

Development of the Port of Baku
Port Master Plan
Financial and Economic Impact Analysis
Phase III Final Report,
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1 Background and methodology.

The overall purpose of this volume of the report is to perform an overall financial and economic evaluation of the proposed investments to be made in the port of Baku. The main inputs for the analyses performed in this volume is derived from the evaluations and assessments made in the previous volumes. The inputs derived from the other volumes are briefly summarised in this volume of the report. To perform the financial and economic analyses it has been necessary to make assessment of additional input factors for the calculation of expected revenues and costs. The assumptions made and input factors in this respect are described in this volume.

The overall macroeconomic situation in Azerbaijan is in a state of transition from the command economy of the former Soviet Union to a modern market economy. As a result of this transition, the cost of the input factors, some of which are currently maintained at an artificially low level, can be expected to be increased to a more realistic market price level over the forecast period.

Rather than trying to forecast the level of inflation that can be expected and thus the ensuing escalation in revenues and costs, all figures have been expressed in constant US dollars (USD). All increases in costs and revenues described in this report are therefore real increases.

The port is engaged in several other activities other than the cargo handling of dry bulk, neobulk and general cargoes, such as the operation of an oil terminal and liquid bulk storage activities, operation of the harbour fleet in the port of Baku, generation of steam for the area surrounding the port and several other non-cargo related activities. The revenues and costs of these activities have not been included as part of this analysis, since they are not directly concerned with the proposed investments for cargo handling facilities and equipment of the port.

It should also be noted that the financial and economic impact of the ferry terminal has only been included to the extent that cargoes to and from the ferry are handled in the cargo terminal of the port. In this connection it is expected that the port will handle intermodal containers arriving and departing by rail to and from the ferry. These containers, which will be transferred between railcars and yard trailers and container chassis, will be handled through the container yard (CY) at the port using the facilities and equipment of the port. The trailers and chassis will be owned or controlled by the ferry operator.

In this volume the overall feasibility and viability of the port of Baku is view from two different perspectives:

- The financial feasibility and viability perspective, which is primarily concerned with the financial and cash flow position of the port to evaluate the investments from a microeconomic point of view in terms of their profitability and the port's ability to generate a sufficient cash flow to repay the banks and financial institutions providing funds to rehabilitate and upgrade, reconstruct and acquire facilities and equipment.
- The economic impact perspective, which evaluates the expected impact of the port activities and the investments to be made from a macroeconomic point of view in terms of the regional and national economy of the country.

2 The current financial situation of the port.

The balance sheets and income statements of the International Sea Port of Baku for the period from 1992 to 1995 plus for the first nine months of 1996 are presented as Table 1. The data has been translated and to the extent possible presented according to normal accounting practices in the industrial world. The data is presented both in the local currency (i.e. Russian roubles until 1992 and in Azerbaijan manats in ensuing years) and also in USD using the exchange rates at the time of reporting.

2.1 The Balance Sheet.

The data for the balance sheet has been extracted from the accounting records of the port and reconstructed to present them in according to accepted international standards. The following comments should be noted:

- There have been no major investment projects in the port during the period 1992 to 1996. The increases in the fixed asset values are therefore the result of reevaluations of the assets according to factors set by the government. In 1992 the total fixed assets of the port were assessed at a value equivalent to USD 352,000, while as of September 1996 the valuation was increased to USD 2.8 million. Although the assets of the port in terms of civil works, buildings and equipment can be considered to be in a state of disrepair requiring extensive rehabilitation and reconstruction, the book value assets of the port are grossly undervalued compared to the true market value.
- The trade debtors/account receivable have shown a dramatic increase in 1996. As per December 31, 1995 the outstanding receivable were the equivalent of USD 812,000, while as per September 30, 1996 this had increased to USD 2,672,000. Most of these receivable are long overdue. While there are a number of companies listed in the accounts receivable with overdue accounts, the largest single account is that of the Caspian Shipping Company (CSC). The collection of these receivables will be based on a political decisions by the Cabinet of Ministers, since the CSC and most of the other companies with overdue accounts are government owned and controlled corporations.
- The company has no long term liabilities, and the short term liabilities, most of which are provisions of USD 2.5 million, total USD 3.0 million. The account payable are only USD 272,000.
- The shareholders' funds are USD 10.3 million, which given the low valuation of the assets is also grossly understated compared to the market value of the port assets.

Even if the port will have to write off major portions of the accounts receivable as losses, the financial situation of the port will continue to be solid.

