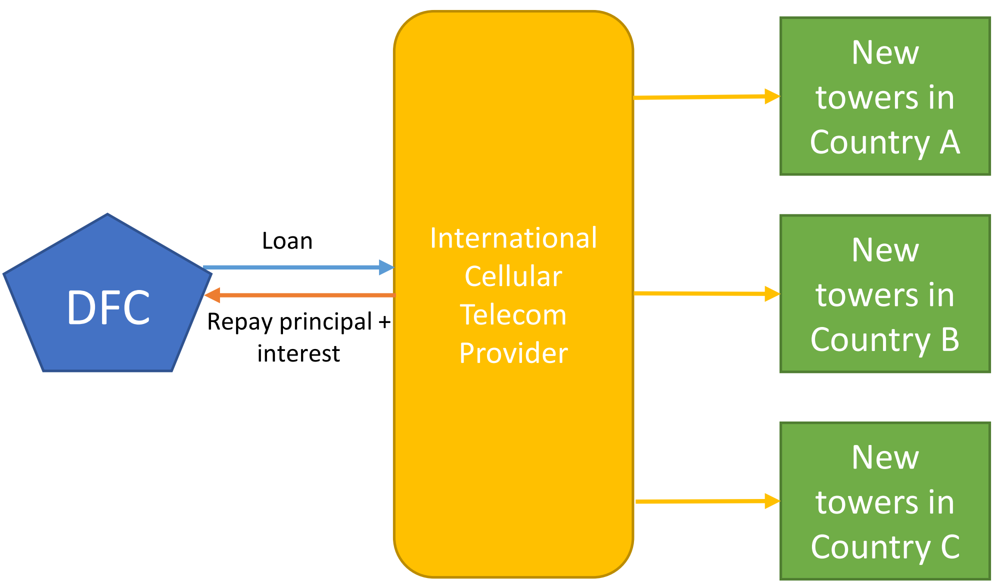
Corporate Finance Structure

Example 1: Tangible Expansion

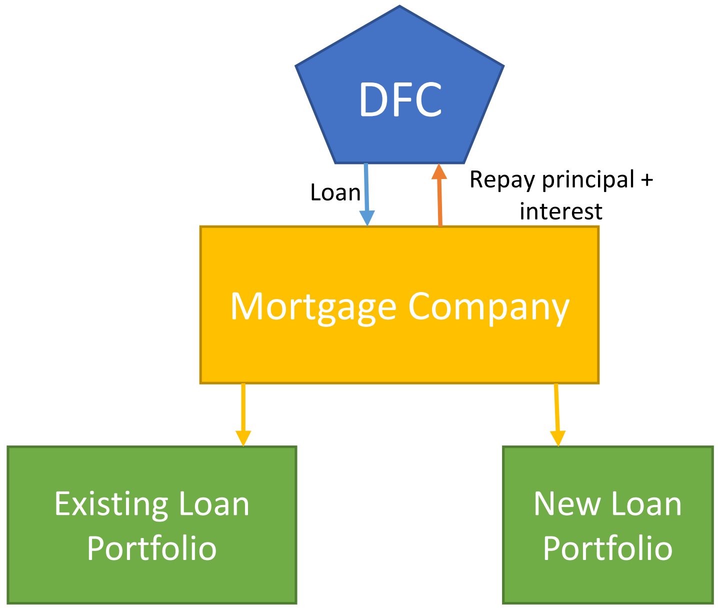
Telecom Expands into New Markets



- An established telecommunications company decides to build out new call tower networks in one or more low income countries.
- DFC provides a loan to the "parent" company rather than the individual cell tower projects.
- The parent company is the primary source of repayment.

Example 2: Intangible Expansion

New Developmental Mortgage Product



- An existing mortgage provider wants to expand its offerings to provide affordable mortgages for low income women.
- DFC provides a loan to the mortgage company, which it will use to extend the new type of mortgage.
- DFC depends on the overall performance of the mortgage provider for repayment.

Corporate Finance Funding

- In a corporate finance structure, the "project(s)" being undertaken are not stand-alone borrowers. They are parts of a larger operating entity whose track record and financial strength are key to the success of the transaction.

- Therefore, DFC needs to understand the current financial condition of the operating entity and the expected impact of undertaking the expansion and taking on associated funding.

Current →	**Future**
• Assets	• Assets
• Liabilities	• Liabilities, including DFC Debt
• Net Worth	• Net worth, including DFC Equity (if applicable)