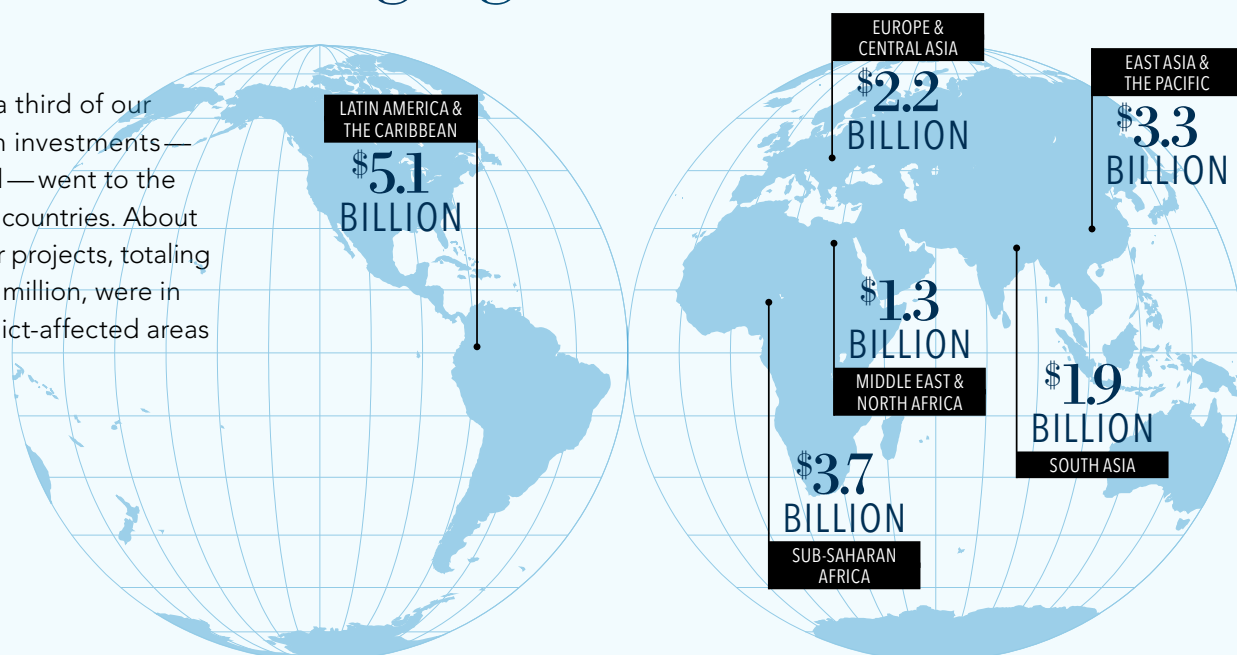


Highlights from the IFC Annual Report 2015

Our work helped spark opportunity in 100 developing countries, particularly in the most challenging markets.

More than a third of our long-term investments—\$4.7 billion in all—went to the world's poorest countries. About 10 percent of our projects, totaling more than \$600 million, were in fragile and conflict-affected areas of the world.



IFC OPERATIONAL HIGHLIGHTS	2015	2014	2013	2012	2011
Dollars in millions, for the year ended June 30					
LONG-TERM INVESTMENT COMMITMENTS					
Number of projects	406	364	388	365	324
Number of countries	83	73	77	78	82
For IFC's account	\$10,539	\$ 9,967	\$11,008	\$ 9,241	\$ 7,491
CORE MOBILIZATION*					
Syndicated loans ¹	\$ 4,194	\$ 3,093	\$ 3,098	\$ 2,691	\$ 4,680
Structured finance	—	—	—	—	—
IFC initiatives & other	\$ 1,631	\$ 1,106	\$ 1,696	\$ 1,727	\$ 1,340
Asset Management Company (AMC) funds	\$ 761	\$ 831	\$ 768	\$ 437	\$ 454
Public-Private Partnership (PPP) ²	\$ 548	\$ 113	\$ 942	\$ 41	—
Total core mobilization	\$ 7,133	\$ 5,142	\$ 6,504	\$ 4,896	\$ 6,474
INVESTMENT DISBURSEMENTS					
For IFC's account	\$ 9,264	\$ 8,904	\$ 9,971	\$ 7,981	\$ 6,715
Syndicated loans ³	\$ 2,811	\$ 2,190	\$ 2,142	\$ 2,587	\$ 2,029
COMMITTED PORTFOLIO					
Number of firms	2,033	2,011	1,948	1,825	1,737
For IFC's account	\$50,402	\$51,735	\$49,617	\$45,279	\$42,828
Syndicated loans ⁴	\$15,330	\$15,258	\$13,633	\$11,166	\$12,387
SHORT-TERM FINANCE					
Average Outstanding Balance	\$ 2,837	\$ 3,019	\$ 2,739	\$ 2,529	\$ 1,881
ADVISORY SERVICES					
Advisory Services program expenditures	\$ 202.1	\$ 234.0	\$ 231.9	\$ 197.0	\$ 181.7
Share of program in IDA countries ⁵	65%	66%	65%	65%	64%

