4.5	27.7
Premier Foods Industries Ltd.	Food ¹⁰	89	0.1	-	-	0.1	0.1
Redhill Flowers (Kenya) Limited	Agriculture ³	97	0.3	-	0.2	-	0.2
TPS Holdings Limited	Tourism ²	72	1.6	0.8	-	‡	‡
Transenergy (Kenya) Limited	Transportation ⁵	99	1.0	-	0.6	-	0.6
Tsavo Power Company Ltd.	Utilities	92, 00, 01	17.6	23.5	16.5	1.1	17.6
					98.6	13.0	111.6
LIBERIA							
Liberian Agricultural Company	Agriculture ³	00	3.5	-	3.1	-	3.1
Liberian Bank for Development and Investment	Finance ¹	66, 77, 84	0.7	-	-	0.1	0.1
					3.1	0.1	3.2
MADAGASCAR							
Aquaculture de la Mahajamba (AQUALMA)	Agriculture ³	92, 93, 96	6.4	-	1.4	0.6	2.0
Bank of Africa Madagascar	Finance ¹	00	1.3	-	0.5	0.8	1.3
BNI-Crédit Lyonnais Madagascar, S.A.	Finance ¹	92	2.6	-	-	2.6	2.6
Financière d'Investissement ARO	Funds ⁷	90, 91	0.5	-	-	0.5	0.5
Grands Hôtels de Madagascar	Tourism ²	98	1.1	-	0.6	-	0.6
Les Pêcheries de Nossi Be, S.A.	Agriculture ³	84, 90	6.3	-	-	0.2	0.2
Société d'Exploitation Hôtelière et Touristique	Tourism ²	95	0.4	-	0.2	-	0.2
Société Textile de Mahajunga S.A.	Textiles ⁴	77, 87	15.0	-	1.7	-	1.7
					4.4	4.7	9.1

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
MALAWI							
City Lodge Limited	Tourism ²	00	0.6	-	0.6	-	0.6
Ivy League Developments Ltd. T/A Ufulu Gardens	Tourism ²	98	0.3	-	0.2	-	0.2
The Leasing and Finance Company of Malawi Limited	Finance ¹	86, 90	0.2	-	-	0.2	0.2
Maravi Flowers Ltd.	Agriculture ³	97	0.6	-	0.4	-	0.4
Mwaiwathu Private Hospital Ltd.	Health Care	97	0.8	-	-	0.8	0.8
National Insurance Company Limited	Finance ¹	00	1.0	-	-	1.0	1.0
					1.3	2.0	3.3
MALI							
Grand Hôtel de Bamako	Tourism ²	94	1.0	-	0.2	-	0.2
Grand Hôtel II	Tourism ²	98	1.7	-	1.1	-	1.1
Graphique Industrie S.A.	Pulp & Paper	99	-	-	1.3	-	1.3
Groupement des Grands Garages de Bamako	Indus/Cons Products ⁶	97	0.7	-	0.5	-	0.5
Hotel Le Rabelais	Tourism ²	92	-	-	0.2	-	0.2
Randgold Resources Limited	Oil, Gas, & Mining	92, 99	2.0	-	-	17.2	17.2
SEF Fibromat-Mali	Minerals ¹¹	01	0.1	-	0.1	-	0.1
Société d'Exploitation des Mines d'Or de Sadiola S.A.	Oil, Gas, & Mining	95	39.8	25.0	7.0	4.8	11.8
Société Des Mines de Syama S.A.	Oil, Gas, & Mining	93, 98	40.0	15.0	10.6	0.5	11.0
Timbuktu Trading and Transport	Transportation ⁵	98	0.1	-	0.1	-	0.1
					21.2	22.5	43.7
MAURITANIA							
Banque Mauritanienne pour le Commerce International (BMCI)	Finance ¹	98	14.0	-	7.0	-	7.0
Codipal S.A.	Agriculture ³	97	0.5	-	0.5	-	0.5
Complexe Touristique Lemhar S.A.	Tourism ²	01	0.4	-	0.4	-	0.4
Générale de Banque de Mauritanie pour l'Investissement et le Commerce	Finance ¹	98, 00	11.2	-	9.0	0.2	9.2
Mayo Fish S.A.	Food ¹⁰	97	0.3	-	0.2	-	0.2
Société pour le Traitement et l'Exportation du Poisson	Food ¹⁰	98	0.7	-	0.6	-	0.6
					17.6	0.2	17.8
MAURITIUS							
Consolidated Steel Limited	Metals ⁹	92	0.7	-	-	0.2	0.2
Mauritius Fund Limited	Funds ⁷	93	4.0	-	-	4.0	4.0
Mauritius Venture Capital Fund Limited	Funds ⁷	96	1.4	-	-	1.4	1.4
Socota Textile Mills Limited	Textiles ⁴	87	6.0	-	-	-	-
						5.6	5.6
MOZAMBIQUE							
Ausmoz Farm Holdings, Lda.	Agriculture ³	01	1.0	-	1.0	-	1.0
Banco de Microfinanças de Moçambique (BMF)	Finance ¹	01	0.2	-	-	0.2	0.2
Banco Internacional De Moçambique, Investimentos-SARL	Finance ¹	98, 00	7.5	-	-	7.5	7.5
BIM - Investimento	Finance ¹	99	0.3	-	-	0.3	0.3
Bonar Fisheries Holdings Lda	Food ¹⁰	96	0.3	-	0.3	-	0.3
Cabo Caju, LDA	Food ¹⁰	00	0.6	-	0.6	-	0.6
Cahora Bassa Fisheries Lda	Food ¹⁰	96	0.2	-	0.2	-	0.2
Companhia Agro Pecuaria De Moçambique, Lda	Agriculture ³	97	2.0	-	1.6	-	1.6

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Companhia De Pescas Da Zambezia Lda	Food ¹⁰	98	1.0	-	1.0	-	1.0
Complexo Turístico Oasis de Xai-Xai Limitada	Tourism ²	98	0.7	-	0.7	-	0.7
Hoteis Polana Limitada	Tourism ²	93	3.5	-	0.9	-	0.9
Maragra Acucar SARL	Food ¹⁰	00	10.3	-	10.3	-	10.3
Mozal S.A.R.L.	Metals ⁹	98, 01	133.0	-	133.0	-	133.0
Rodoviária da Beira Lda	Transportation ⁵	99	0.2	-	0.2	-	0.2
					149.6	8.0	157.6
NAMIBIA							
Life Office of Namibia Limited	Finance ¹	92, 98	1.6	-	-	1.6	1.6
Nedcor Investment Bank Holding	Finance ¹	01	0.7	-	0.5	0.2	0.7
Pandu Ondangwa Properties (Pty) Limited	Tourism ²	99	1.1	-	0.9	-	0.9
Pescanova Holdings of Namibia Limited	Food ¹⁰	95, 97, 98	11.5	-	6.0	-	6.0
					7.3	1.8	9.2
NIGERIA							
Abuja International Diagnostic Center	Health Care	97	2.5	-	1.8	0.7	2.5
Andchristie Company Limited	Information	97	0.2	-	0.1	-	0.1
Ansby Nigeria Limited	Chemicals	99	0.1	-	0.1	-	0.1
Arewa Textiles PLC	Textiles ⁴	64, 67, 92	6.6	0.7	-	0.6	0.6
Bailey Bridges (Nigeria) Limited	Transportation ⁵	96, 99	0.8	-	0.6	-	0.6
Canplas Limited	Indus/Cons Products ⁶	93	0.6	-	-	0.2	0.2
Capital Alliance Private Equity Fund	Funds ⁷	00	7.5	-	-	7.5	7.5
Citibank Nigeria	Finance ¹	01	40.0	-	40.0	-	40.0
Courdeau Catering Nigeria Limited	Tourism ²	97	0.7	-	0.2	-	0.2
Diamond Bank Nigeria	Finance ¹	01	20.0	-	20.0	-	20.0
E. Ekesons Brothers Nigeria Limited	Transportation ⁵	97	0.4	-	0.1	-	0.1
First Securities Discount House	Finance ¹	93	0.9	-	-	0.9	0.9
FSB International Bank	Finance ¹	01	22.5	-	22.5	-	22.5
Global Fabrics Manufacturers Limited	Textiles ⁴	00	0.3	-	0.3	-	0.3
Guaranty Trust Bank Plc.	Finance ¹	01	20.0	-	20.0	-	20.0
Hercules Manufacturing Nigeria Limited	Plastics & Rubber	00	1.3	-	1.3	-	1.3
Hygeia Nigeria Limited	Health Care	00	0.6	-	0.4	0.2	0.5
Ikeja Hotel PLC	Tourism ²	81, 85, 88	12.3	-	-	1.5	1.5
Investment Banking and Trust Company Limited	Finance ¹	01	20.0	-	20.0	-	20.0
Mid-East Nigeria Limited	Minerals	96	0.1	-	0.1	-	0.1
The Moorhouse Company Limited	Tourism ²	98	1.4	-	1.3	-	1.3
Oha Motors (Nigeria) Limited	Transportation ⁵	01	0.9	-	0.9	-	0.9
Radmed Diagnostic Center Limited	Health Care	98	0.3	-	0.3	-	0.3
Safety Center International Limited	Education Services	01	0.5	-	0.5	-	0.5
Tourist Company of Nigeria Limited	Tourism ²	94	2.5	-	-	‡	‡
Vinfesen Industries Nigeria Limited	Plastics & Rubber	96	1.0	-	1.0	-	1.0
					131.4	11.4	142.9
SENEGAL							
Banque de l'Habitat du Sénégal, S.A.	Finance ¹	80	0.5	-	-	0.5	0.5
Ciments du Sahel S.A.	Minerals	00	16.6	-	14.2	2.1	16.3
Groupe Scolaire Fanaicha	Education Services	99	‡	-	‡	-	‡
GTI Dakar	Utilities	98	14.2	11.0	10.9	1.6	12.5
Société d'Exploitation des Ressources Thonières (SERT)	Food ¹⁰	96, 97, 99	1.3	-	0.4	0.4	0.9
Société Financière d'Equipement Sénégal Tanneries S.A.	Finance ¹	94, 96, 97	0.3	-	-	0.3	0.3
	Textiles ⁴	98	0.4	-	0.2	-	0.2
					25.7	4.9	30.6

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
SEYCHELLES							
Acajoux Hotel Limited	Tourism ²	95	1.0	-	0.5	-	0.5
Beau Vallon Properties Ltd.	Tourism ²	96	3.3	-	1.8	-	1.8
Sea Harvest (Pty) Limited	Food ¹⁰	97	1.0	-	0.5	-	0.5
Seychelles International Mercantile Banking Corporation Limited	Finance ¹	99	10.0	-	7.1	-	7.1
					9.9		9.9
SIERRA LEONE							
Sierra Rutile Limited	Oil, Gas, & Mining	92	10.5	-	1.2	-	1.2
					1.2		1.2
SOUTH AFRICA							
AEF-Dargle Timbers (Proprietary) Limited	Indus/Cons Products ⁶	99	0.6	-	0.3	-	0.3
African Life Assurance Company Limited	Finance ¹	95, 96, 99	20.7	-	-	18.1	18.1
Carosa Farm (Proprietary) Limited	Agriculture ³	97	0.6	-	0.1	0.1	0.2
Credit and Savings Help Bank	Finance ¹	97, 99	16.9	-	10.4	3.4	13.8
Dargle Timber (Pty) Limited	Indus/Cons Products ⁶	92	-	-	-	0.2	0.2
DBS Consult (Pty) Ltd	Services ¹²	00	0.8	-	-	0.8	0.8
Eerste River Medical Center	Health Care	98	1.0	-	-	1.0	1.0
Energy Africa Limited	Oil, Gas, & Mining	92	-	-	-	38.0	38.0
First Rand Bank Ltd	Finance ¹	92	30.0	-	30.0	-	30.0
Foxtrot Meat Processors (Proprietary) Limited	Food ¹⁰	99	0.4	-	0.3	-	0.3
IHS Technologies (Pty) Ltd.	Services ¹²	00	1.3	-	0.4	0.6	1.1
Kiwane Capital Holdings Limited	Finance ¹	01	9.2	-	8.7	-	8.7
Lesedi Private Hospital ITD	Health Care	98	0.2	-	0.1	-	0.1
Printability	Pulp & Paper	01	6.9	-	3.1	3.9	6.9
Roodepoort Hotel Limited	Tourism ²	99	0.4	-	0.3	-	0.3
Rubico (Pty) Ltd.	Information	01	5.0	-	-	5.0	5.0
Sordale (Proprietary) Limited t/a Hydrotec	Food ¹⁰	98	0.4	-	0.3	-	0.3
South Africa Capital Growth Fund	Funds ⁷	96	20.0	-	-	2.6	2.6
South Africa Franchise Equity Fund Limited	Funds ⁷	95	2.1	-	-	1.6	1.6
South Africa Franchise Management Company Limited	Funds ⁷	95	†	-	-	†	†
South Africa Home Loans	Finance ¹	00	2.4	-	-	2.4	2.4
South Africa Home Loans - Loan Facility	Finance ¹	01	6.6	-	6.6	-	6.6
South Africa Private Equity Fund	Funds ⁷	99	35.0	-	-	35.0	35.0
Tusk Construction Support Services of South Africa	Services ¹²	01	1.7	-	1.6	0.1	1.7
					62.3	112.7	175.0
SWAZILAND							
Natex Swaziland Limited	Textiles ⁴	85, 88, 93	13.6	-	4.2	†	4.2
Swazi Paper Mills Limited	Pulp & Paper	95	5.0	-	1.3	-	1.3
Swazi Wattle Industries (Pty) Ltd	Chemicals	01	0.9	-	0.7	0.2	0.9
Swaziland Industrial Development Company Limited	Finance ¹	87, 93	3.3	-	0.2	1.0	1.3
The Royal Swaziland Sugar Corporation Limited	Food ¹⁰	78, 86	10.0	-	-	0.5	0.5
					6.4	1.8	8.2

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
TANZANIA							
Abercrombie & Kent Tanzania Limited	Tourism ²	96, 00	0.8	-	0.2	-	0.2
Aqva Ganners Tanzania Ltd.	Agriculture ³	97	0.8	-	0.7	-	0.7
Blue Bay Company Limited	Tourism ²	99	1.5	-	1.5	-	1.5
Boundary Hill Lodge Ltd.	Tourism ²	01	0.2	-	0.2	-	0.2
Continental Flowers Limited	Agriculture ³	97	0.4	-	0.3	-	0.3
Datel Tanzania Limited	Information	97	2.8	-	0.9	0.5	1.4
Drop of Zanzibar Ltd	Food ¹⁰	98	0.4	-	0.3	-	0.3
Eurafrican Bank (Tanzania) Limited	Finance ¹	96	0.7	-	-	0.7	0.7
Horticulture Farms Limited	Agriculture ³	97	0.8	-	0.3	-	0.3
Indian Ocean Hotel Limited	Tourism ²	00	2.5	-	2.5	-	2.5
International House Property Limited	Construction & Real Estate	97	2.3	-	1.1	0.6	1.7
Jubilee Insurance Company of Tanzania	Finance ¹	98	0.3	-	-	0.3	0.3
Maji Masafi Limited	Food ¹⁰	98	1.1	-	0.3	-	0.3
Milcafe Limited	Agriculture ³	97	0.3	-	0.2	-	0.2
Moshi Leather Industries Limited	Textiles ⁴	95	0.2	-	-	0.2	0.2
Musoma Fish Processors Ltd	Agriculture ³	99	1.5	-	1.5	-	1.5
National Bank of Commerce	Finance ¹	01	10.0	-	-	10.0	10.0
Pallsons Consumer Industries Limited	Agriculture ³	97, 99	1.0	-	0.6	-	0.6
Tanzania Breeders and Feedmills Limited	Food ¹⁰	95	1.0	-	0.7	-	0.7
Tanzania Breweries Limited	Food ¹⁰	95	6.0	-	-	6.0	6.0
Tourism Promotion Services (Tanzania) Limited	Tourism ²	94	8.9	-	7.6	0.9	8.5
Tourism Promotion Services (Zanzibar) Limited	Tourism ²	95, 99	1.4	-	0.9	0.2	1.1
ULC (Tanzania) Limited	Finance ¹	97	4.0	-	0.4	0.9	1.3
Zainab Grain Millers Limited	Food ¹⁰	96	1.0	-	0.8	-	0.8
Zanzibar Safari Club Limited	Tourism ²	00	0.7	-	0.7	-	0.7
					21.6	20.3	41.9
TOGO							
West African Cement S.A.	Minerals ¹¹	00	5.7	-	4.5	1.2	5.7
					4.5	1.2	5.7
UGANDA							
Agro Management (Uganda) Limited	Chemicals	96	1.0	-	0.6	0.4	1.0
CelTel Limited (Uganda)	Information	95, 01	10.3	-	3.5	1.3	4.8
Clovergem Fish and Foods Limited	Food ¹⁰	93	1.0	-	0.8	-	0.8
Conrad Plaza Limited	Construction & Real Estate	97	1.5	-	1.0	-	1.0
Development Finance Company of Uganda Limited	Finance ¹	92, 85, 93	1.0	-	-	1.3	1.3
Executive Investments Ltd.	Construction & Real Estate	98	1.0	-	0.9	-	0.9
Gomba Fishing Industries Ltd.	Agriculture ³	99	1.4	-	1.4	-	1.4
Jubilee Insurance Company Uganda Limited	Finance ¹	93	0.1	-	-	0.1	0.1
Kabojja Junior School Ltd.	Education Services	01	0.4	-	0.4	-	0.4
Kampala Flower Growers Limited	Agriculture ³	98	0.5	-	0.5	-	0.5
Kasambya Coffee Gross Ltd.	Food ¹⁰	00	1.0	-	1.0	-	1.0
Kasese Cobalt Company Limited	Oil, Gas, & Mining	98	19.6	-	10.7	3.6	14.3
Kiwa Industries Limited	Minerals ¹¹	98	0.3	-	0.1	-	0.1

