

GreenBond

INVESTOR UPDATE

FEBRUARY 2015



KEXIM's Effort of Growing the Global Green Market



Our main role is to support the expansion of Korea's green capacity into the international green market.

Many Korean firms are high-tech powerhouses and have the capacity for innovative green projects. At the same time, the government has a strong will to support green growth. Given the size limitation of our domestic market, Korea's green growth blueprint is international expansion, which requires international track record and experience.

This is where KEXIM comes in. With our international experience and financing capacity, KEXIM facilitates the Green companies' expansion into the international stage.

KEXIM's green credit amount has grown continuously. It has more than doubled in five years since 2009, amounting to USD 3.1billion in 2014.

About KEXIM's Green Financing

KEXIM's green credit has mostly been concentrated in renewable energy and climate mitigation sectors with some designated for enhancement of high-tech energy efficiency.

Type of Credit: Green financing incorporates all credit types provided by KEXIM: export credits, overseas investment credits, import credits, and guarantees etc.

Eligible Sectors: Mostly overseas project in green industries, where Korean Companies' engagement takes place. The eligible sectors are usually designated by the Korean Government.

Energy-related Industry	New & Renewable Energy
	Energy Efficiency
	Carbon Reduction
Environment-related Industry	
Knowledge-based Industry - New materials, Nano Convergence, Biomedicine, etc.	

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Notable Green Projects

PROJECT 1 INDONESIA PT. SEMANGKA HYDROELECTRIC POWER PROJECT

KEXIM Financing: US\$137 million

Clean Development Mechanism ("CDM")* Project



KEXIM approved US\$137 million in project financing to the Semangka hydroelectric power plant project located in Indonesia, a project jointly participated by

Korea Midland Power Co., Ltd. and POSCO Engineering Co. Ltd.

The Semangka project is an overseas CDM project, capable of securing 207,158 tons of Certified Emission Reductions per year.

The 54.4MW micro-hydroelectric power plant costing US\$190 million will be built in the Tanggamus District, Lampung Province of Southern Sumatra. For thirty years after its construction, the generator will be operated by PT. Tanggamus Electric Power, a project company in which Korean companies have key roles.

* Clean Development Mechanism (CDM): a mechanism jointly implemented by developed and developing countries to reduce emissions of greenhouse gases and mitigate global warming. The CDM is governed by the United Nations Framework Convention on Climate Change (UNFCCC) as a means of decreasing greenhouse gas emission.

PROJECT 2 PHILIPPINES THE ANGAT HYDROPOWER PROJECT

KEXIM Financing: US\$141 million



The Angat Hydropower Plant (281MW) and dam provides residential water supply to Metro Manila and irrigation water to the Bustos Dam.

Korea Water Resources Corporation ("K-Water") has acquired this privatized facilities from Philippines Power Sector Assets and Liabilities Management Control and K-Water partnering with San Miguel plans the partial rehabilitation of the facilities considering the current technical conditions and economics.

The bridge loan facility was used to pay the acquisition price of the asset among which KEXIM committed US\$141 million direct loan. The bridge loan facility will be refinanced by a takeout facility, which is inclusive of

additional costs incurred for the partial rehabilitation, with project financing scheme and KEXIM shall participate in a takeout facility as a core financier.

PROJECT 3 INDONESIA PT. KRAKATAU POSCO OFF-GAS POWER PROJECT

KEXIM Financing: US\$194 million



PT. Krakatau Posco Energy constructed a steam power plant with the capacity of 2 x 100MW in Cilegon City, northwestern coast of Java, which is

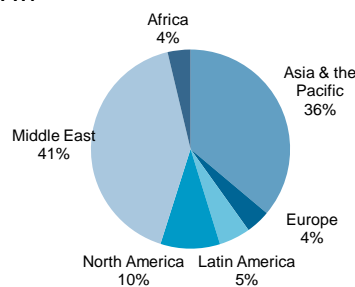
located approximately 100km west from Jakarta. It is an eco-friendly captive power plant utilizing off-gas from PT. Krakatau Posco Integrated Steel Mill, where usually those gases will be discharged like other waste, as fuel for generating steam and providing 200MW back to the Integrated Steel Mill for their production process.

This project involves a wide range of Korean interest from construction to operation of the plant. Considering this credential, KEXIM committed total debt financing required for the project with US\$107 million direct loan and US\$87 million guarantees for commercial banks.

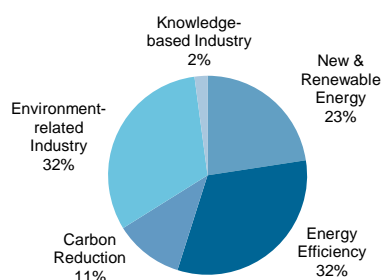
GREEN PROJECT PORTFOLIO BREAKDOWN BY GEOGRAPHY AND SECTOR

FY 2014

BY GEOGRAPHY



BY SECTOR



As of Dec 2014, almost US\$3.1 billion has been allocated to green projects across the world. These graphs illustrate the geographic and sector breakdown