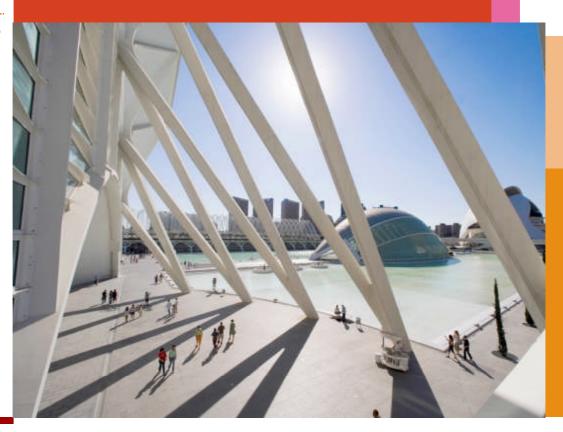
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Investing in the Future

Profile of Capital Projects & Infrastructure

December 2012

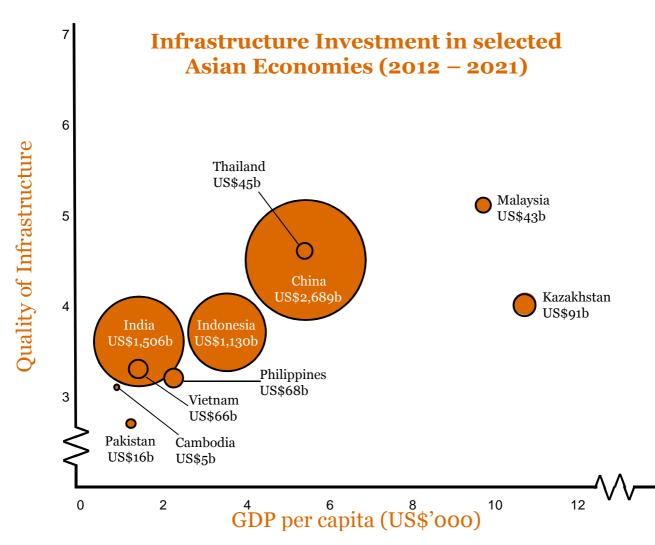






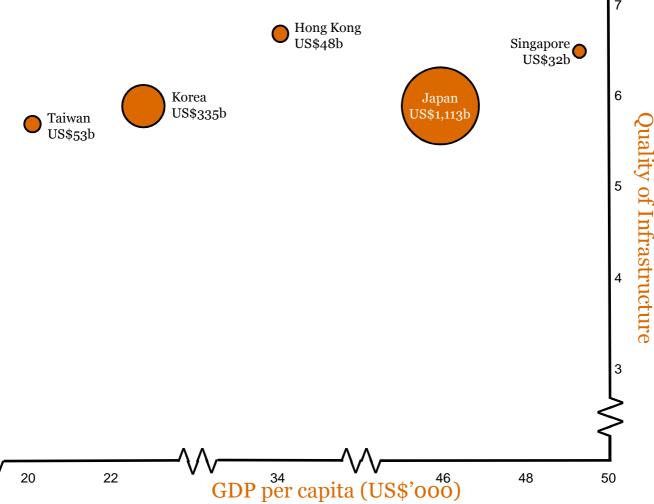
capex of procurement the procurement of the procure

Asia is planning to spend US\$7.2 trillion on infrastructure in the next 10 years



Source: Quality of Infrastructure (1 = extremely underdeveloped; 7 = extensive and efficient by international standards) and GDP per capita (in current US dollars (2011)) from WEF: The Global Competitiveness Report 2012–2013; The bubble indicates the Infrastructure Investment (2012 to 2021 from Business Monitor International)





Source: Quality of Infrastructure (1 = extremely underdeveloped; 7 = extensive and efficient by international standards) and GDP per capita (in current US dollars (2011)) from WEF: The Global Competitiveness Report 2012–2013; The bubble indicates the Infrastructure Investment (2012 to 2021 from Business Monitor International)

Governments should prioritise and deliver infrastructure effectively and efficiently

When investing in infrastructure projects, government generally has three overarching objectives:

- 1. Deliver projects with greatest economic, social and environmental benefits
- 2. Minimise budget impacts
- 3. Recycle government capital (wherever possible)

The infrastructure investment has to happen: but with limited government funds the issue becomes one of prioritisation and innovative structuring.