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Ladoto Ginners Limited	Agriculture ³	00	0.8	-	0.8	-	0.8
Long Freighters Limited	Transportation ⁵	01	0.8	-	0.8	-	0.8
Mosa Court Apartments Limited	Construction & Real Estate	98	0.8	-	0.6	-	0.6
Nile Roses Ltd.	Agriculture ³	93	0.3	-	0.2	-	0.2
Rainbow International School Kampala Limited	Education Services	95	0.8	-	0.8	-	0.8
Rwenzori Properties Limited	Construction & Real Estate	94	1.0	-	0.3	-	0.3
Skay Electronics Mfg (U) Limited	Indus/Cons Products ⁶	99	0.2	-	0.2	-	0.2
Skyblue Apart-Hotel	Tourism ²	94	0.5	-	0.5	-	0.5
Sugar Corporation of Uganda Limited	Food ¹⁰	84	10.4	-	4.0	-	4.0
Tilda (Uganda) Limited	Agriculture ³	99	2.4	-	2.2	-	2.2
Uganda Leasing Company Limited	Finance ¹	95, 97	2.3	-	1.0	-	1.0
Western Highlands Creameries Ltd.	Food ¹⁰	00	0.5	-	0.5	-	0.5
White Nile Dairies (U) Limited	Food ¹⁰	99	0.3	-	0.3	-	0.3
					33.0	6.7	39.7
ZAMBIA							
AEF Esquire	Agriculture ³	00	0.5	-	0.3	-	0.3
Africa Plantations Company Limited and African Highlands Plantations Company Limited	Agriculture ³	00	2.5	-	2.5	-	2.5
Amaka Cotton Ginneries Limited	Agriculture ³	99	1.3	-	1.3	-	1.3
Big Five Car Hire Zambia Limited	Finance ¹	94	0.6	-	0.5	-	0.5
Drilltech Engineering Limited	Oil, Gas, & Mining	99	0.1	-	0.1	0.1	0.3
Finance Bank Zambia Limited	Finance ¹	97	2.5	-	0.8	-	0.8
Intermarket Discount House (Zambia) Limited	Finance ¹	97	0.5	-	-	0.5	0.5
JY Estates Limited	Agriculture ³	98	0.9	-	0.9	-	0.9
Kafue Textile of Zambia Limited	Textiles ⁴	80, 85	10.5	-	5.7	-	5.7
Kaila Lodge Limited	Tourism ²	95	0.2	-	0.1	-	0.1
Konkola Copper Mines Plc	Oil, Gas, & Mining	00	30.4	-	25.1	5.3	30.4
Marasa Holdings Limited	Tourism ²	01	4.6	-	4.6	-	4.6
National Insurance Company (Zambia) Limited	Finance ¹	99	0.3	-	-	0.3	0.3
Pentire Investments Limited	Tourism ²	98	0.7	-	0.5	-	0.5
Zambia Bata Shoe Company Limited	Textiles ⁴	72, 73	1.1	1.1	-	0.2	0.2
Zamcell Zambia Ltd.	Information	99, 00	8.8	-	7.8	1.0	8.8
					50.3	7.5	57.8
ZIMBABWE							
Agflora (PVT) Limited	Agriculture ³	97	0.2	-	0.2	-	0.2
Bell Medical Centers Limited	Health Care	92	0.8	-	-	0.8	0.8
Belvedere Maternity Home (PVT) Ltd.	Health Care	99	0.2	-	-	0.2	0.2
Bitumen Construction Services (Pvt) Ltd.	Construction & Real Estate	95	1.1	-	0.1	-	0.1
Chiparawe (Private) Limited	Agriculture ³	94	0.8	-	0.1	-	0.1
Commercial Bank of Zimbabwe Limited	Finance ¹	98	27.0	-	20.0	7.0	27.0
Deraswiss Zimbabwe (Pvt) Ltd.	Textiles ⁴	00	0.9	-	0.8	-	0.8
First Merchant Bank of Zimbabwe Limited	Finance ¹	91, 98	30.6	15.0	9.2	-	9.2
Hy-Veld Holdings (Pvt) Ltd	Food ¹⁰	99	1.3	-	1.3	-	1.3
Interfresh (Private) Limited	Food ¹⁰	94, 96	3.9	-	-	0.7	0.7
Isfar (Pvt) Limited	Textiles ⁴	97	0.1	-	0.1	-	0.1

SUB-SAHARAN AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Itachi Plastics (Pvt) Limited	Plastics & Rubber	96	0.4	-	0.3	0.1	0.3
Lowveld Leather (PVT) Limited	Textiles ⁴	97	0.5	-	0.3	0.2	0.5
National Merchant Bank of Zimbabwe Ltd.	Finance ¹	94	5.5	-	-	0.2	0.2
Shagelok Chemicals (PVT) Limited	Chemicals	97	1.0	-	0.9	0.2	1.0
Stone Holdings (Pty) Ltd.	Oil, Gas, & Mining	96	1.5	-	1.4	-	1.4
Trinidad Industries (Private) Limited	Chemicals	97	1.4	-	0.7	0.6	1.3
UDC Limited	Finance ¹	85, 87, 88, 96	17.4	-	5.0	-	5.0
Venture Capital Company of Zimbabwe, Ltd.	Funds ⁷	91	0.5	-	-	0.5	0.5
Victoria Falls Safari Lodge Hotel (Private) Ltd.	Tourism ²	94	2.8	-	0.6	0.4	1.0
Zambezi Fund Management (Private) Limited	Funds ⁷	97	†	-	-	†	†
The Zambezi Fund Mauritius (Private) Limited	Funds ⁷	97	2.5	-	-	2.5	2.5
Zambezi Safari Lodges (Private) Limited	Tourism ²	96	1.3	-	1.0	-	1.0
					42.0	13.3	55.3
REGIONAL INVESTMENTS							
The Africa Emerging Markets Fund	Funds ⁷	94	7.5	-	-	7.5	7.5
African Infrastructure Fund	Funds ⁷	00	74.8	-	-	74.8	74.8
AIG African Infrastructure Management	Funds ⁷	00	0.2	-	-	0.2	0.2
AIG East Africa Mutual Fund	Funds ⁷	99	7.5	-	-	7.5	7.5
AIG Global Investment Company (East Africa) Limited	Funds ⁷	99, 01	0.3	-	-	0.3	0.3
Ecobank Transnational Incorporated	Finance ¹	99	7.5	-	3.8	3.8	7.5
Framlington Asset Management West Africa SA	Funds ⁷	99	†	-	-	†	†
Mining and Contracting Services	Oil, Gas, & Mining	01	34.0	40.0	30.0	4.0	34.0
Mobile Systems International Cellular Investments Holdings, B.V.	Information	00	13.3	-	-	13.3	13.3
Société de Promotion et de Participation pour la Coopération Economique S.A.	Finance ¹	99	19.9	-	19.1	-	19.1
West Africa Growth Fund	Funds ⁷	97	6.3	-	-	6.3	6.3
					52.9	117.7	170.6
Total for Sub-Saharan Africa					1,029.2	425.2	1,454.4

ASIA AND THE PACIFIC

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
BANGLADESH							
Delta BRAC Housing Finance Corporation Ltd.	Finance ¹	98	3.2	-	2.5	0.7	3.2
Dynamic Textile Industries Limited	Textiles ⁴	92	2.5	2.0	1.9	-	1.9
GrameenPhone Limited	Information	00	18.2	-	16.7	1.6	18.2
Industrial Development Leasing Company of Bangladesh Limited	Finance ¹	85, 96	3.2	-	-	0.1	0.1
Industrial Promotion and Development Company of Bangladesh Limited	Finance ¹	82, 99	11.1	-	9.4	1.1	10.4
Khulna Power Company Limited	Utilities	99	22.5	29.4	19.1	-	19.1
Scancement International Ltd.	Minerals ¹¹	01	10.0	-	10.0	-	10.0
					59.5	3.4	62.9
CAMBODIA							
ACLEDA Bank	Finance ¹	00	0.5	-	-	0.5	0.5
						0.5	0.5
CHINA							
Bank of Shanghai	Finance ¹	00	25.6	-	-	25.6	25.6
Beijing Hormel Foods Company Limited	Food ¹⁰	97	5.5	5.5	3.2	0.5	3.7
Callex Ocean Gas & Energy Limited	Chemicals	99	21.0	45.0	21.0	-	21.0
Chengdu Huarong Chemical Company Limited	Chemicals	99	10.6	8.6	7.4	3.2	10.6
Chengxin International Credit Ratings Limited	Finance ¹	99	0.4	-	-	0.4	0.4
China Dynamic Growth Fund L.P.	Funds ⁷	94	12.4	-	-	10.0	10.0
China Infrastructure Group Holdings PLC.	Transportation ⁵	99, 00	4.5	-	-	4.5	4.5
China Walden Management Limited	Funds ⁷	94	‡	-	-	‡	‡
China Walden Venture Investments Limited	Funds ⁷	94	7.5	-	-	3.9	3.9
Dalian Float Glass Company Limited	Minerals ¹¹	95	32.9	30.5	-	2.4	2.4
Dupont Suzhou Polyester Co. Ltd.	Textiles ⁴	96	29.1	52.0	15.6	4.1	19.7
Ekem Carbon China (ECC)	Chemicals	00	8.0	6.0	6.3	1.7	8.0
Hansom Investment Limited	Transportation ⁵	99	16.1	-	-	16.1	16.1
Jingyang Cement Co. Ltd.	Minerals ¹¹	97	40.0	100.0	37.5	-	37.5
Lafarge Dujiangyan Cement Company Limited	Minerals ¹¹	00	25.6	30.0	25.6	-	25.6
Leshan Zhen Jing Leather Product Company Limited	Textiles ⁴	99	2.0	-	-	2.0	2.0
Nanjing Kumho Tire Co. Ltd.	Plastics & Rubber	96	17.4	38.8	8.8	3.8	12.6
New China Life Insurance Co., Ltd	Finance ¹	92	30.7	-	-	30.7	30.7
Newbridge Investment Partners, L.P.	Funds ⁷	95	6.7	-	-	2.1	2.1
Ningbo Taihang Agricultural Products Co. Ltd.	Agriculture ³	98	2.0	-	-	2.0	2.0
Orient Finance Company, Ltd.	Finance ¹	97	10.0	20.0	11.4	-	11.4
Pacific Ports Company Limited	Transportation ⁵	92	-	-	-	2.5	2.5
Plantation Timber Products (Hubei) Limited	Indus/Cons Products ⁶	99	12.6	25.4	12.6	-	12.6
Plantation Timber Products Holdings Limited	Indus/Cons Products ⁶	00	1.5	-	-	2.5	2.5
Scana Leshan Machinery Co., Ltd.	Metals ⁹	99	7.4	-	6.1	1.4	7.4
Shanghai Hormel Foods Co. Ltd.**	Food ¹⁰	98	(0.5)	(0.5)	1.4	-	1.4
Shanghai Krupp Stainless Company Limited	Metals ⁹	00	30.0	68.8	30.0	-	30.0

ASIA AND THE PACIFIC (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Shanxi International Casting Co., Ltd.	Indus/Cons Products ⁶	00	19.0	-	19.0	-	19.0
Shenzhen China Bicycles Company (Holdings) Limited	Indus/Cons Products ⁶	88, 92, 94	20.9	-	8.5	-	8.5
Shenzhen Tai-Yang PCCP Company Limited	Minerals ¹¹	93	5.0	-	3.8	1.0	4.7
Sichuan SME Investment Fund	Funds ⁷	92	6.0	-	-	6.0	6.0
Suzhou Huasu Plastics Co., Ltd.	Chemicals	97	24.5	22.2	16.5	2.5	19.0
Weihai Weidongri Comprehensive Foodstuff Co., Ltd.	Food ¹⁰	96	4.5	5.1	2.5	-	2.5
Wuhan International Container Transshipment Company Limited	Transportation ⁵	99	5.0	5.0	5.0	-	5.0
Yantai Mitsubishi Cement Company Limited	Minerals ¹¹	93	30.7	-	9.3	2.0	11.3
					251.4	130.9	382.3
FIJI							
Hillview Limited	Tourism ²	99	3.9	-	3.3	-	3.3
Solander (Pacific) Ltd.	Food ¹⁰	97	0.3	-	0.1	-	0.1
					3.4		3.4
INDIA							
The Ahmedabad Electricity Company Limited	Utilities	89	20.8	-	4.8	-	4.8
Ambuja Cement Rajashtan Ltd.	Minerals ¹¹	94	19.4	17.0	1.6	4.9	6.5
The Arvind Mills Limited	Textiles ⁴	92, 93	20.9	-	-	8.5	8.5
Asian Electronics Ltd. (AEL)	Indus/Cons Products ⁶	98	5.5	-	-	5.5	5.5
Basix Ltd.	Finance ³	01	1.0	-	-	1.0	1.0
Bihar Sponge Iron Ltd.	Metals ⁹	85, 91	15.9	-	9.9	0.7	10.6
CEAT Financial Services Ltd.	Finance ³	97	20.0	-	19.6	-	19.6
Centurion Bank Limited	Finance ³	95, 97	18.9	-	5.5	4.7	10.2
CESC Limited	Utilities	91, 93	54.7	67.0	29.7	-	29.7
Chinai Chemicals Limited	Indus/Cons Products ⁶	00	1.0	-	1.0	-	1.0
Chowgule Steamships Ltd.	Transportation ⁵	95	19.2	26.4	10.8	4.6	15.4
City Mills (Private) Ltd.	Textiles ⁴	87	0.7	-	0.5	-	0.5
Continental Carbon India Limited	Chemicals	01	9.0	11.5	9.0	-	9.0
Duncan Gleneagles Hospitals Limited	Health Care	98	7.0	-	7.0	-	7.0
Eurolight Electricals Pvt. Ltd.	Indus/Cons Products ⁶	98	†	-	-	†	†
Export-Import Bank of India	Finance ³	95	25.0	-	9.1	-	9.1
GE Capital Transportation Financial Services Ltd.	Finance ³	95	19.4	-	5.0	4.4	9.4
GKN Invel Transmissions Limited	Indus/Cons Products ⁶	88, 95	1.4	-	-	1.4	1.4
Global Trade Finance (Pvt.) Limited	Finance ³	01	2.4	-	-	2.4	2.4
Global Trust Bank	Finance ³	91, 94, 98, 00	38.2	-	25.0	12.1	37.1
The Great Eastern Shipping Company Limited	Transportation ⁵	87, 93, 94	28.9	11.3	-	10.6	10.6
Gujarat Ambuja Cements Ltd.	Minerals ¹¹	94	25.8	-	-	7.3	7.3
GVK Industries Ltd.	Utilities	92, 96	37.5	38.8	20.0	7.5	27.4
Henkel SPIC India Ltd.	Chemicals	91, 95, 00	4.7	-	-	4.7	4.7
Herdillia Oxides and Electronics Limited	Chemicals	91	0.3	-	-	0.3	0.3
IFGL Refractories Limited	Minerals ¹¹	92, 94	1.1	-	-	0.3	0.3
IL&FS Venture Corporation Limited	Funds ⁷	93, 95	1.0	-	-	1.0	1.0
IndAsia Fund Advisors Pvt. Ltd.	Funds ⁷	01	15.0	-	-	15.0	15.0
The India Auto Ancillary Fund	Funds ⁷	99	2.3	-	-	2.3	2.3
The India Direct Fund, L.P.	Funds ⁷	96	7.5	-	-	7.5	7.5

ASIA AND THE PACIFIC (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
India Lease Development Limited	Finance ³	86, 91, 95	4.6	-	-	0.9	0.9
Indian Seamless	Metals ⁹	01	11.2	-	-	0.7	11.2
Indo Rama Synthetics Ltd.	Textiles ⁴	92, 94, 96	56.8	-	18.8	12.0	30.7
Indus Investments Mauritius Limited	Funds ⁷	96	‡	-	-	‡	‡
Indus Venture Capital Fund I	Funds ⁷	92	1.0	-	-	0.9	0.9
Indus Venture Investments Limited	Funds ⁷	96	5.0	-	-	5.0	5.0
Indus Venture Management Limited	Funds ⁷	92	‡	-	-	‡	‡
Information Technology Fund	Funds ⁷	94	0.6	-	-	0.6	0.6
Infrastructure and Development Finance Company Limited	Finance ³	98	15.5	-	-	15.5	15.5
Infrastructure Leasing & Financial Services Limited	Finance ³	91, 93, 95, 99	48.0	-	9.8	8.0	17.8
Ispat Industries Limited	Metals ⁹	92, 95, 97	62.9	-	30.4	15.4	45.8
ITW Signode India Limited	Indus/Cons Products ⁶	82, 86, 87, 91, 93, 96	4.5	-	-	1.0	1.0
J.M. Share & Stock Brokers Limited	Finance ³	90, 95	2.4	-	-	1.2	1.2
Jet Airways (P) Ltd.	Transportation ⁵	01	15.0	-	-	15.0	15.0
Learning Universe Pvt. Limited	Education Services	01	0.3	-	-	0.3	0.3
Mahindra & Mahindra Limited	Indus/Cons Products ⁶	81, 90, 93	28.8	-	-	4.6	4.6
Mahindra Infrastructure Developers Limited	Utilities	01	10.0	-	-	10.0	10.0
Moser Baer India Limited	Indus/Cons Products ⁶	96, 99, 00	69.1	-	36.0	24.9	61.0
Nicco Uco Alliance Credit Limited	Finance ³	93, 96, 97, 98	8.5	5.0	5.1	0.5	5.6
NSL Limited	Metals ⁹	82	1.4	-	-	0.1	0.1
Orchid Chemicals & Pharmaceuticals Limited	Chemicals	01	30.0	-	30.0	-	30.0
OutreachNet.com, Inc.	Information	01	2.0	-	-	2.0	2.0
Owens-Corning (India) Ltd.	Minerals ¹¹	97	25.0	-	25.0	-	25.0
Prism Cement Limited	Minerals ¹¹	95	20.0	15.0	13.1	5.0	18.1
Rain Calcining Limited	Chemicals	96	24.7	-	16.3	5.5	21.8
RPG Communications Holdings Ltd	Information	96, 98	11.2	-	-	11.2	11.2
South Asian Regional Apex Fund	Funds ⁷	96	5.9	-	-	5.9	5.9
SREI International Finance Limited	Finance ³	98, 00	33.0	-	28.9	3.0	31.9
Steuerung Anlage Pvt. Ltd.	Indus/Cons Products ⁶	98	0.1	-	-	0.1	0.1
Sundaram Finance Ltd.	Finance ³	86, 93, 94, 95	3.8	-	0.2	-	0.2
Sundaram Home Finance Limited	Finance ³	00	2.2	-	-	2.2	2.2
Switching Technologies Günther Ltd.	Indus/Cons Products ⁶	87	1.0	-	0.3	-	0.3
Tanflora Infrastructure Park Limited	Agriculture ³	00	0.5	-	-	0.5	0.5
Tata Electric Companies	Utilities	90, 91, 94	130.6	-	17.0	-	17.0
The Tata Iron and Steel Company Limited	Metals ⁹	81, 86, 89, 93, 94	98.4	16.7	-	7.7	7.7
Taurus The Starshare	Funds ⁷	94	7.2	-	-	2.5	2.5
TCW/ICICI India Private Equity Fund, L.L.C.	Funds ⁷	98	10.0	-	-	8.1	8.1
Technology Development and Information Company of India Limited	Funds ⁷	91	2.1	-	-	0.5	0.5
Titan Industries Limited	Indus/Cons Products ⁶	87, 89, 90, 93	20.9	-	-	1.0	1.0
UCAL Fuel Systems Limited	Indus/Cons Products ⁶	90	0.6	-	-	0.5	0.5
United Riceland Limited	Food ¹⁰	96	10.0	-	10.0	-	10.0
Varun Shipping Company Limited	Transportation ⁵	91, 96, 01	22.8	6.0	0.4	1.3	1.7
Vysya Bank	Finance ³	01	7.3	-	-	7.3	7.3
Walden-Nikko Holdings Co.	Funds ⁷	98	‡	-	-	‡	‡
Walden-Nikko India Ventures Co. LDC	Funds ⁷	98	5.0	-	-	5.0	5.0
					410.1	292.8	702.9

