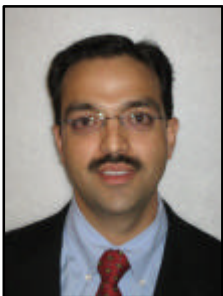




Trade India Quarterly

July 1 – Sept. 30, 2007

Export Development Canada (EDC) is Canada's official export credit agency offering innovative commercial solutions to help Canadian exporters and investors expand their international business. EDC is a recognized leader in financial reporting, economic analysis and human resource management. Its services, knowledge and partnerships are used by over 7,000 Canadian companies and their global customers in up to 200 markets worldwide each year. EDC established permanent representation in India in April 2005.



EDC Appoints New Regional Manager for Mumbai

EDC has appointed Mr. Rajesh Sharma as its new Regional Manager in Mumbai. He will be based at the Canadian Consulate General in Mumbai. Mr. Sharma has worked for the Export Import Bank of India in Mumbai since 2001. During his tenure there, he held

key roles in business development, client account management and project operations, most recently as Chief Manager, Corporate Banking Group. Mr. Sharma holds Masters in Business Economics (University of Delhi) and Bachelors in Business Administration (Himachal Pradesh University) degrees.

Mr. Sharma will report to EDC's Chief Representative in India—Peter Nesbitt who is based in New Delhi—and will be a key player in helping EDC to grow its business in this key strategic market. He will work closely with Mr. Nesbitt to identify and generate new transactions opportunities in Mumbai and Western India through relationship development and partnering with local banks, companies and intermediaries. An event to formally launch the new EDC representation is planned for November during a market visit by EDC's President and CEO Eric Siegel.

Corporate News

The Honourable David Emerson, Minister of International Trade recently announced the appointment of Jim Dinning as EDC's Chairman of the Board.

Jim Dinning was a member of the Legislative Assembly of Alberta from 1986 to 1997. During this period, he served in a variety of key positions in the provincial government, including Minister of Education (1988-1992) and Provincial Treasurer (1992-1997). Mr. Dinning also has extensive experience in the private sector as a senior executive and as chair and director of a number of multinational and export-oriented Canadian companies.

EDC Makes First Equity Investment in India

EDC completed its first equity investment in India in August 2007 by committing \$7.5 million in **AVIGO SME FUND II**, an Indian private equity fund.

Avigo's objective is to invest in high-growth small- and medium-sized enterprises in India's burgeoning industrial sector. Founded in 2003 and based in New Delhi, Avigo has successfully raised and invested its first fund (the "Avigo SME Fund I"), and recently completed fundraising for a second fund, of up to US\$125 million, in which EDC is an investor.

Avigo has a unique Canadian connection through its managing director Achal Ghai, a Canadian citizen and former investment banker with CIBC.

EDC will work with Mr. Ghai and his team to introduce Avigo's portfolio companies to a number of Canadian companies to explore technical alliances, strategic partnerships, as well as more traditional sales of equipment and technology.

Recent EDC Financing Transactions (2007)



EDC recently concluded a US\$100 million dollar participation in a landmark 10-year, US\$2 billion syndicated loan to **Reliance Industries Limited (RIL)**. Reliance Industries (www.ril.com) is India's largest private sector company and actively involved in oil and gas exploration, petrochemicals and retailing. The loan is to be used for Reliance's gas exploration and development project off the east coast of India. This facility will facilitate a broad range of Canadian oil and gas equipment and service suppliers to work with Reliance.



EDC is providing financing of US\$20 million in a US\$200 million syndication for **Larsen & Toubro Limited** (www.larsentoubro.com) the leading engineering and construction company in India. EDC's participation will encourage and promote the use of Canadian technology, equipment and services in Indian infrastructure projects being undertaken by L&T.

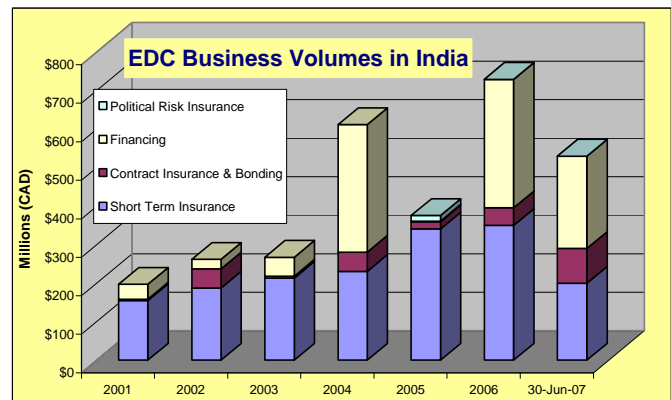


EDC has concluded a financing arrangement with **Tata Autocomponent Systems Limited** (www.tacogroup.com) to finance the import of a piece of equipment supplied by Husky Injection Molding Systems of Bolton, Ontario. TACO is part of the Tata Group, one of India's leading and most respected Business Groups.



EDC has concluded a \$34 million participation in a 5-year syndicated term loan extended to **Hutchison Essar Limited** (www.hutch.in) and its subsidiaries. This facility further promotes and facilitates Canadian procurement opportunities in the Canadian telecom sector.

EDC Experiencing Record Business Volumes in India



EDC's business volume in the Indian market is growing at a rapid pace. As of June 30, 2007, EDC's business volume reached \$550 million, compared with \$248 million for the same period last year. The number of Canadian companies that EDC is supporting is also growing steadily and now numbers over 150, of which two-third are small- and medium-sized enterprises.

Calendar of EDC-sponsored events

September 14, 2007 (Vancouver)

C-IBC Financial Sector Seminar

September 24-28, 2007 (New Delhi, Hyderabad, Kolkata)

C-IBC Mining Mission to India

September 27, 2007 (New Delhi)

EuroMoney Project Finance Infrastructure Forum

November 14, 2007 (Mumbai)

EDC Launch of Mumbai Representation

Questions/Comments?

For more details on any of the above or more information on EDC in India please contact:

Peter L. Nesbitt, Chief Representative, India

Export Development Canada

c/o Canadian High Commission

7/8 Shantipath, Chanakyapuri, New Delhi 110021 India

Tel: +91-11-4178-2603 / Fax: +91-11-4178-2607

india@edc.ca

www.edc.ca

Marvin K. Hough

EDC Regional Vice-President – Asia

Export Development Canada – Head office

151 O'Connor, Ottawa, Ontario

Tel: (613) 598-6887 Fax: 613-598-2503

mhough@edc.ca

www.edc.ca