



Eye Fund 1

An investment opportunity to reduce blindness, grow the outreach of sustainable eye hospitals, and initiate transformation in the financing of the eye care industry that serves the poor



Disclaimer:

The following represents a summary of the terms of a proposed transaction. It is neither a solicitation to buy nor an offer to sell any securities and we make no representations or warranties regarding its accuracy or completeness. In the event the securities described herein are offered, such offer will only be made to Accredited Investors (as defined in Regulation D under the US Securities Act) pursuant to a definitive offering memorandum, which should serve as the basis for any investment decision after consultation with your own advisers.

“To see is the right of every human being, and no one should remain blind due to lack of simple delivery of eye care.”

--Dr. G. Venkataswamy, Founder, Aravind Eye Hospitals



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Executive Summary

The Context: 161 million people with sight impairments worldwide. 90% of blind people live in the developing world.

The Tragedy: 75% can be cured, but grant resources are limited.

The Model: 250 eye care hospitals worldwide serving poor patients through cross-subsidization.

The Goal: Scale-up this nascent industry by introducing organized debt financing.



Structure

Designed to Preserve Investor Capital
 Provides Reasonable Return to Investor with Minimum Cost to Borrower

Investor Protections:

- 84% first-loss protection to commercial socially motivated investors provided by Deutsche Bank, foundations, and development agencies
- 1% loan loss reserves
- 6-month interest reserve

\$14.48 million		<u>Fixed Returns</u>
\$2.3 million Senior Debt		1.39% pa
\$10.18 million Subordinated Loans		Average of 3.62% pa
\$0.5 million Subordinated Debt		2% pa
\$1.5 million Equity		1% dividend





Investors

 storebrand



Storebrand Livsforsikring	Norway
SPP Livförsäkring AB	Sweden
Agence Francaise de Developpement	France
Overseas Private Investment Corporation	USA
The Bernard A. Newcomb Foundation	USA
Deutsche Bank Americas Foundation	USA
COFRA Foundation	Switzerland
Janet A. McKinley	USA



Partners

Eye Fund I is a Collaboration of Exemplary Private Sector/NGO Institutions

	<ul style="list-style-type: none"> • Leading financing institution in the realm of social investing. • Will invest \$1 million in the Eye Fund's equity tranche. • Will be managed by a proven team of Deutsche Bank portfolio managers.
	<ul style="list-style-type: none"> • Will provide technical advice to the Eye Fund. • Established in 1975 • A coordinating global umbrella organization that mobilizes resources for blindness prevention activities. • Brings together 70 members including professional associations, NGOs, educational institutions and others
	<ul style="list-style-type: none"> • Has played a key role in bringing the parties to this transaction. • Global association of the world's leading social entrepreneurs. • Since 1980, it has evaluated and supported approximately 1700 social entrepreneurs in 64 countries.





The Need

90% of All Blind Individuals Live in Developing Countries

WHO estimates 37 million people are blind and more than 124 million have low vision worldwide.

Without proper intervention, the number of blind people is expected to more than double to 75 million by 2020.

Blindness is One of The World's Most Tragic—and Treatable—Problems

70% of blindness cases are caused by cataracts, trachoma, or glaucoma

3 out of 4 cases of blindness are curable or preventable

Prevention and cure of blindness is one of the most successful and cost effective of all health interventions





The Strategy

Eye Fund I Will Catalyze the Growth of the Blindness Prevention Industry

With Eye Fund financing, eye hospitals will:

- Construct new facilities
- Purchase specialized equipment
- Expand outreach programs
- Provide training

Countries Include:

