

OPIC Approves \$50 Million for New Africa Investment Fund Will focus on high-growth opportunities

Washington -- The board of directors of the Overseas Private Investment Corporation (OPIC) April 27 approved \$50 million in financing to support the establishment of a new private equity investment fund that could ultimately invest as much as \$200 million in growing businesses throughout sub-Saharan Africa.

The OPIC loan will support the Sub-Saharan Africa Fund, whose investment strategy will center on the development of high-growth-potential startup opportunities, as well as larger buyout opportunities, according to an OPIC press release.

The fund will focus on the West African region, with an emphasis on Nigeria, and also on opportunities within countries of the Southern African Development Community. The fund has a target capitalization of \$200 million.

The fund manager, Helios Investment Partners, will institutionalize the businesses in which it invests by recruiting high-level management talent, developing financial controls and spearheading strategies for entry into other African markets.

The fund is expected to generate more than \$12 million in annual tax revenue for host-country governments, as well as 1,800 permanent local jobs and more than \$800 million in procurement in host countries.

Helios also was selected in 2004 to manage the sub-Saharan portfolio of the OPIC-supported Modern Africa Growth Fund, along with Baring Private Equity Partners.

OPIC was established as an agency of the U.S. government in 1971 to help U.S. businesses invest overseas, foster economic development in new and emerging markets, complement the private sector in managing risks associated with foreign direct investment and support U.S. foreign policy. Because it charges market-based fees for its products, it operates on a self-sustaining basis at no net cost to U.S. taxpayers.

OPIC's political risk insurance and financing help U.S. businesses of all sizes invest in more than 150 emerging markets and developing nations worldwide. Over the agency's 33-year history, it has supported \$164 billion worth of investments that have helped developing countries generate more than 732,000 host-country jobs and \$13 billion in host-government revenues.