



Creating Markets, Creating Opportunities

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IFC Invests in Turkey's Yapi Merkezi To Help Build High Quality Railroads in Africa

Istanbul, Turkey, 12 July 2018— IFC, a member of the World Bank Group, has provided and mobilized a \$100 million equivalent of Euro and USD loan facility to Yapi Merkezi Holding, the parent company of Turkish construction company Yapi Merkezi Insaat ve Sanayi (YMI), to support the company's expansion in Sub-Saharan Africa, Middle East and North Africa and Turkey. The investment will help to increase private sector's role in challenging markets to build transport infrastructure.

The three-year term financing consists of a \$75 million equivalent in Euro and USD loan from IFC's own account and a \$25 million equivalent in Euro syndicated loan from Akbank AG under IFC's B-loan structure. The financing package will provide YMI with working capital to allow timely completion of existing transportation infrastructure projects in Africa, MENA and Turkey and further support the company's expansion in these markets.

Yapi Merkezi has expressed that the values it is upholding and the goals it is pursuing in carrying out its business are very much in harmony with those of IFC. Yapi Merkezi believes that this financing will provide a strong impetus to better serve its customers around the world.

Many countries in Africa suffer from an acute shortage of infrastructure, stifling the region's economic growth and hampering its global competitiveness. Annual infrastructure investment needs are estimated at \$93 billion, but actual investments average only less than half of that amount. Yapi Merkezi is building a total of 950 km railways in Africa, which will be instrumental in increasing exports for commodities such as gold and coffee. The company is also building railways, tramways and metro systems in the MENA region including Turkey as well as the world's longest span suspension bridge in Turkey.

Carsten Mueller, IFC's Regional Industry Head for Manufacturing, Agribusiness and Services in Europe, Middle East and North Africa said: "One of our priorities in Turkey is to support the international expansion of strong, competitive Turkish companies. YMI has a proven track-record in investing in the challenging construction markets in Africa and MENA, as well as Turkey. Such cross-border investments will help pave the way for increased private sector investments and close the infrastructure investment gap."

Over the past decade, IFC has invested more than US\$12 billion in 350 projects that supported urban development in more than 60 countries.

About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with more than 2,000 businesses worldwide, we use our capital, expertise, and influence to create markets and opportunities in the toughest areas of the world. In FY17, we delivered a record \$19.3 billion in long-term financing for developing countries, leveraging the power of the private sector to help end poverty and boost shared prosperity. For more information, visit www.ifc.org

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