ASIA AND THE PACIFIC (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
INDONESIA							
P.T. ABS Finance Indonesia	Finance ¹	95	1.3	-	-	1.3	1.3
P.T. AdeS Alfindo Putrasetia Tbk.	Food ¹⁰	98	13.8	19.7	-	7.0	7.0
P.T. Agro Muko	Food ¹⁰	91	12.7	-	-	2.2	2.2
P.T. Alumindo Light Metal Industry	Metals ⁹	97	15.0	20.0	15.2	-	15.2
P.T. Asia Wisata Promosindo ^{2*}	Tourism ²	94	-	-	2.0	-	2.0
P.T. Astra Graphia	Services ¹²	97	2.5	-	-	2.0	2.0
P.T. Astra International, Tbk.	Indus/Cons Products ⁶	90, 91, 94	33.3	-	-	12.2	12.2
P.T. Astra Otoparts Tbk.	Indus/Cons Products ⁶	97	-	-	-	1.1	1.1
P.T. Asuransi Jiwa Dharmala Manulife	Finance ¹	88	0.3	-	-	0.3	0.3
P.T. Bakrie Pipe Industries	Metals ⁹	95	29.5	-	26.6	-	26.6
P.T. Bank NISP	Finance ¹	98, 01	15.0	-	5.5	5.0	10.5
P.T. BBL Dharmala Finance	Finance ¹	93, 96	20.0	35.0	11.4	-	11.4
P.T. Berlian Laju Tanker tbk	Transportation ⁵	98	28.2	25.2	7.9	20.0	27.9
P.T. Bunas Finance Indonesia Tbk.	Finance ¹	95	10.0	6.0	4.5	-	4.5
Ciluluk Village	Textiles ⁴	01	†	-	†	-	†
P.T. Dharmala Agrifood	Food ¹⁰	96	20.0	10.0	20.0	-	20.0
P.T. Dianlia Setyamukti	Oil, Gas, & Mining	01	5.0	-	5.0	-	5.0
P.T. Grahawita Santika	Tourism ²	96	11.8	-	8.8	-	8.8
P.T. Indonesia Asahi Chemical Industry	Textiles ⁴	92	5.4	-	-	1.4	1.4
P.T. Indorama Synthetics	Textiles ⁴	92, 90, 91, 95, 99	98.8	67.5	31.3	11.8	43.1
P.T. Kalimantan Sanggar Pusaka (KSP) and Subsidiaries	Food ¹⁰	97	35.0	6.0	20.0	15.0	35.0
P.T. KDLC BancBali Finance	Finance ¹	94	16.1	-	-	1.7	1.7
P.T. KIA Keramik Mas	Minerals ¹¹	92, 94, 96	30.9	63.5	17.2	9.0	26.2
P.T. KIA Serpih Mas	Minerals ¹¹	95	21.2	55.0	15.0	6.2	21.2
PT Makro Indonesia	Trade	97, 00	1.3	-	-	3.8	3.8
P.T. Megaplast Jayacitra	Indus/Cons Products ⁶	99	11.3	-	8.8	2.5	11.3
P.T. Nusantara Tropical Fruit	Agriculture ³	93	8.6	6.7	3.2	-	3.2
P.T. Pama Ventura Indonesia	Funds ⁷	94	0.7	-	-	0.7	0.7
P.T. Panca Overseas Finance Tbk.	Finance ¹	96	7.9	8.0	5.1	1.9	7.1
P.T. Pramindo Ikat Nusantara	Information	97	58.2	70.0	50.0	8.2	58.2
Prudential Asia Indonesia Trust	Funds ⁷	94	4.2	-	-	2.2	2.2
P.T. Rimba Partikel Indonesia	Indus/Cons Products ⁶	92	10.5	10.0	-	0.6	0.6
P.T. Samudera Indonesia	Transportation ⁵	93	17.0	3.0	-	5.0	5.0
P.T. Sayap Mas Utama	Chemicals	98	10.0	20.0	9.2	-	9.2
SEAVI Indonesia Aruba A.V.V.	Funds ⁷	93	1.5	-	-	1.4	1.4
P.T. Semen Andalas Indonesia	Minerals ¹¹	80, 88	33.5	28.5	5.3	†	5.3
PT Sigma Cipta Caraka	Services ¹²	01	3.0	-	-	3.0	3.0
P.T. South Pacific Viscose	Chemicals	93, 96	45.0	60.0	27.7	-	27.7
P.T. Wings Surya	Chemicals	98	8.7	21.3	8.0	-	8.0
					307.7	125.6	433.3

ASIA AND THE PACIFIC (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
KOREA, REPUBLIC OF							
Cheil Jedang Investment Trust & Securities	Finance ¹	01	44.6	-	15.4	28.5	43.9
Dae Chang Industrial Co. Ltd.	Metals ⁹	99	22.4	9.8	15.3	7.1	22.4
Good Morning Securities Co. Ltd.	Finance ¹	99	20.3	-	20.3	-	20.3
Halim & Co., Ltd.	Food ¹⁰	99	20.0	-	14.0	5.1	19.1
Hana Bank	Finance ¹	71, 74, 76, 79, 80, 82, 85, 89, 91, 94, 97, 98, 99	93.5	65.0	30.0	16.6	46.6
Iljin Electric Co., Ltd.	Indus/Cons Products ⁶	99	15.0	-	9.0	1.2	10.2
Kookmin Bank	Finance ¹	68, 74, 76, 77, 78, 80, 90, 94, 98, 00	66.0	8.9	12.5	12.5	25.0
Korea Asset Capital Management Co., Ltd.	Funds ⁷	99	0.6	-	-	0.6	0.6
Korea Development Leasing Corporation	Finance ¹	77, 79, 87, 90, 00	24.8	10.0	15.4	-	15.4
Korea Growth and Restructuring Fund, L.P.	Funds ⁷	00	35.0	-	-	35.0	35.0
Korea Mortgage Corporation	Finance ¹	01	55.1	-	41.6	8.8	50.4
Sam Kwang Chemical Company Ltd.	Chemicals	85	0.1	-	-	0.1	0.1
Shinmoorim Paper Manufacturing Co., Ltd.	Pulp & Paper	99, 00	41.4	8.0	25.0	16.4	41.4
SOGECO	Finance ¹	00	20.0	61.0	4.6	-	4.6
					203.1	132.0	335.0
LAO PEOPLE'S DEMOCRATIC REPUBLIC							
Belmont Hotel Investments (Laos) Limited	Tourism ²	98, 01	1.2	-	1.2	-	1.2
Burapaha Agro-Forestry Co. Ltd.	Indus/Cons Products ⁶	99	0.8	-	0.8	-	0.8
Endeavour Embroidery Co. Ltd.	Textiles ⁴	99	0.1	-	0.1	-	0.1
Villa Santi	Tourism ²	01	1.1	-	1.1	-	1.1
					3.2	-	3.2
MALAYSIA							
Malaysian Ventures (Two) Sdn Bhd.	Funds ⁷	92	1.0	-	-	0.3	0.3
Malaysian Ventures Management Incorporated Sdn. Bhd. II	Funds ⁷	92	‡	-	-	‡	‡
						0.3	0.3
MALDIVES							
Villa Shipping and Trading Company (Pvt) Ltd.	Tourism ²	96	6.0	-	2.4	-	2.4
					2.4	-	2.4
MONGOLIA							
G&M Industrial Ltd.	Textiles ⁴	97	1.3	-	1.1	0.2	1.3
					1.1	0.2	1.3

ASIA AND THE PACIFIC (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
NEPAL							
Bhote Koshi Power Company Private Limited	Utilities	98	24.0	36.0	20.2	3.0	23.2
Himal Power Limited	Utilities	96	32.5	-	31.8	-	31.8
ILFC - Nepal	Finance ¹	01	0.3	-	-	0.3	0.3
Jomsom Mountain Resort (P) Ltd.	Tourism ²	98	4.0	-	4.0	-	4.0
Soaltee Hotel Limited	Tourism ²	75, 93	3.9	-	-	0.4	0.4
					56.0	3.7	59.7
PACIFIC ISLANDS							
Kula Fund Limited	Funds ⁷	98	3.0	-	-	3.0	3.0
						3.0	3.0
PAKISTAN							
AES Lalpir Limited	Utilities	95	49.5	-	33.8	9.5	43.3
AES Pak Gen (Private) Company	Utilities	96	29.5	48.3	16.8	9.5	26.3
Atlas Investment Bank	Finance ¹	96	5.0	-	3.1	-	3.1
Atlas Lease Limited	Finance ¹	94	10.0	2.2	3.0	0.4	3.4
BRR International Modaraba	Finance ¹	92, 94, 96	15.8	3.8	15.0	0.8	15.8
BRR Investments (Pvt) Limited	Funds ⁷	92	-	-	-	0.2	0.2
BSJS-AIM Asset Management Company	Funds ⁷	95	0.3	-	-	0.3	0.3
The BSJS Balanced Fund (BBF)	Funds ⁷	96	0.5	-	-	0.5	0.5
Central Depository Company of Pakistan Limited	Finance ¹	93	0.2	-	-	0.2	0.2
Crescent Greenwood Ltd.	Textiles ⁴	94, 97	21.2	10.0	11.8	5.1	16.9
Crescent Investment Bank	Finance ¹	96	12.0	5.0	7.5	-	7.5
D.G. Khan Cement Company Limited	Minerals ¹¹	92, 95, 96	30.6	40.2	22.6	5.5	28.1
Engro Asahi Polymer and Chemicals (Private) Limited	Chemicals	98	8.0	-	8.0	-	8.0
Engro Chemical Pakistan Limited	Chemicals	91, 95, 97	55.1	14.0	9.2	3.9	13.1
Engro Vopak Terminal Limited	Transportation ⁵	97	10.9	4.5	8.1	-	8.1
Fauji Cement Ltd.	Minerals ¹¹	94	29.0	20.0	22.4	5.0	27.4
First Crescent Modaraba	Finance ¹	96	5.0	3.8	5.0	-	5.0
First International Investment Bank Limited	Finance ¹	90, 92, 96	4.6	-	1.7	1.5	3.2
First Leasing Corporation Limited	Finance ¹	94, 97	5.7	-	1.3	1.7	2.9
First UDL Modaraba	Finance ¹	96	10.0	7.5	10.0	-	10.0
Gul Ahmed Energy Limited	Utilities	96	31.1	35.0	21.6	4.1	25.7
Hala Spinning Limited	Textiles ⁴	89	3.9	-	3.5	-	3.5
International Housing Finance Limited	Finance ¹	92, 95	7.4	-	1.7	0.9	2.6
Jahangir Siddiqui & Co. Limited	Finance ¹	93, 96	1.1	-	-	1.1	1.1
Kohinoor Energy Limited	Utilities	95	31.3	36.6	18.8	6.3	25.1
Maple Leaf Cement Factory Limited	Minerals ¹¹	94, 95, 97	35.7	35.0	27.7	5.7	33.4
Mari Gas Company Limited	Oil, Gas, & Mining	86, 92	25.5	6.7	1.4	-	1.4
Muslim Commercial Bank Limited	Finance ¹	93	7.5	-	1.9	-	1.9
National Development Leasing Corporation Limited	Finance ¹	85, 94	12.9	3.3	3.5	1.3	4.8

ASIA AND THE PACIFIC (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
ORIX Investment Finance Company Pakistan Limited	Finance ³	96	0.6	-	-	0.6	0.6
Orix Leasing Pakistan Limited Packages Limited	Finance ³ Pulp & Paper	94 65, 81, 82, 87, 92, 94, 95	12.5 44.8	3.3 20.1	3.5 6.8	1.3 3.5	4.8 10.3
Pakistan Credit Rating Agency	Finance ³	94	0.1	-	-	0.1	0.1
Pakistan Industrial & Commercial Leasing Limited	Finance ³	94	5.0	-	1.9	-	1.9
Pakistan Industrial Leasing Corporation Limited	Finance ³	91, 94, 95	15.5	2.2	3.1	1.0	4.2
Pakistan Petroleum Limited	Oil, Gas, & Mining	83, 85, 95	42.9	85.4	-	1.6	1.6
Pakistan Services Limited	Tourism ²	93	15.0	-	3.2	3.0	6.2
Prudential Discount and Guarantee House Limited	Finance ³	91	0.4	-	-	0.4	0.4
Regent Knitwear Limited	Textiles ⁴	94	9.2	2.8	5.9	-	5.9
Rupafab Limited	Textiles ⁴	96	11.0	-	4.6	-	4.6
Sarah Textiles Limited	Textiles ⁴	93, 96	7.7	-	3.8	-	3.8
Uch Power Limited	Utilities	96	40.0	75.0	40.0	-	40.0
The Unit Trust of Pakistan (UTP)	Funds ⁷	98	1.5	-	-	1.5	1.5
					332.3	76.2	408.5
PHILIPPINES							
All Asia Capital Growth Ventures BVI - I, Ltd.	Funds ⁷	96	4.0	-	-	4.0	4.0
All Asia Capital Managers, Inc.	Funds ⁷	96	†	-	-	†	†
All Asia Capital Trust Corporation	Finance ³	80, 83, 89, 90, 95	32.3	5.0	16.4	2.7	19.1
Asian Hospital Inc.	Health Care	92	14.0	-	14.0	-	14.0
Asian Ventures Ltd.	Funds ⁷	96	†	-	-	†	†
Bataan Polyethylene Corporation	Chemicals	00	40.0	122.4	39.8	-	39.8
ePlanters	Information	00	0.2	-	-	0.2	0.2
General Milling Corporation	Agriculture ³	79, 90	5.7	-	-	1.7	1.7
Hambrecht & Quist Philippine Ventures	Funds ⁷	89	2.3	-	-	1.2	1.2
Hambrecht & Quist Philippine Ventures II	Funds ⁷	94	2.4	-	-	1.4	1.4
Hambrecht & Quist Philippine Ventures III	Funds ⁷	99	7.5	-	-	7.5	7.5
Mariwasa Manufacturing, Inc.	Minerals ¹¹	70, 72, 00	15.0	0.5	13.1	-	13.1
Marsman-Drysdale Agribusiness Holdings, Inc.	Food ¹⁰	99	15.0	10.0	15.0	-	15.0
Micro Enterprise Bank of Philippines	Finance ³	01	0.1	-	-	0.1	0.1
Northern Mindanao Power Corporation	Utilities	92, 93	16.8	21.0	-	4.3	4.3
Pangasinan Electric Corporation	Utilities	96	47.5	196.0	28.7	17.5	46.2
Pilipinas Shell Petroleum Corporation	Chemicals	93	40.3	65.9	-	1.6	1.6
PlantersBank	Finance ³	01	23.7	-	15.0	8.7	23.7
Pryce Gases Incorporated	Services ¹²	99	13.0	5.0	13.0	-	13.0
Southern Energy Quezon, Inc. (formerly Hopewell Power (Philippines), Corporation)	Utilities	93	70.0	11.0	36.0	10.0	46.0
STRADCOM Corporation	Transportation ⁵	01	20.0	-	12.0	8.0	20.0

ASIA AND THE PACIFIC (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Union Cement Corporation	Minerals ¹¹	93	23.6	-	0.7	5.6	6.3
United Pulp and Paper Company, Inc.	Pulp & Paper	99	30.0	-	30.0	-	30.0
Walden AB Ayala Management Co., Inc.	Funds ⁷	95	0.1	-	-	0.1	0.1
Walden AB Ayala Ventures Co., Inc.	Funds ⁷	95	3.8	-	-	3.8	3.8
					233.7	78.4	312.1
SAMOA							
MedCen Samoa Ltd.	Health Care	98	0.5	-	0.4	-	0.4
National Bank of Samoa	Finance ¹	00	0.1	-	0.1	-	0.1
Willex Cocoa and Coconut Products Limited	Food ¹⁰	97	0.3	-	0.3	-	0.3
					0.8		0.8
SRI LANKA							
Aitken Spence & Co., Ltd.	Tourism ²	99	2.7	-	-	2.7	2.7
Asia Power (Private) Limited	Utilities	97	11.0	8.8	8.3	2.3	10.6
Fitch Ratings Lanka Limited	Finance ¹	00	0.1	-	-	0.1	0.1
Lanka Hospital Corporation Private Limited	Health Care	01	1.1	-	-	1.1	1.1
Lanka Orix Factors Ltd.	Finance ¹	99	1.8	-	1.3	0.3	1.6
Lanka Orix Leasing Company Limited	Finance ¹	97	2.0	-	0.7	-	0.7
Mercantile Leasing Limited	Finance ¹	99	1.8	-	1.0	-	1.0
National Development Bank Housing Corp.	Finance ¹	00	1.1	-	-	1.1	1.1
Nations Trust Bank	Finance ¹	99	1.1	-	-	1.1	1.1
Packages Lanka (Private) Limited	Pulp & Paper	97	1.1	-	-	1.1	1.1
Pyramid Unit Trust	Funds ⁷	92	0.3	-	-	0.3	0.3
South Asia Gateway Terminals (Private Limited)	Transportation ⁵	00	42.3	-	35.0	7.3	42.3
Suntel Limited	Information	01	7.5	-	-	7.5	7.5
Taj Lanka Hotels Limited	Tourism ²	81	8.4	10.2	-	0.6	0.6
Union Assurance Limited	Finance ¹	88, 95	1.0	-	-	1.0	1.0
					46.4	26.4	72.8
THAILAND							
Advance Agro Plantation Company Limited	Agriculture ³	94	10.0	-	10.0	-	10.0
Ayudhya Development Leasing Co. Ltd.	Finance ¹	92, 93, 96, 98	12.4	-	7.3	2.4	9.7
Bangkok Mass Transit System Public Company Limited	Transportation ⁵	97, 99	99.7	-	89.8	9.8	99.7
Bumrungrad Medical Center Limited	Health Care	94	27.2	35.0	25.0	1.1	26.1
Central Plaza Hotel Company	Tourism ²	93	13.9	-	-	13.9	13.9
Chao Khun Agro Products Company Limited	Food ¹⁰	94	0.4	-	-	0.4	0.4
Dhana Siam Finance and Securities Public Company Limited	Finance ¹	94	30.0	-	13.0	-	13.0