\$ **17.7**
BILLION

in long-term investment commitments, including more than \$7 billion in funds mobilized from other investors

*Including global projects

Note: IFC changed its reporting practice regarding investment amounts, beginning in the current fiscal year. To align our approach with that of commercial banks, we now report short-term finance investments separately from long-term investments. Short-term investments are reported as the average outstanding balance for the year. This chart reflects five years' worth of data, calculated under the new reporting policy.

- * Financing from entities other than IFC that becomes available to client due to IFC's direct involvement in raising resources.
- 1. Includes B-Loans, Parallel Loans, MCPPL Loans, and A-Loan Participation Sales (ALPS).
- 2. Third-party financing made available for public-private partnership projects due to IFC's mandated lead advisor role to national, local, or other government entity.
- 3. Includes B-Loans, Agented Parallel Loans & MCPPL Loans.
- 4. Includes B-Loans, A-Loan Participation Sales (ALPS), Agented Parallel Loans, Unfunded Risk Participations (URPs) & MCPPL Loans.
- 5. All references in this report to percentages of advisory program expenditures in IDA countries and fragile and conflict-affected areas exclude global projects.

A Letter from IFC Executive Vice President and Chief Executive Officer, Jin-Yong Cai

The needs of developing countries are immense.

But our experience over the past two decades has shown that strong partnership between the public and private sectors can achieve dramatic results. Since 1990, the number of people living in extreme poverty has been reduced by more than half, and the size of the working middle class in developing countries has nearly tripled.

Now the global community has embarked on an ambitious initiative—the Sustainable Development Goals—to address the full spectrum of challenges that inhibit progress and prosperity in developing countries. Meeting these goals over the next 15 years will require trillions of dollars a year. It will require the world to unleash the power of market economies—which are most effective when they are fair, transparent, and inclusive. It's imperative for the public and private sectors to play their respective roles in this effort.

It's imperative for the public and private sectors to play their respective roles.

At IFC, we believe the private sector is essential for sustainable development—and we know how to forge the public-private partnerships necessary to address the most urgent challenges of development. In fiscal year 2015, our long-term investments in developing countries totaled \$17.7 billion, a 17 percent increase over the previous year. More than a third of that amount—over \$7 billion—was mobilized from other investors who joined us in our projects because of our 60-year track record of achieving strong development results along with sound financial returns.

Our work helped spark opportunity in more than 100 developing countries, particularly in the most challenging

markets. Our long-term investments in the poorest countries—those eligible to borrow from the World Bank's International Development Association—totaled nearly \$4.7 billion, accounting for over a third of our projects. About 10 percent of our projects, totaling more than \$600 million, were in fragile and conflict-affected areas of the world.

In doing so, we helped our clients improve lives and drive sustainable growth. Our clients provided 2.5 million jobs, helped educate 3.5 million students, and treated more than 17 million patients. They generated power for nearly 56 million customers, distributed water to more than 23 million, and provided gas to 35 million.

We did all of this despite turbulent market conditions, declining commodity prices, and political instability in several regions. During the year, IFC unveiled several projects with substantial development potential. We helped Colombia on an ambitious \$24 billion road-modernization project. We played a catalytic role in deepening India's capital markets, introducing an offshore rupee-denominated bond program whose success prompted the Indian central bank to consider permitting local companies to issue similar bonds in offshore markets. We agreed to provide a \$300 million financing package to help set up the largest wind farm in Central America.

IFC continued to deliver strong results for our clients through our advisory work. More than 90 percent of our



advisory clients expressed satisfaction with our work. Nearly two-thirds of our advisory work was in the poorest countries—including 20 percent in fragile and conflict-affected areas.

IFC Asset Management Company maintained its growth trajectory, increasing its assets under management to \$8.5 billion across nine investment funds, and mobilizing \$761 million for IFC projects.

I am proud of IFC staff's efforts in improving the lives of millions of people in developing countries. Much more can be done to tackle the challenges of development—especially in mobilizing the financing that will be needed to achieve the Sustainable Development Goals. I am confident IFC's performance has positioned us well to take on those challenges in the coming years.