Nigeria, China, Paraguay



The Global Eye Care Industry

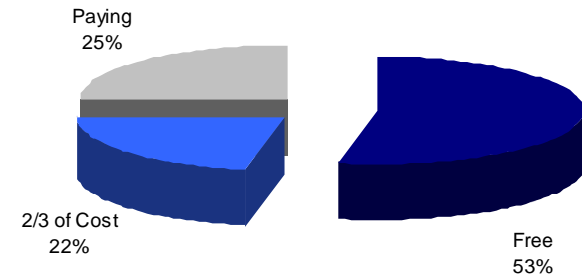
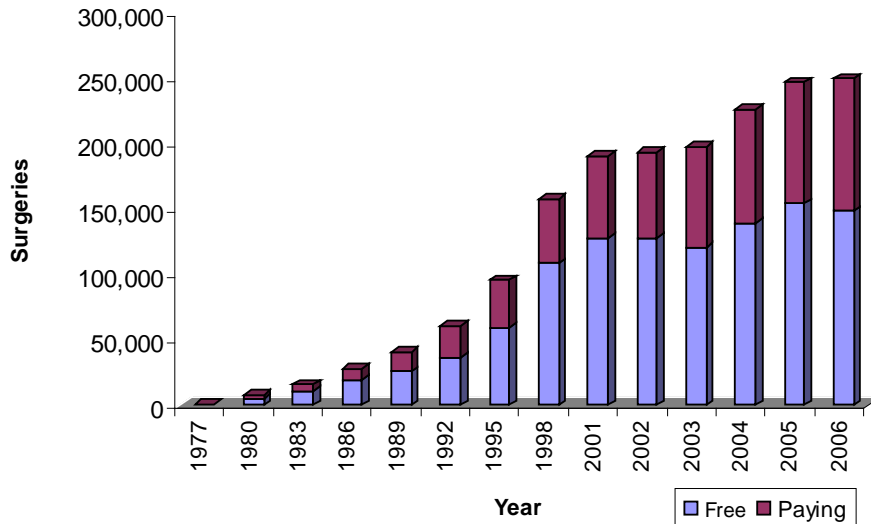
Since 1980, 250 Organizations Have Provided Free Eyecare to the World's Poor

Tiered-pricing model: higher income patients subsidize lower income patients.

Aravind Eye Hospital (India) Provides a Case Study

Since 1976 the hospital has delivered more than 18 million outpatient services. Fee-for-service patients cross-subsidize services for those who cannot afford them.

Aravind Hospital Surgery Volume (1977-2006)





Candidate Borrowers

Attributes of Candidate Borrowers: Affordable Pricing, Innovative Products, Efficiency, High Quality Service

Organization	Loan Request	Use of Proceeds
Eye Foundation Hospital (Lagos, Nigeria)	\$7,000,000	Build a high turnover, high volume 35 bed and 2 operating room hospital. Purchase new equipment for sub-specialty units. Build a modern Eye Foundation Hospital in the mainland area of Ikeja, Lagos.
He Eye Hospital (Shenyang , China)	\$7,000,000	Expand the base hospital. Set up three community hospitals in Dalian, Huludao and Yingkou. Provide community screenings and various trainings. Establish a dedicated Lasik Center in downtown Shenyang.
Fundacion Vision (Asuncion, Paraguay)	\$250,000	Complete the medical institute and increase the number of consultation rooms.





Sound Fundamentals

Enormous Market Demand and Growth Potential

There are 161 million people with visual impairments

Each year an additional 1-2 million people go blind worldwide

Without proper intervention, the number of blind people will double from 37 million to 75 people by 2020

Proven Sustainable Methodology

Successful eye hospitals have created a sustainable model by:

Reducing cost per surgery

Expanding customer base

Improving quality of service

Cross-subsidizing to provide services regardless of ability to pay



Management Team

Deutsche Bank Community Development Finance Group is a Leading Social Investor
With a Global Reach

- First wholesale bank to achieve “Outstanding” rating from the Federal Reserve Bank of NY; maintained this rating for the past 13 years
- First global bank to launch a non-profit fund solely dedicated to microfinance, the Deutsche Bank Micocredit Development Fund; also launched the Global Microfinance Consortium.
- Eye Fund will be in a position to benefit from DB’s relationships with commercial banks around the world.
- Eye Fund will have access to the significant transaction expertise of Deutsche Bank, with a local presence in 74 countries that provides a valuable local knowledge base.
- Two most senior officers of the team have collectively over 45 years successful experience in banking and development.





Advisory Committee

Represents Leading Professionals in Eye Care and Development Finance



Mr. David Green, Vice-President, Ashoka



Mr. RD Thulasiraj, Executive Director, Lions Aravind Institute for Community Ophthalmology



Mr. Asad Mahmood, Managing Director, DB-CDG



Dr. Nag Rao, Distinguished Chair of Eye Health, LV Prasad Eye Institute



Mr. Christian Garms, Senior Vice President, International Agency for the Prevention of Blindness



Mr. Hugh Taylor, Director, Eye Research, Australia





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