ASIA AND THE PACIFIC (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Finance One Public Company Limited	Finance ¹	95	30.0	147.9	30.0	-	30.0
HMC Polymers Company Limited	Chemicals	88, 96	18.9	11.0	-	3.9	3.9
Krung Thai IBJ Leasing Company Limited	Finance ¹	92	0.4	-	-	0.4	0.4
Ladprao General Hospital Company Ltd.	Health Care	90	0.3	-	-	0.3	0.3
Peroxythai Limited	Chemicals	89	10.7	-	2.0	-	2.0
Saha Farms Company Ltd.	Food ¹⁰	96	44.9	25.0	32.5	9.9	42.4
SEAVI Thailand Aruba Co. A.V.V.	Funds ⁷	85, 91	1.5	-	-	1.5	1.5
SEAVI Thailand Venture Management Ltd.	Funds ⁷	91	†	-	-	†	†
Siam Asahi Technoglass Co. Ltd.	Indus/Cons Products ⁶	90	6.4	-	-	6.4	6.4
Star Petroleum Refining Company, Limited	Chemicals	94	100.0	350.0	68.7	-	68.7
Thai Baroda Industries Limited	Textiles ⁴	93	0.8	-	-	0.8	0.8
Thai Petrochemical Industry Public Company Limited	Chemicals	97	96.7	383.3	96.7	-	96.7
Thailand International Rating Agency	Finance ¹	01	0.1	-	-	0.1	0.1
Top Easy Company Ltd.	Indus/Cons Products ⁶	90	0.2	-	-	0.2	0.2
Tuntex Petrochemicals (Thailand) Public Company Limited	Chemicals	94	24.9	137.5	11.3	4.9	16.2
United Palm Oil Industry Public Company Limited	Food ¹⁰	95	-	-	-	1.1	1.1
					386.3	57.1	443.4
VANUATU							
South West Pacific Investments Limited	Tourism ²	96	5.5	-	1.9	-	1.9
					1.9		1.9
VIETNAM							
Baria Fertilizer and Agricultural Forestry Products Import-Export Services Company	Transportation ⁵	95	3.0	2.0	2.0	-	2.0
Morning Star Cement Limited	Minerals ¹¹	96	30.0	66.6	24.9	-	24.9
Nghe An Tate and Lyle Sugar Company Limited	Food ¹⁰	00	20.0	20.0	20.0	-	20.0
Nghi Son Cement Corporation	Minerals ¹¹	99	21.2	18.8	21.2	-	21.2
San Miguel Haiphong Glass Company	Minerals ¹¹	97	10.0	4.5	8.3	-	8.3
Société d'Économie Mixte Thong Nhat Hotel Metropole	Tourism ²	94	8.5	17.5	7.2	-	7.2
Vietnam International Leasing Company Limited	Finance ¹	97	0.8	-	-	0.8	0.8
VimafLOUR Company Limited	Food ¹⁰	97	8.0	3.0	5.0	-	5.0
Vina Kyoel Steel Limited	Metals ⁹	96	15.0	-	9.6	-	9.6
Vinh Phat Company Limited	Textiles ⁴	99	0.3	-	0.3	-	0.3
					98.5	0.8	99.3

ASIA AND THE PACIFIC (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments* (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
REGIONAL INVESTMENTS							
Asia Opportunity Fund L.P.	Funds ⁷	99	100.0	-	-	100.0	100.0
Asia Paper Markets	Pulp & Paper	01	1.0	-	-	1.0	1.0
Asian Co-Investment Equity Facility (ACEF)	Funds ⁷	99	50.0	-	-	50.0	50.0
Asian Debt Facility	Funds ⁷	99	100.0	-	100.0	-	100.0
The Asian Infrastructure Fund	Funds ⁷	95	50.0	-	-	44.1	44.1
Asian Infrastructure Fund Management Company Ltd.	Funds ⁷	95, 98	0.1	-	-	0.1	0.1
Asian Mezzanine Infrastructure Fund Ltd.	Funds ⁷	97	4.3	-	-	4.3	4.3
Asian Mezzanine Infrastructure Fund Management Company	Funds ⁷	97	0.1	-	-	0.1	0.1
Chase Asia Equity Advisors, L.D.C.	Funds ⁷	99	0.1	-	-	0.1	0.1
Chase Asia Equity Partners, L.P.	Funds ⁷	99	‡	-	-	‡	‡
South East Asia Venture Investment Company III	Funds ⁷	94	10.0	-	-	8.8	8.8
South East Asia Venture Investment Management Ltd.	Funds ⁷	85	0.1	-	-	0.1	0.1
					<u>100.0</u>	<u>208.6</u>	<u>308.6</u>
Total for Asia and the Pacific					<u>2,497.7</u>	<u>1,139.9</u>	<u>3,637.6</u>

EUROPE AND CENTRAL ASIA

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
ALBANIA							
Anglo Albania Petroleum Limited	Oil, Gas, & Mining	98	28.5	-	-	28.5	28.5
Eurotech Cement, Shpk.	Minerals ¹¹	99	1.2	-	1.0	-	1.0
FEFAD Bank Sh.A.	Finance ¹	00	1.0	-	-	1.0	1.0
National Commercial Bank Sh.A.	Finance ¹	00	2.0	-	-	2.0	2.0
Seament	Minerals ¹¹	01	15.0	-	15.0	-	15.0
					16.0	31.5	47.5
ARMENIA							
Armenia Hotel Closed Joint Stock Company	Tourism ²	01	3.6	-	-	3.6	3.6
						3.6	3.6
AZERBAIJAN							
Amoco Caspian Sea Finance Limited	Oil, Gas, & Mining	99	32.8	32.8	28.6	-	28.6
Azerdemiryolbank	Finance ¹	98	0.1	-	‡	-	‡
Azerigazbank	Finance ¹	98	0.4	-	0.2	-	0.2
Baku Coca-Cola Bottlers Limited	Food ¹⁰	98	12.8	-	5.1	2.3	7.4
Baku Hotel Company	Tourism ²	00	17.5	-	16.0	-	16.0
Early Oil Finance Company	Oil, Gas, & Mining	99	15.4	15.4	13.5	-	13.5
Kolbank Azerbaijan Limited	Finance ¹	99	1.0	-	-	1.0	1.0
Lukoil Overseas Chirag Finance Ltd.	Oil, Gas, & Mining	99	19.3	19.3	16.8	-	16.8
Rabitabank	Finance ¹	98	0.4	-	0.2	-	0.2
Turkish Petroleum Early Oil Finance Company Ltd.	Oil, Gas, & Mining	99	13.0	13.0	11.4	-	11.4
Unocal Chirag Finance Ltd.	Oil, Gas, & Mining	99	19.4	19.4	16.9	-	16.9
					108.8	3.3	112.0
BOSNIA AND HERZEGOVINA							
Akova Impex, d.o.o.	Food ¹⁰	99	2.1	-	1.5	-	1.5
Bosnalijek, d.d. Sarajevo	Chemicals	99, 01	4.6	-	4.0	-	4.0
Horizonte Bosnia-Herzegovina Enterprise Fund	Funds ⁷	98	1.7	-	-	1.7	1.7
INGA O.D.P.	Indus/Cons Products ⁶	98	(0.3)	-	1.4	-	1.4
Konjuh Preduzece za Proizvodnju i Promet Namjestaja D.D. se P.A.	Indus/Cons Products ⁶	92	(0.1)	-	2.0	-	2.0
Kopex-Sarajlic d.j.l. Srebrenik	Trade ⁸	99	2.6	-	1.4	-	1.4
Lignosper ODP	Indus/Cons Products ⁶	98	2.3	-	1.8	-	1.8
Lijanovici d.o.o.	Food ¹⁰	99	2.5	-	2.0	-	2.0
Microenterprise Bank d.d. Sarajevo	Finance ¹	98, 99, 01	1.2	-	-	1.2	1.2
O.D. Drvno Industrijsko Preduzece "KOZARA"	Indus/Cons Products ⁶	92	(0.1)	-	1.4	-	1.4
ODP Drvna Industrija Podgradci	Indus/Cons Products ⁶	92	(0.1)	-	1.0	-	1.0
Sarajevska Pivara, D. D.	Food ¹⁰	98	4.0	-	2.0	-	2.0
Sour Energoinvest	Indus/Cons Products ⁶	85	15.2	-	7.1	-	7.1
Tvornica Kartona I Ambalaze Cazin	Pulp & Paper	77	10.8	7.4	2.9	-	2.9
Vrbas M.D.P.	Indus/Cons Products ⁶	98	(0.3)	-	1.4	-	1.4
Wood Agency Credit Line*	Finance ¹	98	12.8	-	3.9	-	3.9
					33.8	2.9	36.7

EUROPE AND CENTRAL ASIA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments* (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
BULGARIA							
Bulbank AD	Finance ¹	01	17.5	-	-	17.5	17.5
Bulgarian - American Credit Bank, AD	Finance ¹	99	5.0	-	5.0	-	5.0
Celhart Stambolijski A.D.	Pulp & Paper	99	15.4	-	13.9	1.5	15.4
Compagnie des Hotels de Luxe S.A.	Tourism ²	98	12.8	9.5	12.8	-	12.8
Devnya Cement A.D.	Minerals ¹¹	99	28.6	-	25.6	-	25.6
Doverie Brico	Trade ⁸	01	4.3	-	4.2	-	4.2
EPIQ Group	Indus/Cons Products ⁶	01	7.9	-	7.8	-	7.8
EuroMerchant Balkan Fund SICAV	Funds ⁷	95	5.0	-	-	5.0	5.0
Florina Bulgaria S.A.	Food ¹⁰	01	3.7	-	3.6	-	3.6
InterLease A.D.	Finance ¹	98	3.8	-	2.4	0.3	2.7
Kronospan Bulgaria EOOD	Indus/Cons Products ⁶	00, 01	19.1	11.9	16.8	-	16.8
ProCredit Bank AD	Finance ¹	01	1.0	-	-	1.0	1.0
Sofia Med	Metals ⁹	01	11.8	-	11.6	-	11.6
					103.7	25.3	129.0
CROATIA							
Alpe Jadran Banka D. D.	Finance ¹	98	3.0	-	2.2	-	2.2
Belisce D.D.	Pulp & Paper	73, 81, 98	51.1	51.2	10.2	6.0	16.2
Brodogradiliste "Viktor Lenac" d.d.	Indus/Cons Products ⁶	00	12.1	9.0	6.0	6.1	12.1
The Croatia Capital Partnership L.P.	Funds ⁷	99	5.0	-	-	5.0	5.0
Erste & Steiermarkische Bank D.D.	Finance ¹	00	14.9	-	13.8	-	13.8
Pliva d.d.	Chemicals	01	35.0	12.5	35.0	-	35.0
Trscanska Stedionica - Bank D.D.	Finance ¹	98, 99	2.6	-	-	2.6	2.6
					67.2	19.7	86.9
CYPRUS							
Leptos Calypso Hotels Limited	Tourism ²	91	9.0	-	1.9	-	1.9
					1.9	-	1.9
CZECH REPUBLIC							
Cekoslovenská Obchodní Banka a.s.	Finance ¹	99	77.7	-	-	77.7	77.7
Cembrit Bohemia, a.s.	Oil, Gas, & Mining	95	5.0	-	2.0	-	2.0
Cembrit Moravia, a.s.	Oil, Gas, & Mining	95	5.6	-	1.9	-	1.9
Energy Center Kladno Generating, s.r.o. (ECKG)	Utilities	97	58.3	24.2	46.3	-	46.3
Hayes Lemmerz Autokola, a.s.	Indus/Cons Products ⁶	94	16.4	22.1	5.2	-	5.2
Konsolidacni Banka	Finance ¹	01	17.6	-	-	17.6	17.6
Nová Hut, a.s.	Metals ⁹	97, 98	84.0	159.6	75.8	-	75.8
Plzensky Prazdroj, a.s.	Food ¹⁰	96	38.5	19.2	6.6	-	6.6
					137.9	95.3	233.2
ESTONIA							
Aktsiaselts Eesti Ühispank	Finance ¹	97, 99	22.6	-	16.2	-	16.2
AS Schlossie Hotel Group	Tourism ²	00	5.1	-	4.3	-	4.3
Elcoteq Tallinn, A.S.	Indus/Cons Products ⁶	97	7.7	-	2.3	-	2.3
Horizon Tselluloosi Ja Paberi Aktsiaselts	Pulp & Paper	98, 00	14.1	-	10.8	1.5	12.3
Kreenholmi Valduse A.S.	Textiles ⁴	01	7.2	10.1	6.9	-	6.9
Reval Hotelligrupi A.S.	Tourism ²	00	9.1	-	6.6	2.0	8.6
					47.3	3.5	50.8

EUROPE AND CENTRAL ASIA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
GEORGIA							
AES Telasi JSC	Utilities	00	30.0	-	30.0	-	30.0
Bank of Georgia	Finance ¹	00	3.0	-	3.0	-	3.0
Georgian Glass and Mineral Water Company N.V.	Food ¹⁰	97, 00	3.2	-	-	3.2	3.2
Microfinance Bank of Georgia	Finance ¹	99	0.5	-	-	0.5	0.5
Saaktsio Sazogadoeba Mina	Minerals ¹¹	99	8.8	-	6.3	2.5	8.8
TBC Bank	Finance ¹	98	3.9	-	1.9	0.9	2.8
Tbilcombank	Finance ¹	99	1.0	-	0.7	-	0.7
					42.0	7.0	49.0
HUNGARY							
Albadomu Malatatermelo Es Kereskedelmi BT	Food ¹⁰	94	7.3	-	0.7	1.9	2.6
Axon Vagyonkezelő Organizációs és Befektetési	Finance ¹	99	0.9	-	-	0.9	0.9
Dexter Mold Making Company Limited	Plastics & Rubber	90	3.7	-	-	‡	‡
ERU Hungaria Sajtgarto KFT	Food ¹⁰	97	2.5	2.0	2.3	-	2.3
Euroventures Hungary B.V.	Funds ⁷	92	2.4	-	-	0.6	0.6
The First Hungary Fund Limited	Funds ⁷	90	7.5	-	-	2.6	2.6
Honeywell ESCO Hungary	Utilities	00	3.0	-	-	3.0	3.0
Hungarian Telecommunications Company Limited	Information	94, 96	44.5	50.0	-	10.4	10.4
Hungarian Telecommunications Company Limited (Matav)	Information	92	-	-	-	0.3	0.3
The Hungary Private Equity Fund Limited Partnership	Funds ⁷	96	2.5	-	-	1.4	1.4
Inter-Europa Bank Rt.	Finance ¹	96	10.0	5.0	5.0	-	5.0
Mirelite Budapest Frozen Food Company Inc.	Food ¹⁰	94	9.0	-	3.2	3.0	6.2
					11.1	24.1	35.2
KAZAKHSTAN							
ABN-AMRO (Kazakhstan)	Finance ¹	94, 96, 98	5.3	1.0	-	4.6	4.6
CASPI Limited	Tourism ²	01	2.5	-	2.5	-	2.5
First International Oil Corporation	Oil, Gas, & Mining	01	‡	-	-	‡	‡
Joint Stock Company Ispat Karmet	Metals ⁹	98, 99	30.7	-	25.0	-	25.0
Kazakhstan Construction Company CJSC	Minerals ¹¹	99	1.1	-	0.9	0.3	1.1
Kazgermunai	Oil, Gas, & Mining	98	38.1	-	27.8	0.7	28.5
LP-Gaz Limited Liability Partnership	Utilities	00	2.0	-	2.0	-	2.0
OJSC Neftebank	Finance ¹	01	2.5	-	2.5	-	2.5
Open Joint Stock Company "Bank Turanalem"	Finance ¹	00	15.0	-	15.0	-	15.0
Open Joint Stock Company "Kazkommertsbank"	Finance ¹	97, 00	12.5	20.0	7.9	1.0	8.9
Rambutya LLP	Trade ⁸	00	11.0	-	11.0	-	11.0
Sazankurak Joint Stock Company	Oil, Gas, & Mining	01	20.0	-	20.0	-	20.0
					114.6	6.5	121.1