A handwritten signature in black ink that reads "Jin-Yong Cai".

JIN-YONG CAI

*IFC Executive Vice President
and Chief Executive Officer*

DEVELOPMENT RESULTS



IFC FINANCIAL HIGHLIGHTS

Dollars in millions, for the year ended June 30*

	2015	2014	2013	2012	2011
Net income (loss) attributable to IFC	\$ 445	\$ 1,483	\$ 1,018	\$ 1,328	\$ 1,579
Grants to IDA	\$ 340	\$ 251	\$ 340	\$ 330	\$ 600
Income before grants to IDA	\$ 749	\$ 1,739	\$ 1,350	\$ 1,658	\$ 2,179
Total assets	\$87,548	\$84,130	\$77,525	\$75,761	\$68,490
Loans, equity investments, and debt securities, net	\$37,578	\$38,176	\$34,677	\$31,438	\$29,934
Estimated fair value of equity investments	\$14,834	\$14,890	\$13,309	\$11,977	\$13,126
KEY RATIOS					
Return on average assets (GAAP basis)	0.5%	1.8%	1.3%	1.8%	2.4%
Return on average capital (GAAP basis)	1.8%	6.4%	4.8%	6.5%	8.2%
Cash and liquid investments as a percentage of next three years' estimated net cash requirements	81%	78%	77%	77%	83%
Debt-to-equity ratio	2.6:1	2.7:1	2.6:1	2.7:1	2.6:1
Total resources required (\$ billions)	\$ 19.2	\$ 18.0	\$ 16.8	\$ 15.5	\$ 14.4
Total resources available (\$ billions)	\$ 22.6	\$ 21.6	\$ 20.5	\$ 19.2	\$ 17.9
Total reserve against losses on loans to total disbursed loan portfolio	7.5%	6.9%	7.2%	6.6%	6.6%

*See Management's Discussion and Analysis and Consolidated Financial Statements for details on the calculation of these numbers: <http://www.ifc.org/FinancialReporting>

DEVELOPMENT REACH BY IFC'S INVESTMENT CLIENTS

	PORTFOLIO CY13	PORTFOLIO CY14
INVESTMENTS		
Employment (millions of jobs) ¹	2.6	2.5
MICROFINANCE LOANS		
Number (millions) ²	29.0	43.6
Amount (\$ billions) ²	27.9	35.3
SME LOANS		
Number (millions) ²	5.3	4.3
Amount (\$ billions) ²	275.7	234.4
TRADE FINANCE		
Number (millions) ³	2.0	1.8
Amount (\$ billions) ³	310.0	266.0
CUSTOMERS REACHED WITH SERVICES		
Power generation (millions of customers)	51.3	55.8
Power distribution (millions of customers) ⁴	25.2	43.6
Water distribution (millions of customers) ⁵	28.4	23.4
Gas distribution (millions of customers) ⁶	39.8	35.0
Phone connections (millions of customers) ⁷	180.9	237.2
Patients served (millions)	27.1	17.3
Students reached (millions)	2.5	3.5
Farmers reached (millions)	2.9	3.4
PAYMENTS TO SUPPLIERS AND GOVERNMENTS		
Domestic purchases of goods and services (\$ billions)	34.3	51.9
Contribution to government revenues or savings (\$ billions) ⁸	19.1	19.5

These figures represent the total reach of IFC clients as of end of CY13 and CY14. CY13 and CY14 portfolio data are not strictly comparable, because they are based on a changed portfolio of IFC clients. For microfinance and SME loans, results also reflect contributions from Advisory Services. While numerous controls are performed on the data provided by clients, they are sometimes based on estimates and the understanding of the indicator definitions may vary slightly between clients.

1. Portfolio figures for employment include jobs provided by Funds.

2. Portfolio reach figures represent the micro, small, and medium outstanding loan portfolio of IFC clients as of end CY13 and CY14, for MSME-oriented financial institutions/projects. 93% of the 331 clients required to report in CY14 did so. The missing data were extrapolated. Data for the number and amount of loans for CY13 revised due to restated values from several clients.

3. Estimate of the number and dollar volume of trade transactions financed by the Global Trade Finance Program's network of emerging-market banks, based on actual data from over 90% of the network's active banks and extrapolation for the rest. CY13 and CY14 figures are not strictly comparable due to changes in methodology applied for CY14. Numbers reflect transactions directly guaranteed by IFC as well as those executed by network banks that have been supported by the program.

