

Overview of Our Investments

IFC invests in companies and financial institutions in all emerging markets. IFC will invest in projects that are financially sound, do not depend on distortions such as protection or subsidies, and meet our environmental and social standards.

We emphasize investments that have a high impact on the economies of developing countries, either by

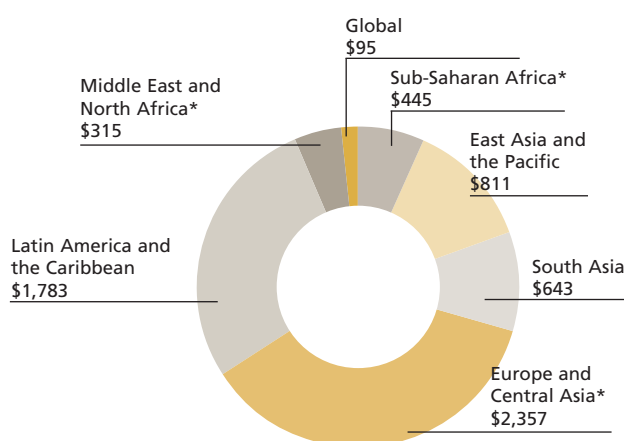
reaching large numbers of people or by benefiting a wide range of sectors, particularly those dominated by small and medium-scale enterprises.

IFC won't invest in any product or activity illegal under host country laws or regulations, or international conventions and agreements. In addition, we won't invest in production or trade in

OPERATIONAL HIGHLIGHTS

COMMITMENTS BY REGION, FY05 Includes IFC's account and syndications (millions of U.S. dollars)

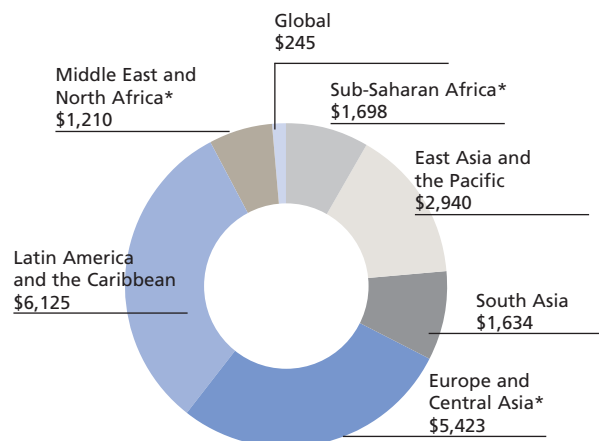
TOTAL \$6,449



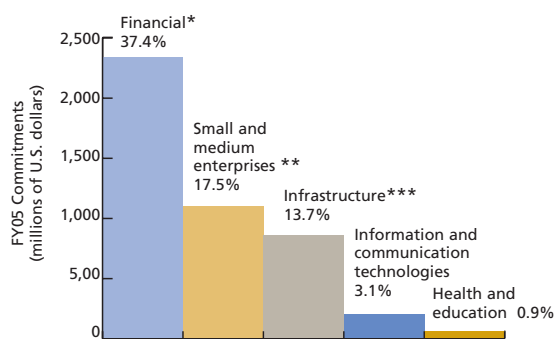
*Some amounts include regional shares of global projects.

INVESTMENT PORTFOLIO BY REGION, FY05 For IFC's account (millions of U.S. dollars)

TOTAL \$19,274



COMMITMENTS BY STRATEGY, FY05 Includes IFC's account and syndications



*Financial consists of finance and insurance, and collective investment vehicles.

**SME investments cut across industry sectors.

***Infrastructure consists of utilities and transportation.

MEETING DEVELOPMENT GOALS Commitments for IFC's account

	FY03	FY04	FY05
New investments in low-income* or high-risk countries**	28%	26%	28%
Mature projects with a positive contribution to development***	58%	58%	59%

*As defined by the World Bank.