EUROPE AND CENTRAL ASIA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
KYRGYZ REPUBLIC							
Demir Kyrgyz International Bank	Finance ¹	98	0.5	-	-	0.5	0.5
Kumtor Gold Company	Oil, Gas, & Mining	95	40.0	-	25.0	-	25.0
Kyrgyz Investment & Commercial Bank	Finance ¹	01	1.4	-	-	1.4	1.4
Kyrgyz-Chinese Joint Venture Altyn-Ajydar	Pulp & Paper	00	0.3	-	0.3	-	0.3
					25.3	1.8	27.1
LATVIA							
Tilts Communications A/S	Information	92, 96	16.4	-	2.9	13.5	16.4
Vika Wood Ltd.	Indus/Cons Products ⁶	97	4.0	-	1.6	-	1.6
					4.5	13.5	18.0
LITHUANIA							
AB "Klaipėdos Mediena"	Indus/Cons Products ⁶	00	2.8	-	2.8	-	2.8
AB Drobe Wool	Textiles ⁴	00	6.6	-	6.1	0.5	6.6
AB Ekranas	Indus/Cons Products ⁶	99	12.4	-	12.1	-	12.1
NCC Fegda UAB**	Oil, Gas, & Mining	99	-	-	1.0	-	1.0
Vilniaus Bankas AB	Finance ¹	99, 01	18.3	-	19.0	-	19.0
Vilniaus Margarino Gamykla	Food ¹⁰	92	-	-	0.3	-	0.3
					41.3	0.5	41.8
MACEDONIA							
A.D. Makedonski Telekomunikacij-Skopje	Information	98	25.0	25.0	11.4	11.3	22.7
Alkaloid AD Skopje	Chemicals	00	7.9	-	7.5	-	7.5
Enterprise for Production, Trade, and Services "Nikol-Fert" Export-Import, D.O.O.	Metals ⁹	98	3.8	-	3.8	-	3.8
Komercijalna Banka A.D. Skopje	Finance ¹	01	4.4	-	4.3	-	4.3
Makedonijaturist A.D.	Tourism ²	99	4.0	-	2.6	-	2.6
Masinomont	Indus/Cons Products ⁶	98	0.8	-	0.6	-	0.6
SEAF-Macedonia LLC	Funds ⁷	00	2.5	-	-	2.5	2.5
Stopanska Banka a.d. Skopje	Finance ¹	98, 00	8.2	-	-	8.0	8.0
Teteks A.D.	Textiles ⁴	98	1.5	-	0.7	-	0.7
					31.0	21.8	52.8
MOLDOVA							
Incon JSC, Cupchin JSC, Ungheni JSC, Floresti JSC	Food ¹⁰	97	6.9	-	3.7	2.0	5.7
Micro Enterprise Credit (MEC) din Moldova S.A.	Finance ¹	00	1.0	-	0.9	0.1	1.0
Moldinconbank S.A.	Finance ¹	01	1.5	-	1.5	-	1.5
Voxtel S.A.	Information	99, 00, 01	16.6	25.0	15.0	1.6	16.6
					21.1	3.7	24.8
POLAND							
Baltic Malt Sp. zo.o	Food ¹⁰	97	8.4	-	2.6	1.9	4.6
Bank Wlasnosci Pracowniczej (BWP)	Finance ¹	99	1.7	-	-	1.7	1.7
Central Poland Fund, L.L.C.	Funds ⁷	98	1.6	-	-	1.6	1.6
Gaspol S.A.	Transportation ⁵	96, 97	6.0	-	-	6.0	6.0
Global Hotels Development Group Poland S.A.	Tourism ²	99	9.9	-	6.2	3.6	9.8
Honeywell ESCO Polska	Utilities	00	0.2	-	-	0.2	0.2
Huta L.W. Sp. z o.o.	Metals ⁹	93	22.8	-	6.0	3.7	9.7
InterCell Spolka z o.o.	Pulp & Paper	95, 97, 98, 01	13.6	-	-	13.6	13.6
Norgips Opole SP z o.o.	Oil, Gas, & Mining	97	11.4	21.4	7.5	-	7.5
Paroc Polska Sp. z o.o.	Minerals ¹¹	99	9.0	-	6.9	†	6.9
Peters A.G./GMT-Poland S.A.	Food ¹⁰	94	6.6	-	5.6	1.0	6.6
Pilkington Sandoglass SP. z o.o.	Minerals ¹¹	93	44.7	25.3	7.3	-	7.3
Poland Investment Fund L.P.	Funds ⁷	95	2.5	-	-	1.9	1.9
					42.1	35.3	77.4

EUROPE AND CENTRAL ASIA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
PORTUGAL							
Banco Finantia S.A.	Finance ¹	88, 90, 91, 94	10.1	-	-	7.0	7.0
						7.0	7.0
ROMANIA							
Ambro S.A.	Pulp & Paper	00	8.5	-	7.8	-	7.8
Banc Post S.A.	Finance ¹	99	10.0	-	10.0	-	10.0
Banca Romaneasca S.A.	Finance ¹	01	5.9	-	5.9	-	5.9
The Danube Fund	Funds ⁷	97	2.0	-	-	2.0	2.0
Demir Romlease S.A.	Finance ¹	95, 98, 01	9.8	-	6.0	1.8	7.7
Demirbank (Romania) S.A.	Finance ¹	99	8.2	-	3.6	3.2	6.8
Dunapack Rambox Prodimpe S.R.L.	Pulp & Paper	99	4.1	-	1.2	2.0	3.2
Foreign & Colonial Romanian Investment Company plc.	Funds ⁷	98	10.0	-	-	10.0	10.0
Interbrew Efes Brewery	Food ¹⁰	98	16.2	8.0	6.8	-	6.8
Krupp Bilstein Compa S.A.	Indus/Cons Products ⁶	98	2.8	2.8	1.5	-	1.5
Krupp Compa Arcuri S.A.	Indus/Cons Products ⁶	99	7.3	3.1	5.7	-	5.7
Mobil Rom S.A.	Information	92, 98	56.4	168.6	56.4	-	56.4
Ro-Am Small Business Lenders Limited	Finance ¹	98	3.0	-	-	†	†
Societate Comerciala de Asegurare Reasigurare Eleno- Romana Garanta S.A.	Finance ¹	99	0.6	-	-	0.6	0.6
					104.9	19.6	124.4
RUSSIAN FEDERATION							
Alpha Cement Open Joint Stock Company	Minerals ¹¹	96, 98	15.6	-	-	13.5	13.5
Aminex Plc	Oil, Gas, & Mining	97, 99	23.2	-	17.0	6.2	23.2
AO Mosenergo	Utilities	98	20.0	-	19.1	-	19.1
Bitech Petroleum Corporation	Oil, Gas, & Mining	99	25.0	-	17.5	7.5	25.0
Campina 000	Food ¹⁰	00	8.8	-	8.1	-	8.1
Closed Joint Stock Company "Depository Clearing Company"	Finance ¹	00	0.1	-	-	0.1	0.1
Depsona Z.A.O.	Food ¹⁰	96	3.0	-	-	1.5	1.5
First NIS Regional Fund	Funds ⁷	95	15.0	-	-	6.3	6.3
Framlington Russian Investment Fund	Funds ⁷	94	8.0	-	-	8.0	8.0
IKEA MOS (Retail and Property) 000	Trade ⁸	00	15.0	-	15.0	-	15.0
Joint Stock Bank "Toribank"	Finance ¹	98	12.2	-	-	12.2	12.2
New Medical Center	Health Care	01	2.1	-	2.1	-	2.1
OAO Borsky Stekolny Zavod	Minerals ¹¹	98	15.0	-	-	15.0	15.0
OAO DreVo	Agriculture ³	99	0.9	-	-	0.9	0.9
Omsukchansk Mining and Geological Company	Oil, Gas, & Mining	01	10.0	-	10.0	-	10.0
Pan American Silver Corporation	Oil, Gas, & Mining	00	9.0	-	-	9.0	9.0
Pioneer First Russia, Inc.	Funds ⁷	97	4.0	-	-	4.0	4.0
Polar Lights Company	Oil, Gas, & Mining	94	60.0	-	4.5	-	4.5
Ramenka 000	Trade ⁸	99, 01	60.5	-	58.3	-	58.3
RTDC Holdings, Inc.	Information	95	7.5	-	-	7.5	7.5
Russian Sector Development Corporation (Fund)	Funds ⁷	96	4.5	-	-	1.1	1.1
The Russian Technology Fund L.P.	Funds ⁷	96	1.0	-	-	1.0	1.0
United Export Import (Unexim) Bank	Finance ¹	97	7.5	-	5.3	-	5.3
ZAO Deutsche Leasing Vostok	Finance ¹	00	0.6	-	-	0.6	0.6
ZAO Stora Enso Packaging	Pulp & Paper	00	7.5	-	6.0	1.5	7.5
ZAO The National Registry Company	Finance ¹	95	1.5	-	-	1.5	1.5
					162.9	97.4	260.3

EUROPE AND CENTRAL ASIA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
SLOVAK REPUBLIC							
Scametatra a.s.	Plastics & Rubber	98, 00	3.6	-	2.2	-	2.2
Vseobecna Uverova Banka, a.s.	Finance ¹	01	50.0	-	-	50.0	50.0
West Export Import Company v.o.s.	Chemicals	99	2.1	-	1.4	-	1.4
					3.7	50.0	53.7
SLOVENIA							
Slovenian Development Capital Fund Limited	Funds ⁷	95	4.6	-	-	4.6	4.6
						4.6	4.6
TAJKISTAN							
Holland-Tajik Joint Venture M & P	Trade ⁸	00	0.4	-	0.4	-	0.4
Nelson Resources Limited	Oil, Gas, & Mining	98	2.0	-	-	1.9	1.9
Tajikistan Finconsult Company	Services ¹²	01	‡	-	-	‡	‡
TAMO Joint Stock Company	Oil, Gas, & Mining	01	0.5	-	0.5	-	0.5
Zeravshan Gold Company	Oil, Gas, & Mining	97, 98	13.3	-	9.1	1.2	10.3
					10.0	3.2	13.2
TURKEY							
Adana Çimento Sanayi Türk A.Ş.	Minerals ¹¹	99	15.0	10.0	15.0	-	15.0
Alternatif Finansal Kiralama A.Ş.	Finance ¹	92	-	-	3.3	-	3.3
Alternatifbank A.Ş.	Finance ¹	92, 99	15.0	15.0	13.3	-	13.3
Arçelik-LG Klima Sanayi ve Ticaret A.Ş.	Indus/Cons Products ⁶	00	14.4	9.6	12.4	-	12.4
Arçelik, A.Ş.	Indus/Cons Products ⁶	96, 01	78.2	90.1	67.6	-	67.6
Assan Demir ve Sac Sanayi A.Ş.	Metals ⁹	94, 97	29.7	10.0	10.6	-	10.6
Aylac Dis Ticaret Yatirim Sanayi A.Ş.	Food ¹⁰	94	10.0	10.0	3.3	-	3.3
Banvit Bandirma Vitaminli Yem Sanayi A.Ş.	Agriculture ³	01	25.0	-	20.0	5.0	25.0
Borçelik Celik Sanayii Ticaret A.Ş.	Metals ⁹	92, 95, 96, 97	47.1	-	11.0	12.1	23.1
Çayeli Bakir Isletmeleri A.Ş.	Oil, Gas, & Mining	93	30.0	45.0	12.6	-	12.6
CBS Boya Kimya Sanayii ve Ticaret A.Ş.	Chemicals	95, 96	0.7	-	-	3.7	3.7
CBS Holding A.Ş.	Chemicals	94	15.5	-	4.0	-	4.0
CBS Printas Baski Mürekkepleri ve Gereçleri A.Ş.	Chemicals	96, 01	‡	-	-	0.6	0.6
Cerrahogullari T.A.Ş.	Transportation ⁵	94	8.8	-	0.5	-	0.5
Demir Finansal Kiralama A.Ş.	Finance ¹	97, 98	15.0	-	6.7	-	6.7
Demirbank T.A.Ş.	Finance ¹	92, 94, 97	30.0	60.0	18.0	-	18.0
Edirne Giyim Sanayi A.Ş.	Textiles ⁴	89	6.4	-	0.8	-	0.8
Eldor Elektronik Sanayi ve Ticaret A.Ş.	Indus/Cons Products ⁶	93, 97	6.0	-	2.3	-	2.3
Elginkan Holding A.Ş.	Indus/Cons Products ⁶	88, 93, 97	47.8	1.9	6.6	-	6.6
Entek Elektrik Üretimi Otoprodüktör Grubu A.Ş.	Utilities	98	25.0	26.5	23.5	-	23.5
Finans Finansal Kiralama Anonim Sirketi	Finance ¹	97, 98	11.0	-	5.3	-	5.3
Finansbank, A.Ş.	Finance ¹	92, 00	20.0	55.6	10.0	-	10.0
Garanti Finansal Kiralama A.Ş.	Finance ¹	95, 98, 00	19.3	43.4	4.6	-	4.6
Global Securities Inc.	Finance ¹	94, 95, 96	2.8	-	-	‡	‡
Gümüssuyu Hali ve Yer Kaplamaları Sanayi ve Ticaret A.Ş.	Textiles ⁴	99	7.0	-	6.4	-	6.4
IBAR/Duff & Phelps Credit Rating Co.	Finance ¹	97	0.1	-	-	0.1	0.1
Indorama İplik Sanayii ve Ticaret A.Ş.	Textiles, Apparel & Leather	99	10.7	-	9.4	0.7	10.0
İpek Kagit Sanayii ve Ticaret A.Ş.	Pulp & Paper	98, 00	31.9	33.0	29.2	-	29.2
İsıklar Ambalaj A.Ş.	Pulp & Paper	00	10.3	-	10.3	-	10.3
İstanbul Bilgi University	Education Services	01	12.0	-	12.0	-	12.0
Kepez Elektrik T.A.Ş.	Utilities	91	20.2	-	10.1	-	10.1

EUROPE AND CENTRAL ASIA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments* (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Kiris Otelcilik ve Turizm A. Ş.	Tourism ²	89, 90	23.4	-	19.0	-	19.0
Koç Finansal Kiralama A. Ş.	Finance ¹	97	15.0	-	4.3	-	4.3
Koçbank A. Ş.	Finance ¹	97	10.0	60.0	4.3	-	4.3
Koy-Tur Holding A. Ş.	Food ¹⁰	91, 92	12.7	-	-	‡	‡
Kula Mensucat Fabrikası A. Ş.	Textiles ⁴	91	19.8	-	4.4	-	4.4
Körfezbank A. Ş.	Finance ¹	92, 97	23.0	51.4	7.5	-	7.5
Medya Holding A. Ş.	Information	93, 96	28.6	-	7.2	-	7.2
Modern Karton Sanayii ve Ticaret A. Ş.	Pulp & Paper	98	20.0	10.0	20.0	-	20.0
NASCO Nasreddin Holding A. Ş.	Textiles ⁴	92	17.5	5.0	10.2	-	10.2
Osmanlı Bankası A. Ş.	Finance ¹	98	20.0	80.0	16.4	-	16.4
Oyak Bank A. Ş.	Finance ¹	98	15.0	25.0	6.7	-	6.7
Pasabahçe Eskisehir Cam Sanayi ve Ticaret A. Ş.	Minerals ¹¹	99	16.7	16.7	9.1	-	9.1
Pinar Entegre Et Ve Yem Sanayi A. Ş.	Food ¹⁰	84, 94, 98	21.9	-	9.4	-	9.4
Pinar Sut Mamulleri Sanayii A. Ş.	Food ¹⁰	94, 00	21.5	-	14.0	-	14.0
Rant Finansal Kiralama A. Ş.	Finance ¹	92, 98	4.8	-	1.2	-	1.2
Sakosa Sabancı-Kosa Endüstriyel İplik ve Kord Bezi Sanayi ve Ticaret A. Ş.	Textiles ⁴	99	24.3	23.8	20.3	-	20.3
Silkar Turizm Yatırım ve İşletmeleri A. Ş.	Tourism ²	86, 90	19.3	9.8	3.1	0.3	3.3
Söktas Pamuk ve Tarım Ürünlerini Değerlendirme Ticaret ve Sanayi A. Ş.	Textiles ⁴	98	13.0	-	9.2	-	9.2
TEB Finansal Kiralama A. Ş.	Finance ¹	99	5.0	-	4.4	-	4.4
Toprak Finansal Kiralama A. Ş.	Finance ¹	97	8.0	-	0.9	-	0.9
Trakya Cam Sanayii A. Ş.	Minerals ¹¹	79, 83, 84, 89, 91, 96, 99	66.7	31.4	-	3.4	3.4
Türk Demir Döküm Fabrikaları A. Ş.	Indus/Cons Products ⁶	96	2.0	-	0.4	-	0.4
Türk Ekonomi Bankası	Finance ¹	95, 99	27.5	37.5	13.3	-	13.3
Türkiye Garanti Bankası A. Ş.	Finance ¹	93, 98	40.0	175.0	12.7	-	12.7
Türkiye Sise ve Cam Fabrikaları A. Ş.	Minerals ¹¹	93, 97	41.0	50.2	2.9	-	2.9
Unye Cimento Sanayi ve Ticaret A. Ş.	Minerals ¹¹	00	21.4	-	18.3	-	18.3
Uzel Makina Sanayii A. Ş.	Indus/Cons Products ⁶	99	20.0	15.0	20.0	-	20.0
Viking Kağıt ve Selüloz, A. Ş.	Pulp & Paper	70, 71, 82, 83, 98	15.2	-	9.8	-	9.8
Yalova Elyaf ve İplik A. Ş.	Textiles ⁴	96	15.0	8.0	2.5	-	2.5
Yapı Kredi Finansal Kiralama A.O.	Finance ¹	97, 98	12.9	-	3.6	-	3.6
Yeditepe Beynelmillel Otelcilik Turizm ve Ticaret A. Ş.	Tourism ²	90, 94	28.3	27.5	10.7	‡	10.7
					594.7	25.8	620.4
UKRAINE							
"Bank Austria Creditanstalt" Ukraine	Finance ¹	98	2.3	-	-	2.3	2.3
First Ukrainian International Bank	Finance ¹	98	5.0	-	-	5.0	5.0
Microfinance Bank of Ukraine	Finance ¹	01	1.7	-	-	1.7	1.7
Ukraine Fund	Funds ⁷	94, 97	3.5	-	-	3.3	3.3
						12.3	12.3
UZBEKISTAN							
ABN-AMRO Bank NB Uzbekistan A.O.	Finance ¹	96	1.0	-	-	1.0	1.0
Core Pharmsanoat	Chemicals	98	3.9	3.4	2.7	0.5	3.2
Fayz Holding Joint Stock Company of the Open Type	Indus/Cons Products ⁶	98	2.4	-	1.5	0.5	2.0
National Bank for Foreign Economic Activity of the Republic of Uzbekistan	Finance ¹	00	15.0	-	15.0	-	15.0
Open Joint-Stock Commercial Bank "Hamkorbank"	Finance ¹	01	1.0	-	1.0	-	1.0
Osiyo Granite Ltd.	Minerals ¹¹	01	1.6	-	1.6	-	1.6