4. CY13 total power distribution revised due to the restatement of one client value in Latin America and the Caribbean.

5. CY13 water distribution revised due to the restatement of two client values in Latin America and the Caribbean.

6. One client in East Asia and the Pacific contributed 31.8 million of gas distribution customers in CY14.

7. One client in South Asia contributed 135.8 million of phone connection customers in CY14.

8. CY13 total payments to governments revised due to the restatement of two client values in Latin America and the Caribbean.

Throughout our history, IFC has made a practice of taking on difficult tasks — knowing that the lessons we learn will help us steer the private sector to make a greater contribution to growth and poverty reduction.

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in developing countries.

Established in 1956, IFC is owned by 184 member countries, a group that collectively determines our policies.

With a global presence in 100 countries, a network consisting of hundreds of financial institutions, and more than 2,000 private sector clients, IFC is uniquely positioned to create opportunity where it's needed most.

We use our capital, expertise, and influence to help end extreme poverty and boost shared prosperity.

STAY CONNECTED

IFC website: ifc.org

Facebook: facebook.com/IFCwbg

Twitter: twitter.com/IFC_org

YouTube: youtube.com/IFCvideocasts

Instagram: [IFC_org](https://www.instagram.com/IFC_org)



CREATING OPPORTUNITY WHERE IT'S NEEDED MOST

2121 PENNSYLVANIA AVENUE, NW
WASHINGTON, DC 20433 USA

202 473 3800

FY15 LONG-TERM COMMITMENTS

Dollar amounts in millions, for IFC's own account as of June 30, 2015

Total	\$10,539 (100.0%)
BY INDUSTRY	
Financial Markets	\$4,697 (44.6%)
Infrastructure	\$2,056 (19.5%)
Agribusiness & Forestry	\$1,375 (13.1%)
Consumer & Social Services	\$748 (7.1%)
Oil, Gas & Mining	\$515 (4.9%)
Funds	\$507 (4.8%)
Manufacturing	\$365 (3.5%)
Telecommunications & Information Technology	\$275 (2.6%)

BY REGION	
Latin America and the Caribbean	\$2,379 (22.57%)
East Asia and the Pacific	\$2,288 (21.71%)
Sub-Saharan Africa	\$1,831 (17.38%)
Europe and Central Asia	\$1,534 (14.55%)
South Asia	\$1,402 (13.30%)
Middle East and North Africa	\$893 (8.47%)
Global	\$212 (2.01%)

Some amounts include regional shares of investments that are officially classified as global projects.

BY PRODUCT	
Loans ¹	\$7,019 (66.60%)
Equity ²	\$3,187 (30.24%)
Guarantees	\$273 (2.59%)
Risk-management products	\$60 (0.57%)

1. Includes loan-type, quasi-loan products.

2. Includes equity-type, quasi-equity products.

FY15 COMMITTED PORTFOLIO

Dollar amounts in millions, for IFC's own account as of June 30, 2015

Total	\$50,402 (100%)
BY INDUSTRY	
Financial Markets	\$16,046 (32%)
Infrastructure	\$9,919 (20%)
Manufacturing	\$5,429 (11%)
Consumer & Social Services	\$4,289 (8%)
Funds	\$4,163 (8%)
Agribusiness & Forestry	\$3,401 (7%)
Oil, Gas & Mining	\$2,640 (5%)
Trade Finance	\$2,665 (5%)
Telecommunications & Information Technology	\$1,849 (4%)

BY REGION	
Latin America and the Caribbean	\$11,198 (22%)
Europe and Central Asia	\$8,947 (18%)
Sub-Saharan Africa	\$8,681 (17%)
East Asia and the Pacific	\$8,398 (17%)
South Asia	\$6,053 (12%)
Middle East and North Africa	\$5,923 (12%)
Global	\$1,203 (2%)

Amounts include regional shares of investments that are officially classified as global projects.

FY15 ADVISORY SERVICES PROGRAM EXPENDITURES

Dollar amounts in millions

Total	\$202.1 (100%)
BY REGION	
Sub-Saharan Africa	\$53.6 (26.5%)
East Asia and the Pacific	\$38.5 (19.0%)
Europe and Central Asia	\$33.7 (16.7%)
South Asia	\$22.9 (11.3%)
Latin America and the Caribbean	\$21.8 (10.8%)
Middle East and North Africa	\$20.5 (10.1%)
Global	\$11.1 (5.5%)

BY BUSINESS AREA	
Financial Sector	\$64.0 (31.7%)
Investment Climate	\$50.5 (25.0%)
Public-Private Partnerships	\$30.9 (15.3%)
Cross-Industry Areas	\$27.8 (13.8%)
Energy & Resource Efficiency	\$16.9 (8.4%)
Agribusiness	\$11.9 (5.9%)