

REPORT FROM OPIC PROJECT TEAM TO BOARD OF DIRECTORS

SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Name of Fund:	African Telecoms Media and Technology Fund (the “Fund”), to be established under the laws of the Cayman Islands.
Sponsor:	East Africa Capital Partners (the “Fund Manager”)
Fund Description:	The Fund plans to invest in East African technology, media and communications companies. The Fund Manager’s strategy is to invest in developing an effective broadband infrastructure to serve Kenyan and Tanzanian customers, and simultaneously to invest in related telecom and media businesses in East Africa, including Kenya, Tanzania, Uganda, Malawi and Rwanda.
Target Fund Capitalization:	The target size of the Fund is \$100 million.
Proposed OPIC Loan:	OPIC loan of up to \$50 million in principal plus accrued and accreted interest thereon. The term of the OPIC loan would be coterminous with the life of the Fund.
Term of Fund:	Up to 10 years, with the possibility of two one-year extensions.
Selection Process:	Working with the consultant Dalberg, Global Development Advisors (“Dalberg”), the OPIC Evaluation Committee selected the Fund through the African Social Development Call for Proposals (“ASD Call”) process launched June 6, 2007. The purpose of the ASD Call was to encourage the development of private equity funds that are expected to have particularly compelling positive social benefits as well as financial and economic development benefits. The ASD Call generated 31 proposals for various social development strategies throughout Africa. The Evaluation Committee short-listed six proposals for due diligence and eventually selected three proposals as meeting the criteria outlined in the ASD Call. Three additional proposals were deemed to require additional due diligence prior to a final decision by the Evaluation Committee.
Developmental Effects:	The Fund is expected to have a significant developmental impact on the East African region. By building a state of the art broadband network in Eastern Africa, the Fund will offer more and better telecommunications products and services to consumers for lower prices. The Fund plans on implementing advanced technology, whether that is fiber optic cable or wireless networks. By offering its

	<p>“triple-play” services (internet, TV, and phone) at prices that are lower than current telecom prices for simple internet access, the Fund hopes to offer better services at much lower prices. The Fund plans on offering a complete new line of services for SME’s that will assist in growing internet commerce in the region. The Fund also plans on providing broadband service to rural communities that have poor coverage for phone, internet and TV services. The Fund hopes to partner with host country governments as it partnered with the government of Kenya on a previous IT project. By acquiring local telecommunications assets, the Fund hopes to increase efficiency and improve the management of local firms. The Fund will have strong multiplier and economic diversification effects by providing local SMEs with lower telecommunications costs, better IT infrastructure, and new services that will improve their efficiency.</p>
<p>Environment:</p>	<p>Category D. Downstream investments by the Fund will be screened and subject to the full scope of OPIC’s environmental assessment process.</p>