EUROPE AND CENTRAL ASIA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Private Closed Joint-Stock Commercial Bank "Parvina Bank"	Finance ¹	01	1.0	-	1.0	-	1.0
State Joint-Stock Commercial Bank "Asaka"	Finance ¹	00	10.0	-	10.0	-	10.0
The Uzbek-Dutch Joint Venture Uzdutch Cheese Ltd. Limited Liability Company	Food ¹⁰	00	0.6	-	0.6	-	0.6
Uzbek Leasing International A.O.	Finance ¹	96, 01	0.9	-	-	0.9	0.9
					<u>33.4</u>	<u>2.9</u>	<u>36.3</u>
YUGOSLAVIA, FEDERAL REPUBLIC OF							
Institut Za Fizikalnu Medicinu I Rehabilitaciju "Dr. Simo Milosevic", Igalo	Health Care	82, 88	19.1	-	7.5	-	7.5
Jugobanka A.D. Beograd	Finance ¹	86	25.4	10.4	3.8	-	3.8
Loan to Eight Banks for Small- Scale Enterprises	Finance ¹	80	26.0	4.2	1.1	-	1.1
Montenegro A.D. Podgorica	Tourism ²	80	21.0	-	2.0	-	2.0
Radoje Dakic	Indus/Cons Products ⁶	80	18.7	-	1.2	-	1.2
Vojvodjanska Banka— Udruzena Banka	Finance ¹	87, 89	56.0	31.2	35.3	-	35.3
					<u>50.8</u>		<u>50.8</u>
REGIONAL INVESTMENTS							
ABC Medicover Holdings B.V.	Health Care	99	7.0	-	7.0	-	7.0
Advent Central and Eastern Europe II	Funds ⁷	98	15.0	-	-	14.2	14.2
Advent Central Europe Management L.P.	Funds ⁷	95	‡	-	-	‡	‡
Advent Private Equity Fund— Central Europe L.P.	Funds ⁷	98	10.0	-	-	5.8	5.8
AIG Emerging Europe Infrastructure Fund	Funds ⁷	00	30.0	-	-	30.0	30.0
Alliance ScanEast Fund, L.P.	Funds ⁷	94	4.9	-	-	4.0	4.0
Baring Vostok Private Equity Fund, L.P.	Funds ⁷	01	15.0	-	-	15.0	15.0
Black Sea Fund L.P.	Funds ⁷	99	10.0	-	-	10.0	10.0
Central Europe Telecom Investments, L.P.	Funds ⁷	94	9.7	-	-	5.8	5.8
Czech and Slovak Private Equity Fund L.P.	Funds ⁷	95	2.5	-	-	2.5	2.5
First NIS Restructuring Facility, L.P.	Funds ⁷	00	10.0	-	-	10.0	10.0
Intra-Regional Trade Enhancement Facility	Finance ¹	96, 99	0.9	-	0.2	-	0.2
New Europe-East Investment Fund	Funds ⁷	93	10.0	-	-	‡	‡
Renaissance Capital	Funds ⁷	94	5.0	-	-	4.7	4.7
The Romania & Moldova Direct Fund, LP	Funds ⁷	99	4.0	-	-	4.0	4.0
SEAF Central and Eastern Europe Growth Fund LLC	Funds ⁷	01	3.3	-	-	3.3	3.3
SEAF Trans-Balkan Fund LLC	Funds ⁷	01	4.8	-	-	4.8	4.8
					<u>7.2</u>	<u>114.1</u>	<u>121.3</u>
Total for Europe and Central Asia					1,816.9	636.2	2,453.1

LATIN AMERICA AND THE CARIBBEAN

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
ARGENTINA							
Aceitera Chabas S.A.	Food ¹⁰	95	-	-	-	3.1	3.1
Aceitera General Deheza S.A.	Food ¹⁰	95	25.0	-	5.0	6.9	11.9
Acindar Industria Argentina de Aceros, S.A.	Metals ⁹	60, 95, 97, 99	119.4	90.7	86.0	16.4	102.4
Aguas Argentinas S.A.	Utilities	95, 96	85.0	307.5	50.0	7.0	56.9
Aguas Provinciales de Santa Fé	Utilities	01	20.0	30.0	20.0	-	20.0
Alpargatas S.A.I.C.	Textiles ⁴	77, 84, 86, 88, 94, 97	76.3	117.0	24.2	7.4	31.6
American Plast, S.A.	Plastics & Rubber	99	10.0	-	9.0	-	9.0
Argentina Equity Investments I Ltd	Funds ⁷	94	4.0	-	-	2.8	2.8
Asociación Civil Universidad del Salvador	Education Services	01	10.0	-	10.0	-	10.0
Asociación Unión Tamberos Cooperativa Limitada (AUCTL)	Food ¹⁰	99	6.0	-	5.3	-	5.3
Banco Corporación Financiera Hipotecaria S.A.	Finance ¹	00	62.5	-	50.0	12.5	62.5
Banco de Galicia y Buenos Aires S.A.	Finance ¹	92, 97, 99	80.0	245.0	68.0	-	68.0
Banco del Suquia S.A.	Finance ¹	98, 99	45.0	30.0	45.0	-	45.0
Banco Francés del Río de la Plata S.A.	Finance ¹	89, 91, 97	29.3	-	3.2	-	3.2
Banco General de Negocios S.A.	Finance ¹	94, 99	48.0	-	48.0	-	48.0
Banco Hipotecario S.A.	Finance ¹	00	25.0	102.5	25.0	-	25.0
Banco Roberts S.A.	Finance ¹	95, 98	50.0	-	48.0	-	48.0
Bansud S.A.	Finance ¹	97	4.9	-	2.6	-	2.6
CCBA S.A.	Food ¹⁰	96	18.5	33.0	13.5	-	13.5
Cefas S.A.	Oil, Gas, & Mining	00	15.0	-	15.0	-	15.0
Cervecería y Maltería Quilmes S.A.	Food ¹⁰	94	15.0	15.0	5.6	-	5.6
Cerámica Zanón S.A.C.I. y M.	Minerals ¹¹	96	20.0	-	17.7	-	17.7
Compañía Elaboradora de Productos Alimenticios S.A.	Food ¹⁰	95	15.0	6.0	9.7	-	9.7
Compañías Asociadas Petroleras S.A.	Oil, Gas, & Mining	97	17.0	33.0	12.6	-	12.6
Concesiones y Construcciones de Infraestructura S.A.	Transportation ⁵	00	40.0	-	20.0	20.0	40.0
Correo Argentino S.A.	Transportation ⁵	99	75.0	54.0	68.2	6.8	75.0
Empresa Distribuidora Norte Sociedad Anónima S.A.	Utilities	94, 96	45.0	128.0	21.5	-	21.5
FAPLAC, S.A.	Indus/Cons Products ⁶	00	15.0	-	15.0	-	15.0
Ferropuerto Pampeano, S.A.C.	Transportation ⁵	93	10.8	17.6	3.6	-	3.6
Fondo Agrícola de Inversión Directa 2003 y Unifund S.A.	Funds ⁷	98	2.8	-	-	2.8	2.8
Frigorífico Regional Industrias Alimenticias Reconquista (Friar) (S.A.)	Food ¹⁰	98	12.5	7.0	12.5	-	12.5
Frigorífico Rioplatense S.A.I.C.I.F.	Food ¹⁰	92	13.0	4.0	5.3	1.0	6.3
Fundación Universidad Torcuato Di Tella	Education Services	01	9.0	-	9.0	-	9.0
FV S.A.	Indus/Cons Products ⁶	99	16.0	-	13.8	-	13.8
Grunbaum, Rico y Daucourt S.A.I.C. y F.	Textiles ⁴	96	10.0	5.0	8.0	-	8.0
Guipeba-Ceval S.A.	Food ¹⁰	97	20.0	20.0	16.8	-	16.8
Hospital Privado Centro Médico De Córdoba S.A.	Health Care	99	9.6	-	9.6	-	9.6
Juan Minetti S.A.	Minerals ¹¹	78, 81, 86, 87, 93, 94, 99	101.8	197.5	59.8	-	59.8
Kleppe S.A. y El Caldero S.A.	Agriculture ³	95, 98	12.0	-	10.2	-	10.2
Maltería Pampa S.A.	Food ¹⁰	93, 96	19.0	12.0	7.1	-	7.1
Merchant Bankers Asociados S.A.	Finance ¹	96	0.2	-	-	0.2	0.2
Milkaut S.A.	Food ¹⁰	92, 97	20.0	5.0	16.3	5.0	21.3
Molinos Río de la Plata S.A.	Food ¹⁰	93, 94	2.3	-	-	5.5	5.5
Nahuelsat S.A.	Information	95	35.0	-	12.5	5.0	17.5
Nuevo Banco de Santa Fe	Finance ¹	01	20.0	-	20.0	-	20.0
Nuevo Central Argentino S.A.	Transportation ⁵	93	13.0	15.0	1.9	3.0	4.9
Oleaginosas Oeste, S.A.	Food ¹⁰	92	20.0	15.0	2.0	-	2.0

LATIN AMERICA AND THE CARIBBEAN (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Pan American Energy LLC	Oil, Gas, & Mining	93, 96	80.0	100.0	9.9	-	9.9
Patagonia Fund, L.P.	Funds ⁷	98	25.0	-	-	20.0	20.0
Patagonia Mint S.A.	Food ¹⁰	98	6.0	5.0	6.0	-	6.0
Pecorn Energia S.A.	Chemicals	97	20.0	30.0	10.9	-	10.9
Petroken Petroquímica Ensenada S.A.	Chemicals	90, 95	40.0	11.0	17.1	-	17.1
Petrolera Argentina San Jorge S.A.	Oil, Gas, & Mining	92, 93	42.0	35.0	-	27.0	27.0
Petrolera Argentina San Jorge S.A. (Neuquen)	Oil, Gas, & Mining	97, 99	31.4	-	-	31.4	31.4
S.A. San Miguel A.G.I.C.I. y F.	Agriculture ³	99	12.0	-	8.7	-	8.7
Sancor Cooperativas Unidas Limitada	Food ¹⁰	95	40.0	30.0	30.0	-	30.0
Sideco Americana S.A.	Transportation ⁵	95	-	-	-	15.0	15.0
Socma Americana S.A.	Transportation ⁵	95	40.0	60.0	6.3	-	6.3
T6 Industrial S.A.	Food ¹⁰	98	15.0	30.0	13.9	-	13.9
Terminal 6, S.A.	Transportation ⁵	87, 90, 91, 96, 98	33.0	19.5	13.5	-	13.5
Terminales Portuarias Argentinas S.A.	Transportation ⁵	96	12.0	-	5.5	-	5.5
The Tower Fund, L.P.	Funds ⁷	95	25.0	-	-	20.7	20.7
The Tower Investment Management Company	Funds ⁷	95	0.1	-	-	0.1	0.1
Transportadora De Gas Del Norte S.A.	Transportation ⁵	97	45.0	210.0	40.0	-	40.0
Vicentin S.A.I.C.	Food ¹⁰	97	25.0	10.0	19.4	-	19.4
Yacylec S.A.	Utilities	94	20.0	45.0	4.4	5.0	9.4
					1,092.0	224.7	1,316.7
BARBADOS							
Almond Resorts, Inc.	Tourism ²	95	7.1	-	-	1.1	1.1
						1.1	1.1
BELIZE							
Nova Companies (Belize) Ltd. and Ambergris Aquaculture Ltd.	Agriculture ³	98	5.5	-	5.5	-	5.5
					5.5		5.5
BOLIVIA							
Aguas del Illimani S.A.	Utilities	00	16.0	-	15.0	1.0	16.0
Banco Bisa, S.A.	Finance ¹	76, 88, 91, 92, 95, 98	28.7	5.5	7.0	3.2	10.2
Banco Mercantil S.A.	Finance ¹	96	10.0	-	7.1	-	7.1
Caja Los Andes S.A.	Finance ¹	92, 99	2.0	-	1.4	-	1.4
Central Aguirre Portuaria S.A.	Transportation ⁵	92	2.5	-	0.1	0.3	0.4
Compañía Boliviana de Gas Natural Comprimido Genex S.A.	Chemicals	93	2.3	-	0.4	-	0.4
Compañía Minera del Sur, S.A.	Oil, Gas, & Mining	92, 90, 94, 96, 00	40.6	5.0	14.5	-	14.5
Electricidad de la Paz S.A.	Utilities	00	25.0	-	25.0	-	25.0
Minera S.A.	Oil, Gas, & Mining	92	-	-	-	3.4	3.4
Telefónica Celular de Bolivia S.A. (*Telecel S.A.*)	Information	97, 01	26.7	23.3	23.3	-	23.3
					93.9	7.9	101.8

LATIN AMERICA AND THE CARIBBEAN (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
BRAZIL							
Bahia Sul Celulose S.A.	Pulp & Paper	90, 91, 93	61.0	60.0	-	21.0	21.0
Bahia Sul Celulose, S.A.**	Pulp & Paper	94	-	-	0.8	-	0.8
Banco BBA Creditanstalt S.A.	Finance ¹	92	40.0	-	40.0	-	40.0
Banco Bradesco, S.A.	Finance ¹	97	16.8	25.2	11.7	-	11.7
Bompreco S.A. Supermercados do Nordeste	Trade ⁸	98	30.0	-	23.8	-	23.8
Bulk Services Corporation	Transportation ⁵	98	14.0	7.5	10.7	-	10.7
Cambuhy M.C. Industrial Ltda.	Food ¹⁰	95	30.0	-	9.4	-	9.4
Cerâmica Portobello S.A.	Minerals ¹¹	95, 00	38.0	-	24.5	5.0	29.5
Ceval Alimentos S.A.	Food ¹⁰	93, 96	90.0	130.0	-	16.1	16.1
Chapeco Companhia Industrial de Alimentos	Food ¹⁰	94, 96	31.9	5.0	25.0	-	25.0
CIA Tecinos Norte de Minas - Coteminas	Textiles ⁴	97, 98, 00	25.5	20.0	12.2	4.5	16.7
Companhia Brasileira de Bebidas	Food ¹⁰	95	35.0	123.0	15.0	-	15.0
Companhia Petroquímica do Sul S.A.	Chemicals	98	40.0	180.0	27.5	-	27.5
Concessionária do Sistema Anhanguera Bandeirantes S.A.	Transportation ⁵	01	35.0	31.0	35.0	-	35.0
Concessionária Da Rodovia Presidente Dutra S.A.	Transportation ⁵	98	35.0	79.5	29.2	-	29.2
CRP-Caderi Capital de Risco S.A.	Funds ⁷	95	0.8	-	-	0.7	0.7
Dende do Pará S/A—DENPASA —Agricultura, Indústria e Comércio de Olea	Food ¹⁰	80, 94	5.3	-	-	1.1	1.1
Distel Holding S.A.	Information	95, 97, 98	63.0	118.0	20.4	27.5	48.0
Dixie Toga S.A.	Plastics & Rubber	98	15.0	-	-	15.0	15.0
Duratex S.A.	Indus/Cons Products ⁶	88, 97	29.4	78.0	17.9	-	17.9
Eliane S.A.	Minerals ¹¹	00	45.0	-	45.0	-	45.0
Empesca S.A. Construções Navais, Pesca e Exportação	Food ¹⁰	98	15.0	-	15.0	-	15.0
Empresa de Desenvolvimento de Recursos Minerais (CODEMIN) S.A.	Oil, Gas, & Mining	73, 78, 83	9.3	54.0	-	4.3	4.3
Escol@24Horas.com	Education Services	01	3.3	-	-	3.3	3.3
Eucatex do Sul S.A.**	Pulp & Paper	95	-	-	5.0	-	5.0
Fertilizantes Fosfatado S.A.	Chemicals	99	20.0	45.0	20.0	-	20.0
Fras-le, S.A.	Indus/Cons Products ⁶	99	20.0	-	10.0	10.0	20.0
Gavea Hotelaria e Turismo S.A.	Tourism ²	94	16.8	7.5	12.4	-	12.4
GP Capital Partners, L.P.	Funds ⁷	94	20.4	-	-	9.5	9.5
Hering Textile S.A.**	Textiles ⁴	95	-	-	7.5	-	7.5
Icatu Equity Partners, L.P.	Funds ⁷	98	30.0	-	-	30.0	30.0
Indústrias Arteb S.A.	Indus/Cons Products ⁶	98	27.0	20.0	20.0	7.0	27.0
Indústrias Romi S.A.**	Indus/Cons Products ⁶	93	-	-	-	0.4	0.4
Innova S.A.	Chemicals	00	25.0	60.0	20.0	5.0	25.0
Ipiranga Petroquímica S.A.	Chemicals	80, 87, 98	61.3	178.0	34.7	6.3	41.0
Itaberaba Participações S.A.	Health Care	00	5.3	-	-	5.3	5.3
J. Macedo Alimentos S.A.	Food ¹⁰	93	24.0	10.0	12.3	-	12.3
Joaquim Oliveira S.A. Participações	Agriculture ³	92	15.0	-	15.0	-	15.0
Klabin Baccel S.A.	Pulp & Paper	94	24.7	36.0	6.0	15.7	21.7
Laboratório de Análises e Pesquisas Clínicas Gastao Fleury S/C Ltda	Health Care	00	15.0	-	15.0	-	15.0
Latas de Alumínio S.A.	Indus/Cons Products ⁶	95	21.0	5.0	7.7	-	7.7
Lightel S.A. de Tecnologia da Informação	Information	97	43.2	-	25.0	18.2	43.2