**Rated 30 or below or unrated by Institutional Investor (Excludes regional and global projects).

*** Based on a random sample assessed against four development criteria: business success, economic sustainability, environmental and social effects, and private sector development. See www.ifc.org/lieg.

weapons and munitions, alcoholic beverages (excluding beer and wine), tobacco, radioactive materials, unbonded asbestos fibers, gambling, casinos, and equivalent enterprises, and drift net fishing in the marine environment using nets in excess of 2.5 kilometers in length.

TECHNICAL ASSISTANCE AND ADVISORY SERVICES

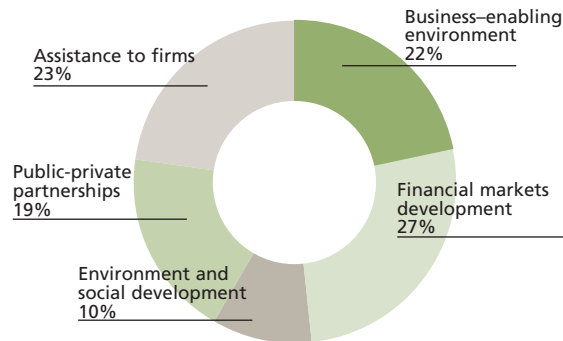
An important part of IFC’s role is to transfer not just capital but knowledge and expertise to our developing country partners. Increasingly, this added value is channeled through technical assistance (TA) and advisory services (AS), unbundled from the provision of capital. Knowledge about emerging trends and risk mitigation has been a key element in these services, and has broadened recently to include corporate governance and environmental and social management.

In FY05 nearly one-third of IFC’s staff were involved in these efforts, in Washington and in the field. Much of this work is conducted through units or programs managed by IFC but funded in partnership with donor governments and other multilateral institutions. IFC also makes cash contributions to the various TA activities from our own net income, which have increased steadily in recent years.

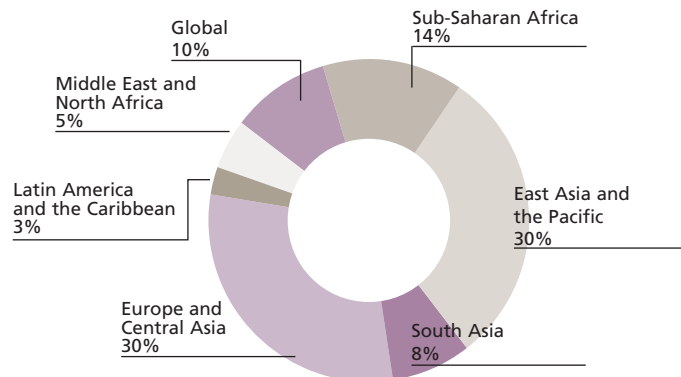
During FY05, donor-funded operations accounted for about \$108 million in expenditures. IFC provided more than \$57 million in funding. Cumulative contributions to all donor-funded operations managed by IFC reached \$1.11 billion through FY05.

IFC TECHNICAL ASSISTANCE AND ADVISORY SERVICES (TAAS)

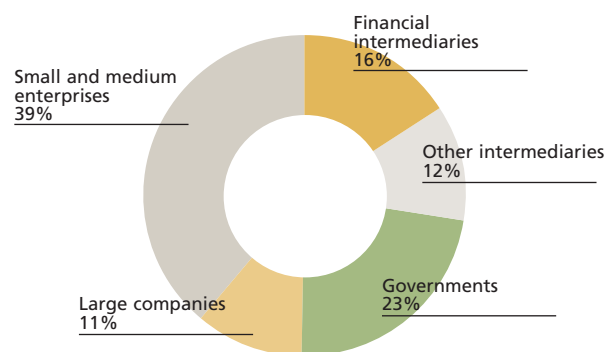
**MAJOR AREAS OF TAAS WORK
(percentage of approved funds for active projects, FY05)**



**GEOGRAPHIC DISTRIBUTION OF OPERATIONS
(percentage of approved funds for active projects, FY05)**



**GROUPS THAT BENEFIT
(percentage of approved funds for active projects, FY05)**



Approved funding for TAAS projects active in FY05 totaled \$276 million.

The data in these graphs were collected using new procedures implemented across IFC during FY05; they have not been audited.