

The Definition of Project Finance:
Comparison of Project- vs. Corporate-Financed Investment

Project-Financed Investment

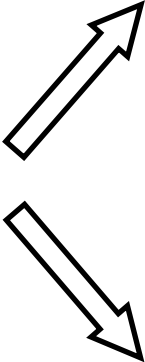
**Corporation
("Sponsor")**

Project Company

Asset A	Debt _{Spons}	Asset B	Debt _{Proj}
Equity _{Proj}	Equity _{Spons}		Equity _{Proj}

**Corporation
(Pre-investment)**

Asset A	Debt _{Corp}
	Equity _{Corp}



Corporate-Financed Investment

Corporation

Asset A	Debt _{Corp}
Asset B	Equity _{Corp}