LATIN AMERICA AND THE CARIBBEAN (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Lojas Americanas S.A.	Trade ⁸	96	33.0	20.0	21.0	-	21.0
Mallory Limitada	Indus/Cons Products ⁶	96	12.0	-	4.4	-	4.4
Minerações Brasileiras Reunidas S.A.	Oil, Gas, & Mining	92, 88, 93, 01	75.0	27.0	31.1	-	31.1
Oxileno Nordeste S.A. Indústria e Comércio	Chemicals	75, 96	44.6	-	12.5	5.0	17.5
Pará Pigmentos S.A.	Oil, Gas, & Mining	95	39.0	33.5	23.6	9.0	32.6
Perdigão S.A. and Perdigão Agroindustrial S.A.	Food ¹⁰	88, 96	57.9	20.0	19.7	10.0	29.7
Petroflex Indústria e Comércio S.A.**	Plastics & Rubber	96	-	-	7.5	-	7.5
PISA—Papel de Imprensa S.A.	Pulp & Paper	83, 85, 88	55.9	31.7	-	3.9	3.9
Politeno Indústria e Comércio S.A.	Chemicals	89, 96	42.6	-	7.3	-	7.3
Puras do Brasil S.A.	Tourism ²	00	5.0	-	5.0	-	5.0
Randon S.A.	Indus/Cons Products ⁶	99	10.0	-	10.0	-	10.0
Rhodia-Ster S.A.	Chemicals	92	25.9	-	-	6.0	6.0
Rhodiaco Indústrias Químicas Ltda.	Chemicals	96	30.0	30.0	10.0	-	10.0
Ripasa S.A.	Pulp & Paper	91	25.0	-	-	5.0	5.0
S.A. Indústria e Comércio Chapecó	Food ¹⁰	94, 96	7.9	-	6.9	7.9	14.7
Sadia Concórdia S.A. Indústria e Comércio	Food ¹⁰	94, 95, 97	80.0	222.0	38.0	10.0	48.0
Samarco Mineração S.A.	Oil, Gas, & Mining	97	18.0	16.0	12.6	-	12.6
São Paulo Alpargatas S.A.	Textiles ⁴	87, 97	60.0	-	23.3	-	23.3
Saraiva S.A.	Trade ⁸	98	18.0	-	11.5	3.0	14.5
Seara Alimentos S.A.	Agriculture ³	92	-	-	-	3.9	3.9
Sociedade Hospital Samaritano	Health Care	00	20.0	-	20.0	-	20.0
Sucorrício S.A.	Food ¹⁰	97	15.0	-	9.0	-	9.0
Tecon Rio Grande S.A.	Transportation ⁵	99	12.1	16.0	12.1	-	12.1
Tecon Salvador S.A.	Transportation ⁵	01	4.5	5.0	3.5	1.0	4.5
Trikem S.A.	Chemicals	92, 95	12.9	-	-	‡	‡
Tubos e Conexoes Tigre Ltda.	Plastics & Rubber	97	30.0	23.5	20.4	-	20.4
Usina Hidrelétrica Guilman- Amorim	Utilities	98	30.0	91.0	27.1	-	27.1
Votorantim Celulose e Papel S.A.	Pulp & Paper	93	24.0	15.0	3.6	-	3.6
Vulcabras do Nordeste S.A.	Textiles ⁴	99	20.0	-	18.3	-	18.3
Weist S.A.	Indus/Cons Products ⁶	99	8.0	-	8.0	-	8.0
Wembley S.A.	Textiles ⁴	92	-	-	-	10.0	10.0
					940.0	280.5	1,220.5
CHILE							
Bosques y Maderas S.A. (BOMASA)	Indus/Cons Products ⁶	92, 94	10.3	6.0	1.0	4.8	5.8
CB Transporte e Infraestructura S.A.	Transportation ⁵	99	2.0	-	1.7	-	1.7
CB Transportes S.A.	Transportation ⁵	99	9.9	-	-	15.9	15.9
Empresa Eléctrica Pangué S.A.	Utilities	94	64.8	88.0	-	2.8	2.8
Ferrocarril del Pacífico S.A.	Transportation ⁵	97	20.5	6.0	13.8	-	13.8
Hidroeléctrica Aconcagua S.A.	Utilities	92, 93	14.4	6.0	-	6.5	6.5
Minera Escondida Limitada	Oil, Gas, & Mining	89, 91, 99	87.6	-	18.3	7.5	25.8
Moneda Asset Management S.A.	Funds ⁷	94, 96, 97	0.5	-	-	0.5	0.5
Nature's Farm Products (Chile) S.A.**	Food ¹⁰	91	-	-	1.2	-	1.2
Pionero Fondo de Inversión Mobiliaria	Funds ⁷	94	10.0	-	-	9.3	9.3
Proa Fondo de Inversión de Desarrollo de Empresas	Funds ⁷	96	8.3	-	-	7.3	7.3
San Antonio Terminal Internacional S.A.	Transportation ⁵	01	38.7	65.0	35.0	3.7	38.7
					71.0	58.3	129.3

LATIN AMERICA AND THE CARIBBEAN (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
COLOMBIA							
Cales y Cementos de Toluviejo, S.A.	Minerals ¹¹	01	3.3	10.7	3.3	-	3.3
Cementos del Caribe, S.A.	Minerals ¹¹	75, 01	17.6	13.0	4.0	10.0	14.0
Compañía Suramericana de Arrendamiento Operativo S.A.	Finance ¹	99	5.1	-	-	5.1	5.1
Compañía Colombiana de Tejidos	Textiles ⁴	63, 91	22.9	1.7	6.0	-	6.0
Corporación Financiera del Valle	Finance ¹	69, 85, 88, 93, 95	51.1	60.0	-	7.4	7.4
Corporación Financiera Santander S.A.	Finance ¹	94, 95	6.4	-	-	1.4	1.4
Corporación Nacional y Suramericana S.A.	Finance ¹	96, 00	88.8	-	38.1	25.0	63.1
Leasing Suramericana Compañía de Financiamiento Comercial S.A.	Finance ¹	98	14.7	-	24.6	-	24.6
Productora de Derivados de la Sal, S.A. (PRODESAL)	Chemicals	87	7.2	-	-	0.6	0.6
Promigas S.A. E.S.P.	Transportation ⁵	77, 89, 93, 94, 97	38.3	69.5	7.7	1.1	8.9
Proyectos de Infraestructura S.A.	Transportation ⁵	97	9.5	-	-	5.0	5.0
					83.8	55.7	139.4
COSTA RICA							
Aeropuerto IJS	Transportation ⁵	01	35.0	85.0	35.0	-	35.0
Banco Interfin S.A.	Finance ¹	93, 01	20.0	-	16.1	-	16.1
Consorcio Hospitalario Internacional, S.A.	Health Care	99	1.2	-	-	1.2	1.2
Corporación Supermercados Unidos S.A.	Trade ⁸	99	40.0	-	28.9	10.0	38.9
Hidroeléctrica Aguas Zarcas S.A.	Utilities	94	4.0	6.1	2.1	-	2.1
					82.1	11.2	93.3
DOMINICAN REPUBLIC							
Cranberry Dominicana S.A. y Tlantimar S.A.	Tourism ²	93	6.8	-	1.4	-	1.4
Inversora Internacional Hotelería, S.A.	Tourism ²	99	14.0	21.7	13.2	-	13.2
Pasteurizadora Rica C. por A.	Food ¹⁰	00	15.0	-	15.0	-	15.0
Red Sanitaria Hospiten	Health Care	00	2.0	2.0	2.0	-	2.0
Smith/Enron Cogeneration Limited Partnership	Utilities	95, 96	32.3	50.0	23.2	-	23.2
					54.9	-	54.9
ECUADOR							
Agrocapital, S.A.	Agriculture ³	97	3.5	-	3.5	-	3.5
Compañía Financiera Ecuatoriana de Desarrollo, S.A.	Finance ¹	69, 73, 77, 81, 82, 88	3.0	-	-	0.3	0.3
Concesionaria DHM, S.A.	Transportation ⁵	99	12.8	15.0	11.5	1.3	12.8
Ecuacobre-FV S.A.	Minerals ¹¹	00	9.0	-	9.0	-	9.0
Favorita Fruit Company, Ltd.	Agriculture ³	99	15.0	-	9.4	5.0	14.4
Rey Banano del Pacifico C.A.	Agriculture ³	94	10.0	5.0	4.1	-	4.1
La Universal S.A.	Agriculture ³	99	13.2	3.0	8.2	5.0	13.2
					45.8	11.6	57.4
EL SALVADOR							
AFP Crecer, S.A.	Finance ¹	99	-	-	-	1.2	1.2
Banco Cuscatlan, S.A.	Finance ¹	99	25.0	-	25.0	-	25.0
Baterías de El Salvador, S.A.	Indus/Cons Products ⁶	99	2.0	-	2.0	-	2.0
Cemento de El Salvador, S.A.	Minerals ¹¹	97, 00	19.6	20.6	14.0	2.2	16.2
Implementos Agrícolas Centroamericanos, S.A.	Indus/Cons Products ⁶	98, 99	2.2	-	-	0.2	0.2
Telemovil El Salvador, S.A.	Information	94, 96	9.9	14.5	4.0	-	4.0
					45.0	3.6	48.6

LATIN AMERICA AND THE CARIBBEAN (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
GUATEMALA							
Fabrigas S.A.	Utilities	95	7.0	-	3.3	-	3.3
Frutera del Pacifico, S.A.	Agriculture ³	00	7.0	-	7.0	-	7.0
Operadora de Tiendas, S.A. (La Fragua S.A.)	Trade ⁸	99	20.0	-	20.0	-	20.0
Orzunil I de Electricada Limitada	Utilities	92,98	14.3	15.0	12.5	1.2	13.7
Pantaleón S.A.	Food ¹⁰	97	20.0	-	11.3	-	11.3
Siderárgica de Guatemala, S.A.	Metals ⁹	98	18.0	14.0	12.4	-	12.4
Vidriera Guatemalteca, S.A.	Minerals ¹¹	93	11.0	-	3.4	-	3.4
					69.8	1.2	71.0
GUYANA							
Guyana Americas Merchant Bank	Finance ¹	00	1.0	-	-	1.0	1.0
Heritage Limited (Cara Lodge)	Tourism ²	00	0.7	-	0.7	-	0.7
IDS Holdings Limited	Plastics & Rubber	99	1.2	-	1.2	-	1.2
					1.9	1.0	2.9
HAITI							
Micro Crédit National S.A.	Finance ³	00	0.4	-	-	0.4	0.4
						0.4	0.4
HONDURAS							
Electricidad de Cortés, S. de R.L. de C.V.	Utilities	95, 98	16.6	36.3	9.7	2.6	12.3
Grupo Granjas Marinas S.A. de C.V., Granjas Marinas San Bernardo S.A. de C.V., Sea Farms I	Agriculture ³	87, 99	6.6	-	5.5	-	5.5
Multipiazza de Tegucigalpa S.A.	Tourism ²	99	10.0	-	10.0	-	10.0
					25.2	2.6	27.8
JAMAICA							
Jamaica Energy Partners	Utilities	97	23.9	48.0	15.6	-	15.6
Mossel (Jamaica) Limited	Information	01	30.0	16.0	30.0	-	30.0
					45.6	-	45.6
MEXICO							
AES Méridia III, S. de R.L. de C.V.	Utilities	98	30.0	74.0	30.0	-	30.0
Agropecuaria Sanfandila S.A. de C.V.	Agriculture ³	99	10.0	5.0	8.7	-	8.7
Alimentos Naturales Sabroza, S.A. de C.V. **	Food ¹⁰	94	-	-	0.8	-	0.8
American British Cowdray Medical Center I.A.P.	Health Care	01	30.0	14.0	30.0	-	30.0
Apasco, S.A. de C.V.	Minerals ¹¹	88, 91, 92, 93, 96	176.4	120.0	12.6	-	12.6
Banco Bilbao Vizcaya-México, S.A.	Finance ¹	97	110.0	-	91.2	-	91.2
Banco Nacional de México, S.N.C.	Finance ¹	92, 90, 98	157.6	94.7	86.6	-	86.6
Baring Mexico Private Equity Fund, L.P.	Funds ⁷	95, 99	11.8	-	-	11.8	11.8
Baring Private Equity Partners (México), S.A.	Funds ⁷	95, 96	0.2	-	-	†	†
Central Anáhuac S.A. de C.V.	Utilities	00	50.0	59.5	50.0	-	50.0
Central Saltillo S.A. de C.V.	Plastics & Rubber	00	35.0	43.0	35.0	-	35.0
Comercializadora La Junta S.A. de C.V.	Transportation ⁵	98	6.0	7.5	4.5	-	4.5
Compañía Tratadora de Aguas Negras de Puerto Vallarta, S.A. de C.V.	Utilities	95	7.5	-	5.1	-	5.1

LATIN AMERICA AND THE CARIBBEAN (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Consorcio Internacional Hospital, S.A. de C.V.	Health Care	99	4.8	-	-	4.8	4.8
Financiera Compartamos, S.A. de C.V.	Finance ¹	01	1.7	-	1.0	0.7	1.7
Fomento Económico Mexicano, S.A. de C.V.	Food ¹⁰	89, 92	107.6	-	-	9.4	9.4
Fondo Chiapas, S.A. de C.V.	Funds ⁷	98	5.0	-	-	4.2	4.2
Forja De Monterrey, S.A. De C.V.	Indus/Cons Products ⁶	99	16.0	13.0	13.0	3.0	16.0
General Hipotecaria, S.A. de C.V.	Finance ¹	99	3.3	-	-	3.3	3.3
Girsa S.A. de C.V.	Chemicals	97, 00	85.0	175.0	70.1	-	70.1
Grupo Aceros Corsa, S.A. de C.V.	Metals ⁹	00	16.0	-	13.0	3.0	16.0
Grupo Bimbo, S.A. de C.V.	Food ¹⁰	92, 96	65.0	175.0	28.9	-	28.9
Grupo Calidra, S.A. de C.V.	Oil, Gas, & Mining	98	18.0	10.0	11.3	6.0	17.3
Grupo Financiero BBVA Bancomer, S.A. (formerly Grupo Probursa)	Finance ¹	92	-	-	-	2.7	2.7
Grupo Idesa, S.A. de C.V.	Chemicals	94	23.0	42.5	3.8	†	3.8
Grupo Industrial Ayvi S.A. de C.V.	Agriculture ³	99	10.0	-	10.0	-	10.0
Grupo Minsa, S.A. de C.V.	Food ¹⁰	97	30.0	30.0	14.0	10.0	24.0
Grupo Operador de Terminales Maritimas S.A. de C.V.	Transportation ⁵	94	1.8	2.6	0.7	-	0.7
Grupo Posadas, S.A. de C.V.	Tourism ²	92, 93, 95, 96, 00	83.7	68.5	55.7	5.0	60.7
Heller Financial (Mexico), S.A. de C.V.	Finance ¹	94, 96, 98, 00	3.1	-	-	3.1	3.1
Hipotecaria Su Casita, S.A. de C.V. - SOFOL	Finance ¹	01	10.9	-	-	11.1	11.1
Industrias Innopack S.A. de C.V.	Plastics & Rubber	01	15.0	-	-	15.0	15.0
Internacional de Cerámica, S.A. de C.V.	Minerals ¹¹	94	21.0	17.5	10.0	-	10.0
Invercap S.A. de C.V.	Funds ⁷	00, 01	1.1	-	-	1.1	1.1
Medicus, S.A. de C.V.	Health Care	99	7.0	-	7.0	-	7.0
Mexplus Puertos S.A. de C.V.	Transportation ⁵	93, 95, 99	4.5	-	-	4.5	4.5
Promotora de Centros Educativos S.A. de C.V.	Education Services	01	6.5	-	6.5	-	6.5
Propalma Fondo Chiapas Equity Agency	Food ¹⁰	92	-	-	-	0.8	0.8
Servicios S.A. de C.V.	Transportation ⁵	01	12.4	10.0	10.5	1.9	12.4
Sudamérica en Fiesta, S.A.	Tourism ²	00	15.0	-	-	15.0	15.0
Tenedora Nemark S.A. de C.V.	Indus/Cons Products ⁶	96, 00, 01	33.0	35.0	9.0	-	9.0
Terminal de Cruceros Punta Langosta, Cozumel, S.A. de C.V.	Transportation ⁵	98	3.8	4.8	1.8	1.0	2.8
Terminal Maritima de Altamira S.A. de C.V.	Transportation ⁵	97	5.1	10.4	4.8	-	4.8
Toluca Toll Road	Transportation ⁵	92	13.8	-	5.7	-	5.7
Turborreactores S.A. de C.V.	Indus/Cons Products ⁶	00	14.0	4.0	14.0	-	14.0
Vitro Flotado, S.A. de C.V.	Minerals ¹¹	91	25.0	101.0	1.7	-	1.7
Vitro, S.A.	Minerals ¹¹	91, 92	18.2	-	-	10.2	10.2
ZN Mexico Capital Growth Fund Ltd.	Funds ⁷	00	25.3	-	-	25.3	25.3
					646.9	152.8	799.7
NICARAGUA							
Casa Mantica S.A. and Inmuebles Diano Marina, S.A.	Trade ⁸	99	4.5	-	4.4	-	4.4
Distribuidora Cesar Guerrero S.A. Financiera Arrendadora	Trade ⁸	99	1.0	-	0.9	-	0.9
Centroamericana S.A.	Finance ¹	00	2.6	-	1.8	0.6	2.4
Frutales del San Juan, S.A.	Agriculture ³	99	3.0	-	2.0	1.0	3.0
					9.1	1.6	10.7

LATIN AMERICA AND THE CARIBBEAN (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
PANAMA							
Banco Del Istmo, S.A.	Finance ¹	00	20.0	38.0	20.0	-	20.0
Banco General S.A.	Finance ¹	98, 00	40.0	-	40.0	-	40.0
ICA Panama, S.A.	Transportation ⁵	00	35.0	35.0	35.0	-	35.0
Manzanillo International Terminal - Panama, S.A.	Transportation ⁵	95, 00	40.0	35.0	31.5	-	31.5
Panama Canal Railway Company	Transportation ⁵	00	20.0	30.0	15.0	5.0	20.0
Suleasing Internacional S.A.	Finance ¹	00	5.0	-	-	5.0	5.0
					<u>141.5</u>	<u>10.0</u>	<u>151.5</u>
PERU							
Agraria El Escorial S.A.	Food ¹⁰	00	7.0	-	7.0	-	7.0
Agro Industrial Paramonga S.A.	Food ¹⁰	98	14.2	14.8	21.8	-	21.8
Agro-Guayabito S.A.	Food ¹⁰	99, 01	10.0	-	9.0	1.0	10.0
Alicorp S.A.	Food ¹⁰	00	40.0	20.0	40.0	-	40.0
Banco Internacional del Perú	Finance ¹	98	20.0	100.0	16.0	-	16.0
Compañía de Minas Buenaventura, S.A.	Oil, Gas, & Mining	79, 83, 90, 93	8.4	-	-	1.7	1.7
Empresa Agroindustrial Laredo S.A.	Food ¹⁰	00	15.0	-	15.0	-	15.0
Inka Terra, Peru S.A.C.	Tourism ²	01	5.0	-	5.0	-	5.0
Latino Leasing, S.A.	Finance ¹	98	12.5	-	10.0	2.5	12.5
Minera Quellaveco S.A.	Oil, Gas, & Mining	93, 96, 00, 01	12.9	-	-	12.9	12.9
Minera Yanacocha S.A.	Oil, Gas, & Mining	93, 95, 00	42.7	99.0	20.0	0.3	20.3
Peru OEH S.A.	Tourism ²	01	10.0	-	10.0	-	10.0
The Peru Privatization Fund Limited	Funds ⁷	95	13.9	-	-	13.1	13.1
PPF Cayman Ltd.	Funds ⁷	95	‡	-	-	‡	‡
Ransa Comercial S.A.	Transportation ⁵	00	10.0	-	10.0	-	10.0
S.A. Minera Regina	Oil, Gas, & Mining	85	3.0	-	1.1	-	1.1
Sociedad Agrícola Drokasa S.A.	Agriculture ³	00	6.0	-	6.0	-	6.0
Universidad Peruana de Ciencias Aplicadas, S.A.	Education Services	01	7.0	-	7.0	-	7.0
Wiese Leasing S.A.	Finance ¹	82, 92, 96	19.5	25.0	3.6	-	3.6
					<u>181.5</u>	<u>31.5</u>	<u>213.0</u>
TRINIDAD AND TOBAGO							
Caribbean Ispat Ltd.	Metals ⁹	96	27.4	55.0	17.1	-	17.1
Messer Trinidad & Tobago Limited	Chemicals	00	21.0	30.0	20.0	-	20.0
					<u>37.2</u>		<u>37.2</u>
URUGUAY							
Azucitrus S.A.	Food ¹⁰	85, 93	13.9	-	1.0	3.4	4.4
Consorcio Aeropuertos Internacionales S.A.	Transportation ⁵	96	8.0	10.0	6.1	-	6.1
Granja Moro, S.A.	Food ¹⁰	92	3.8	-	1.8	0.8	2.5
Surinvest International Limited	Finance ¹	80, 89, 97	15.9	10.0	2.2	1.8	4.0
Universidad de Montevideo	Education Services	01	5.0	-	5.0	-	5.0
					<u>16.1</u>	<u>6.0</u>	<u>22.0</u>
VENEZUELA, REPÚBLICA BOLIVARIANA DE							
C.A. la Electricidad de Caracas	Utilities	92, 00, 01	70.0	35.0	67.8	-	67.8
Compañía Anónima Nacional Teléfonos de Venezuela (CANTV)	Information	96	43.4	131.6	25.0	-	25.0
Complejo Siderúrgico de Guayana, C.A.	Metals ⁹	97, 98	45.0	121.0	30.3	10.0	40.3
Corporación de Cemento Andino, C.A.	Minerals ¹¹	01	7.6	24.4	7.6	-	7.6
Corporación Industrial Montana, C.A., S.A.	Chemicals	91, 92	21.1	-	-	11.0	11.0