For private investment in infrastructure and for PPPs to be undertaken, a number of conditions should be present:

- demonstrable, strong, clear long-term political will
- a suitable 'enabling environment' or 'framework' covering legislative, regulatory, commercial and financial requirements including a PPP procurement process



The issues and challenges facing investors

Identifying new growth areas / PPP deals	Assessing the macro-economic impact of a project	Identify and understand the implications of investment/ divestment	Getting the best deal with potential	
	Insufficient experience in evaluating and managing PPP process	Having the right tools to evaluate new opportunities	partners	
Making smarter analysis and decisions on projects/risks			Navigating regulations	
	Accessing cost competitive financing	Increasing shareholder value		



What we do - serving the public sector

Public - Achieve best value for money - Optimise risk allocation - Ensure deliverability

Feasibility

- Establish objectives
- Identify suitable projects
- Assess market appetite
- Design Legal and regulatory framework
- Cost benefit analysis
- Affordability

Marketing

- Develop an attractive package
- Prepare information
- Identify potential bidders

Tender and Evaluation

- Design Process
- Prepare documents
- Develop evaluation criteria
- Interviews with bidders
- Risk analysis
- Value for Money
- Contractual qualifications
- Deliverability of financing
- Recommendation of preferred bid

Implementation

- Negotiations with bidders and financiers
- Input to documentation
- Supervision of syndication/ underwriting process

Post Deal Services

- Contract Management
- Refinancing
- Equity Sales
- Benchmarking and Market Testing
- Concession
 Renewal

What we do - serving the private sector

Private - Optimise Funding Package to achieve a winning bid & maximise equity returns

Feasibility	Financial structuring	Arranging finance	Closing the deal	Post Deal Services
 Risk Analysis Economic benefits Financial Modelling Commercial issues Contract structures Funding options 	 Risk allocation Funding strategy Bank debt Leasing Bonds Export credits Ratings and credit enhancement Tax structuring Security structure 	 Manage competition between funders Negotiate term sheets Bring in underwriters Banks Institutions Bond underwriters 	 Completing Financing documentation Managing the Due Diligence process Legal Technical Insurance Modelling 	 Refinancing Equity Sale Operational Model

Why choose PwC

Global team

- Clients value our global experience and ability to deliver our network
- Experienced in delivering cross border teams

Experience in seeing deals from both public and private sector sides

- Public sector appreciates our private sector finance raising experience
- Private sector appreciates our contacts with government including people with experience of working in government

We maintain our independence

- We are not lenders we do not secure fees from lending to the project
- We do not cross-sell financial products

Our track record

850 professionals across the PwC global network

800 infrastructure projects being worked on

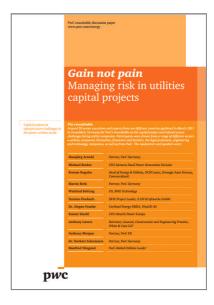
US\$95b and 346
global deals closed for last 10 years *

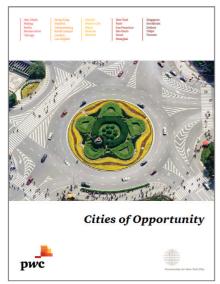
^{*} According to Project Finance International, PwC is the number one adviser globally, by value (US\$95billion) and by volume (346), for global closed deals for 10 years ending December 2010

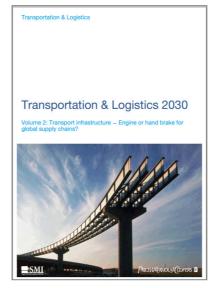
PwC are Thought Leaders













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