

Press Release

IFC Visits Syabar Brewing Company, the First Privatized Brewery in Belarus

Minsk/Washington DC, August 28, 2007 —The International Finance Corporation, the private sector arm of the World Bank Group, funded the reconstruction of Syabar Brewing Company (“Syabar”) in 2004. Mr. Oscar Chemerinski, Acting Director of IFC’s Agribusiness department, visited the Syabar brewery in Bobruisk today and commented that Syabar has come a long way from the idle and dilapidated brewery he visited prior to 2004. Mr. Chemerinski was very impressed with the reconstruction and performance of Syabar in the marketplace and congratulated Syabar’s management and the main project sponsor, Detroit Investments (“DI”) on a job well done.

“This was IFC’s first investment in the real sector in Belarus” Mr. Chemerinski remarked, “and we are very pleased with its successful completion. IFC’s investment has stimulated economic development in Bobruisk and the surrounding region. IFC hopes this investment, along with the other on-going joint projects with Detroit Investments in Belarus will further encourage local and foreign investment in the Belarus economy and raise living standards”.

DI has been an IFC client since 2004 and has sponsored several IFC projects in the juice sector in Belarus and brewing sector in Russia. In partnership with DI, IFC recently approved its second investment in the real production sector in Belarus, this time in the juice sector. Today, the Belarus juice market is dominated by imported products creating a good entry opportunity for a domestic juice manufacturer. DI has acquired, via privatization, the assets of an idle cannery in Bobruisk and is now in the process of reviving and modernizing the factory with a view to transform it into a state of the art juice plant. DI will rehire the former employees of the cannery who were laid off when the plant ceased operations a year ago. Juice production is due to start in late 2007. DI intends to first supply the domestic market and export its juice products in a second stage.

Mr. Chemerinski commented that “these are important projects for Belarus that will result in substantial employment both at the company level and along the supply chain. These investments will create widespread economic opportunities for businesses in the beverage, distribution, logistics, retail and food production industries in Belarus. IFC looks forward to participate further in the development of the private sector in this frontier country.”

Sergey Levin, Syabar’s Chairman said that “IFC has been very supportive in this challenging, early stage, development project and we look forward to executing with IFC similar business ventures in the future”.

Nicholas Henderson-Stewart, DI’s Chief Executive Officer, added “we appreciated IFC’s decision to participate in this “start up” brewing company in Belarus and we are very pleased to have properly fulfilled the project’s business plan. We are confident our future “start up” ventures with IFC in Belarus will be equally exciting and successful”.

About the Detroit Group

The Detroit Group was founded in 1994 by Eugene Kashper and Alexander Lifshits. The Group was initially focused on beverage import and distribution in Russia via North Winds Beverages. In 1998 the Group entered beer production via the creation of Ivan Taranov Breweries (PIT), which was subsequently sold to Heineken in 2005.

The group is now involved in the production of beer through DBBC and Vladpivo. Aside from this, the group continues to have an interest in the import and distribution of beverages in Russia and Kazakhstan via its wholly owned subsidiaries, North Winds Beverages and Aleph Trade. The group has also interests in real-estate in Russia and the United States.

About the IFC

The mission of IFC is to promote sustainable private sector investment in developing and transition countries, helping to reduce poverty and improve people's lives. IFC finances private sector investments in the developing world, mobilizes capital in the international financial markets, helps clients improve social and environmental sustainability, and provides technical assistance and advice to governments and businesses. From its founding in 1956 through FY06, IFC has committed more than \$56 billion of its own funds and arranged \$25 billion in syndications for 3,531 companies in 140 developing countries. With the support of funding from donors, it has also provided more than 1\$ billion in technical assistance and advisory services. For more information, visit www.ifc.org.

Belarus joined IFC in 1992. Since then through the end of June 2006, IFC has committed \$111.5 million in loans and invested in a number of projects in Belarus. In addition, IFC has been actively involved in technical assistance in Belarus since 1993. The work began with advisory services on privatization of small businesses. Currently, IFC focuses its efforts on small and medium enterprise development and the improvement of the investment climate.

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