LATIN AMERICA AND THE CARIBBEAN (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
Forestal Trillium de Venezuela, C.A.	Indus/Cons Products ^a	00	22.8	10.0	16.8	6.0	22.8
Grupo Zuliano, S.A. C.A.	Chemicals	92, 94	14.1	-	-	14.1	14.1
Metanol de Oriente, Metor, S.A.	Chemicals	93	37.9	93.3	12.0	6.8	18.8
Minera Loma de Niquel, C.A.	Oil, Gas, & Mining	98, 00	75.2	50.0	71.0	4.4	75.4
Productora de Alcoholes Hidratados, C.A.	Chemicals	91	38.4	2.0	7.2	7.5	14.7
Propileno De Falcon Profalca, C.A.	Chemicals	00	24.0	23.0	23.6	-	23.6
Telecomunicaciones Movilnet, C.A.	Information	98	35.0	60.0	28.4	-	28.4
					289.8	59.8	349.6
REGIONAL INVESTMENTS							
Bank of Nova Scotia	Finance ¹	01	25.0	25.0	25.0	-	25.0
Certifica.com	Information	01	1.5	-	-	1.5	1.5
Convergence Communications, Inc.	Information	00, 01	7.1	-	-	7.1	7.1
Eastern Caribbean Home Mortgage Bank	Finance ¹	97	0.4	-	-	0.4	0.4
Energía Global International, Limited	Utilities	00	5.0	-	-	‡	‡
HSBC Private Equity (South America) Ltd.	Funds ⁷	92	-	-	-	0.3	0.3
HSBC Tower Equity Partners, L.P.	Funds ⁷	01	20.0	-	-	19.7	19.7
The Latin America Enterprise Fund, L.P.	Funds ⁷	95	20.0	-	-	19.4	19.4
The Latin America Enterprise Fund II, L.P.	Funds ⁷	98	23.1	-	-	23.1	23.1
Latin American Corporate Bond Fund	Funds ⁷	94	15.0	-	-	‡	‡
Medical Systems Finance Holding Limited (MH)	Finance ¹	98, 01	17.0	25.0	15.0	2.0	17.0
PriceSmart, Inc.	Trade ⁸	01	32.0	-	32.0	-	32.0
Profund Internacional, S.A.	Finance ¹	99	3.0	-	-	3.0	3.0
Scudder Latin American Power Fund I	Funds ⁷	92, 93	25.0	-	-	25.0	25.0
Scudder Latin American Power Fund II	Funds ⁷	92, 98	10.0	-	-	9.4	9.4
Softbank Latin America Ventures	Information	01	15.0	-	-	15.0	15.0
TCW/Latin America Partners LLC	Funds ⁷	00	70.0	-	-	70.0	70.0
Terra Capital Advisors	Funds ⁷	99	5.0	-	-	5.0	5.0
					72.0	200.9	272.9
Total for Latin America and the Caribbean					4,050.3	1,122.3	5,172.5

MIDDLE EAST AND NORTH AFRICA

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
ALGERIA							
Aldaph SPA	Chemicals	00	7.8	5.3	6.0	1.7	7.7
Algiers Investment Partnership	Finance ¹	00	0.3	-	-	0.3	0.3
Arab Banking Corporation Algeria	Finance ¹	98	1.9	-	-	1.9	1.9
Helios S.P.A.	Chemicals	93	10.0	-	2.0	-	2.0
Société Générale d'Algérie	Finance ¹	99	1.0	-	-	1.0	1.0
					8.0	4.9	12.9
EGYPT							
Abu Soma Development Company	Tourism ²	94, 97, 99	1.1	-	-	1.1	1.1
Alexandria Carbon Black Company, S.A.E.	Chemicals	93, 97, 99	22.5	-	13.0	3.0	16.0
Alexandria National Iron & Steel Company S.A.E.	Metals ⁹	84, 91, 93, 94, 96, 99	42.6	-	8.6	22.6	31.2
Club Ras Soma Hotel Company	Tourism ²	94	7.4	2.9	2.4	2.4	4.7
Commercial International Bank Legal & General Life Insurance Company	Finance ¹	00	1.7	-	-	1.7	1.7
Commercial International Bank S.A.E. of Egypt	Finance ¹	94	15.6	-	-	15.6	15.6
E.D.F. Port Said East Power S.A.E.	Utilities	01	45.0	152.5	45.0	-	45.0
E.D.F. Suez Gulf Power S.A.E.	Utilities	01	45.0	152.5	45.0	-	45.0
EFG - Hermes Holding SAE	Finance ¹	01	30.0	-	30.0	-	30.0
The Egypt Trust	Funds ⁷	97	5.0	-	-	5.0	5.0
HC Securities & Investment S.A.E.	Finance ¹	00	1.4	-	-	1.4	1.4
IT Worx L+D	Services ¹²	01	2.5	-	-	2.5	2.5
Meleiha Oil Development and Exploration Project	Oil, Gas, & Mining	87, 88, 93	41.7	-	-	30.8	30.8
Messer Gases Dikheila Company, S.A.E.	Chemicals	97	1.5	-	-	1.5	1.5
Misr Compressor Manufacturing Company (MCMC), S.A.E.	Indus/Cons Products ⁶	92	13.5	-	9.7	3.8	13.5
Orascom Projects and Touristic Development S.A.E.	Tourism ²	97, 99	21.8	-	16.0	4.8	20.8
Orix Leasing Egypt	Finance ¹	97, 01	6.9	-	-	0.9	0.9
Unipak Nile Limited	Pulp & Paper	98, 01	8.0	-	7.1	-	7.1
					176.7	97.0	273.7
JORDAN							
Arab International Hotels Company	Tourism ²	00	3.6	-	-	3.6	3.6
Business Tourism Company Limited	Tourism ²	98	5.0	-	3.8	1.0	4.8
El-Zay Ready Wear Manufacturing Co.	Textiles ⁴	98	5.0	-	3.6	-	3.6
Hikma Investment Company Ltd.	Chemicals	87, 91, 93, 95	9.6	-	-	2.4	2.4
Indo-Jordan Chemicals Company Limited	Chemicals	95	30.0	-	20.0	-	20.0
International Luggage Manufacturing Company	Textiles ⁴	01	8.0	-	8.0	-	8.0
Jordan Gateway Projects Co.	Construction & Real Estate	01	10.0	-	10.0	-	10.0
Jordan Inter-Continental Hotel Project	Tourism ²	98	10.0	-	9.3	-	9.3
Jordan Investment Trust Plc	Finance ¹	98	1.4	-	-	1.4	1.4
Jordan Valley Co., Ltd.	Agriculture ³	99	-	-	5.0	-	5.0
Middle East Investment Bank	Finance ¹	01	2.1	-	2.1	-	2.1
Modern Agricultural Investment Company	Transportation ⁵	99	1.0	-	-	1.0	1.0
Zara Investment (Holding) Company Limited	Tourism ²	97	18.0	-	14.3	3.0	17.3
					76.1	12.3	88.4

MIDDLE EAST AND NORTH AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
LEBANON							
Agricultural Development Co. S.A.L.	Food ¹⁰	98	5.0	-	3.7	-	3.7
Bank of Beirut and the Arab Countries, S.A.L.	Finance ¹	93, 97	11.0	10.0	3.1	-	3.1
Bank of Beirut S.A.L.	Finance ¹	98	17.1	-	16.1	-	16.1
Banque Audi S.A.L.	Finance ¹	93, 97, 98	16.0	3.0	9.8	-	9.8
Banque Libano-Française S.A.L.	Finance ¹	94, 97	16.0	21.0	6.3	-	6.3
Banque Saradar S.A.L.	Finance ¹	98, 99	21.0	-	6.9	11.0	17.9
Byblos Bank S.A.L.	Finance ¹	93, 97, 00	51.0	52.0	41.3	-	41.3
Cimenterie Nationale	Minerals ¹¹	95	20.0	30.0	6.3	-	6.3
Fransabank S.A.L.	Finance ¹	93, 94, 97	16.5	15.4	3.0	-	3.0
FTML S.A.L.	Information	98	30.0	45.0	17.5	-	17.5
Idarat Investment Corporation, S.A.L.	Tourism ²	99	6.5	-	5.0	1.5	6.5
The Lebanese Credit Insurer	Finance ¹	01	0.5	-	-	0.5	0.5
Lebanese Leasing Company	Finance ¹	95, 99, 01	20.2	10.8	11.5	0.7	12.2
Société Hôtelière "De Vinci" S.A.L.	Tourism ²	99	3.0	-	3.0	-	3.0
Société Générale Libano- Européenne de Banque S.A.L.	Finance ¹	94, 97	13.5	17.5	4.7	-	4.7
Uniceramic S.A.L.	Minerals ¹¹	93	4.0	2.0	-	0.8	0.8
					138.2	14.5	152.8
MOROCCO							
Attijari Factoring Maroc	Finance ¹	96	0.5	-	-	0.5	0.5
Maghreb Invest Management Ltd	Funds ⁷	00	†	-	-	†	†
Maghreb Invest Private Equity Fund	Funds ⁷	00	5.0	-	-	5.0	5.0
Medi Telecom S.A.	Information	01	88.5	296.7	88.5	-	88.5
Médiafinance S.A.	Finance ¹	94, 96	1.2	-	-	1.2	1.2
Seltavex S.A.	Textiles ⁴	99	14.4	-	-	9.0	9.0
Société ENNASR de Pêche	Agriculture ³	91	2.5	-	0.4	-	0.4
					88.9	15.7	104.5
OMAN							
Oman ORIX Leasing Company SAOG	Finance ¹	93, 99	6.4	-	1.9	1.3	3.2
United Power Company S.A.O.G.	Utilities	95, 00	20.5	57.0	9.4	5.5	14.9
					11.3	6.8	18.0
SAUDI ARABIA							
Saudi Orix Leasing Company (SOLC)	Finance ¹	00	1.6	-	-	1.6	1.6
						1.6	1.6
SYRIAN ARAB REPUBLIC							
Arab Drip Irrigation Technology Company Limited (Adritec)	Plastics & Rubber	01	1.0	-	-	1.0	1.0
						1.0	1.0
TUNISIA							
Banque Internationale Arabe de Tunisie	Finance ¹	98, 00	8.3	-	-	2.5	2.5
International Maghreb Merchant Bank S.A.	Finance ¹	95	0.3	-	-	0.3	0.3
Société Industrielle des Textiles (SITEX)	Textiles ⁴	86, 92, 98	14.0	-	-	2.9	2.9
Société Monastirienne Internationale des Textiles	Textiles ⁴	91	5.6	-	0.5	(0.8)	(0.3)
Sociétés d'Études et de Développement de Sousse-Nord	Tourism ²	73, 75	3.2	-	-	0.6	0.6
Tuninvest Private Equity Fund	Funds ⁷	98	4.6	-	-	4.6	4.6
					0.5	10.2	10.7

MIDDLE EAST AND NORTH AFRICA (continued)

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)		
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity
WEST BANK AND GAZA							
Al-Ayyam Press, Printing, Publishing and Distribution Company Ltd.	Information	99	1.8	-	1.6	-	1.6
Arab Bank PLC	Finance ¹	97	-	-	3.0	-	3.0
Arab Concrete Products Company	Minerals ¹¹	98	0.8	-	0.8	-	0.8
Arab Palestine Investment Bank	Finance ¹	96	3.7	-	-	3.7	3.7
Arab Palestinian Storage and Cooling Co. Ltd	Transportation ⁵	99	0.2	-	0.2	-	0.2
Commercial Bank of Palestine	Finance ¹	97	7.5	-	1.5	-	1.5
Jericho Motel	Tourism ²	99	1.2	-	1.1	-	1.1
Jordan National Bank	Finance ¹	97	-	-	3.0	-	3.0
Palestine Industrial Estates Development and Management Company	Construction & Real Estate	98	9.0	7.0	8.0	1.0	9.0
Palestine Mortgage Housing Corporation	Finance ¹	99	4.0	-	-	4.0	4.0
Palestine Tourism Investment Co.	Tourism ²	99	9.3	-	8.0	1.4	9.3
Peace Technology Fund	Funds ⁷	00	12.6	-	-	12.6	12.6
Peace Technology Management Ltd.	Funds ⁷	98	0.2	-	-	0.2	0.2
					27.2	22.9	50.1
YEMEN, REPUBLIC OF							
Aden Company for Silos and Mills	Food ¹⁰	99	12.0	-	12.0	-	12.0
Radfan Ceramics and Porcelain Manufacturing Company Limited	Minerals ¹¹	98	3.8	-	3.2	-	3.2
					15.2		15.2
REGIONAL INVESTMENTS							
Arab Insurance Group	Finance ¹	98	6.2	-	-	6.0	6.0
First ANZ International Modaraba Limited	Funds ⁷	97	5.0	-	-	5.0	5.0
Framlington Maghreb Fund	Funds ⁷	00	7.4	-	-	3.2	3.2
Framlington Maghreb, S.A.	Funds ⁷	95	‡	-	-	‡	‡
Inter Arab Rating Company	Finance ¹	96	0.3	-	-	0.3	0.3
Middle East Capital Group	Finance ¹	96	3.0	-	-	3.0	3.0
						17.4	17.4
Total for Middle East and North Africa					542.1	204.3	746.4

WORLDWIDE

as of June 30, 2001

Country, region or other area, and obligor	Sector	Fiscal years in which commitments were made	Original commitments ^a (US\$ millions)		Investments held for IFC (US\$ millions)			
			Total IFC	Total syndi- cations	Loans	Equity (at cost)	Total loans and equity	
WORLD REGION								
Emerging Markets Fixed Income Fund	Funds ⁷	98	10.0	-	-	10.0	10.0	
Emerging Markets Gold Fund	Funds ⁷	94	9.4	-	-	†	†	
Emerging Markets Local Currency Debt Fund	Funds ⁷	97	10.0	-	-	10.0	10.0	
Gerling Credit Insurance Group	Finance ¹	01	8.7	-	-	8.6	8.6	
IFC Latin America and Asia Trust 1995-A	Finance ¹	96	20.0	-	-	9.8	9.8	
InfrastructureWorld.com	Information	01	5.0	-	-	5.0	5.0	
Internationale Micro Investitionen Aktiengesellschaft	Finance ¹	01	1.7	-	-	1.7	1.7	
Renewable Energy and Efficiency Fund for Emerging Markets, Ltd.	Funds ⁷	00	15.0	-	-	15.0	15.0	
Round 1	Funds ⁷	01	1.5	-	-	1.5	1.5	
Softbank Emerging Markets	Information	00	50.0	-	-	50.0	50.0	
Solar Development Capital Limited	Funds ⁷	01	5.5	-	-	5.5	5.5	
State Street Bank & Trust Company IFC Emerging Markets Index Common Trust Fund	Funds ⁷	94	10.0	-	-	9.0	9.0	
						126.1	126.1	
Total for Worldwide						126.1	126.1	
Total for the International Finance Corporation						9,936.2	3,654.0	13,590.2^b
Total for the International Finance Corporation (Net of Write-Off Adjustments)^c						9,882.0	3,635.3	13,517.3

* Financial intermediary through which IFC makes loans to, and equity investments in, various small-scale companies.

** Subproject under an agency line or a multicountry loan facility. The corresponding commitment is shown for the agent.

† Less than \$ 50,000.

1 Finance & Insurance	7 Collective Investment Vehicles
2 Accommodation & Tourism	8 Wholesale & Retail Trade
3 Agriculture & Forestry	9 Primary Metals
4 Textiles, Apparel, & Leather	10 Food & Beverages
5 Transportation & Warehousing	11 Nonmetallic Mineral Product Manufacturing
6 Industrial & Consumer Products	12 Professional, Scientific, & Technical Services

a. Commitments include funds to be provided by IFC for its own account, funds to be provided by participants through the purchase of an interest in IFC's investment, and funds to be provided by other financial institutions in association with IFC, where IFC has rendered material assistance in mobilizing those funds. Original commitments are composed of disbursed and undisbursed balances. The undisbursed portion is revalued at the current exchange rate, while the disbursed portion represents the cost of the commitment at the time of disbursement. Loans held for the Corporation are revalued at the current exchange rates. Amounts shown are for commitments outstanding at June 30, 2001, net of cancellations.

b. Commitments and investments held for IFC do not include guarantees and risk management products. At June 30, 2001, IFC's committed portfolio of these products was \$803,930,394.

c. Of the total \$136,213,269 in write-offs for FY01, write-off adjustments are \$54,237,300 in loans and \$18,683,714 in equity (at cost) for a total of \$72,921,014.

NOTE: The operational investments are represented by loans and equity, as stated. In addition, in certain investments, the Corporation has the right to acquire shares and/or participate in the profits of the enterprise.

In some tables, totals may differ from the sum of individual figures because of rounding.

Our Mission:

We promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives.



INTERNATIONAL FINANCE CORPORATION
2121 Pennsylvania Avenue, NW, Washington, DC 20433 USA
Telephone 202-473-7711 Facsimile 202-974-4384
www.ifc.org www.ifc.org/ar2001

ISBN 0-8213-5012-9

Printed on recycled paper