2.2 The Income Statement.

The accounting records of the Port of Baku is structured in such as way that it is not possible to determine the true profitability of the activities in the port. The profitability as indicated by the proportion of "Net profit after taxes" compared to total revenues can on a historical basis be determined to be exceptionally high, although it has decreased from 49% in 1993 to 29% in 1995. In the first six months of 1996 the reported profitability dropped to 14%. It should, however, be noted that the reduction in profitability from 1995 to 1996 is the result of a government decree changing the accounting principles for the reporting sales for 1996 compared to previous years. Up until to December 31, 1995 all sales were reported in the income statement as invoiced. From January 1, 1996 the accounting principles were changed to report only the sales, for which payments have been received. As a result, the reported sales have decreased significantly in 1996.

2.3 Estimated revenues of the port for 1997 based on contracts.

In Section 6 of Volume II of the report the current contract situation of the port is presented. The cargo volumes for 1996 and the expected volumes for 1997 along with the cargo handling revenues for these activities are summarised in Table 2.

Table 2
Contract cargoes and cargo handling revenue estimates for the ISPB - 1996 and 1997.

Commodity handled	1996	1997	Handl. rates (USD/ton)	1996	1997
	cargoes (tons)	cargoes (tons)		Revenues (USD)	revenues (USD)
Building materials		50,000	2.00	0	100,000
Salt	80,000	300,000	2.50	200,000	750,000
Grain	65,000	100,000	1.75	113,750	175,000
Coal		50,000	2.10	0	105,000
Timber/lumber	15,000	100,000	5.00	75,000	500,000
Metals	20,000	50,000	5.50	110,000	275,000
Scrap		100,000	2.80	0	280,000
Paper		30,000	7.00	0	210,000
Project cargoes		30,000	10.00	0	300,000
Misc. gen. cargoes	124,000	300,000	4.50	558,000	1,350,000
Containers		500	75.00	0	37,500
Stuffing/stripping		2,000	4.50	0	9,000
Oil	160,000	200,000	0.57	91,200	114,000
Water	200,000	200,000	0.20	40,000	40,000
Total	664,000	1,512,500		1,187,950	4,245,500

It should be noted that the revenues from the ferry terminal is not included as part of the above estimates. While there always are uncertainties associated with contracted volumes of cargoes to be handled, since most contracts are indications of volumes rather than commitments, it is still interesting to note that the contracts entered to date for 1997 exceed the forecasted cargo volumes for the most likely scenario for the baseline year 2000 for dry bulk, neobulk and general cargoes.

3 The proposed future corporate structure of the port.

The new organisational structure of the port will allow the restructuring of the current port administration to a structure commensurate with those of ports elsewhere in the world, whereby governmental and public service functions will be separated from the commercial functions. The proposed corporate future corporate structure, which has been used for the financial and investment analyses, can be summarised as follows:

- The Maritime Administration (MA) - This will be a government entity which will be responsible for all maritime related issues on the governmental level. This entity will also figure as the owner of the maritime related corporate entities owned by the government.

- The Sea Port Authority (SPA) - This will be established as an entity reporting to the MA to handle all issues related to the safety and security of navigation in the port area. In addition the SPA will act as the landlord for the land and other infrastructure in the port owned by the MA, and in this capacity administer all leases for the land leased to and used by the commercial operators and stevedoring companies in the port. The SPA will collect all channel and light dues, pilotage and other charges levied on ships to gain access to the port of Baku.
- The International Sea Port of Baku (ISPB) - This entity will be established as a corporation, whose shares will be wholly owned by the MA. The ISPB will be the commercial port operations and stevedoring company, which will be responsible for all cargo handling and commercial activities in the port of Baku. This corporate entity will invest in and own all "superstructure" built on the land of the port such as quaywalls, ferry ramps, rail and road infrastructure and access in the port, pavement, buildings and structures plus all cargo handling equipment to be used by the port such as cranes, forklifts and all other cargo handling equipment. This entity will be the borrower of the funds to redevelop and reconstruct the port infrastructure and also reconstruct and acquire the equipment. The ISPB will perform all ship to shore cargo handling operations and other port related activities, while the responsibility and franchise for operation of the container yard with the exception of ship to shore container operations will be given to a dedicated container handling company to be established.
- The Container Yard of Baku (CY) - This will be established as a corporate entity, which initially will be a wholly owned subsidiary of the ISPB. Consideration should also be given to inviting the Azerbaijan State Railways and a commercial container operator to participate in the ownership and operation of the CY, whereby ISPB, the railway and the container operator will each own one-third of the shares. The CY will enter a sublease for all the land and superstructure occupied and will lease all container handling equipment from the ISPB.
- The Ferry Terminal of Baku (FT) - This will be established as a corporate entity, which like the CY will initially be a wholly owned subsidiary of the ISPB. As with the CY, consideration should also be given to inviting the Azerbaijan State Railways and the commercial ferry operator to participate in the ownership and operation of the FT, whereby ISPB, the railway and the ferry operator will each own one-third of the shares. The FT will enter a sublease for all the land and superstructure occupied and will lease all handling equipment from the ISPB. The FT will purchase container handling services for the ferry operations from the CY.

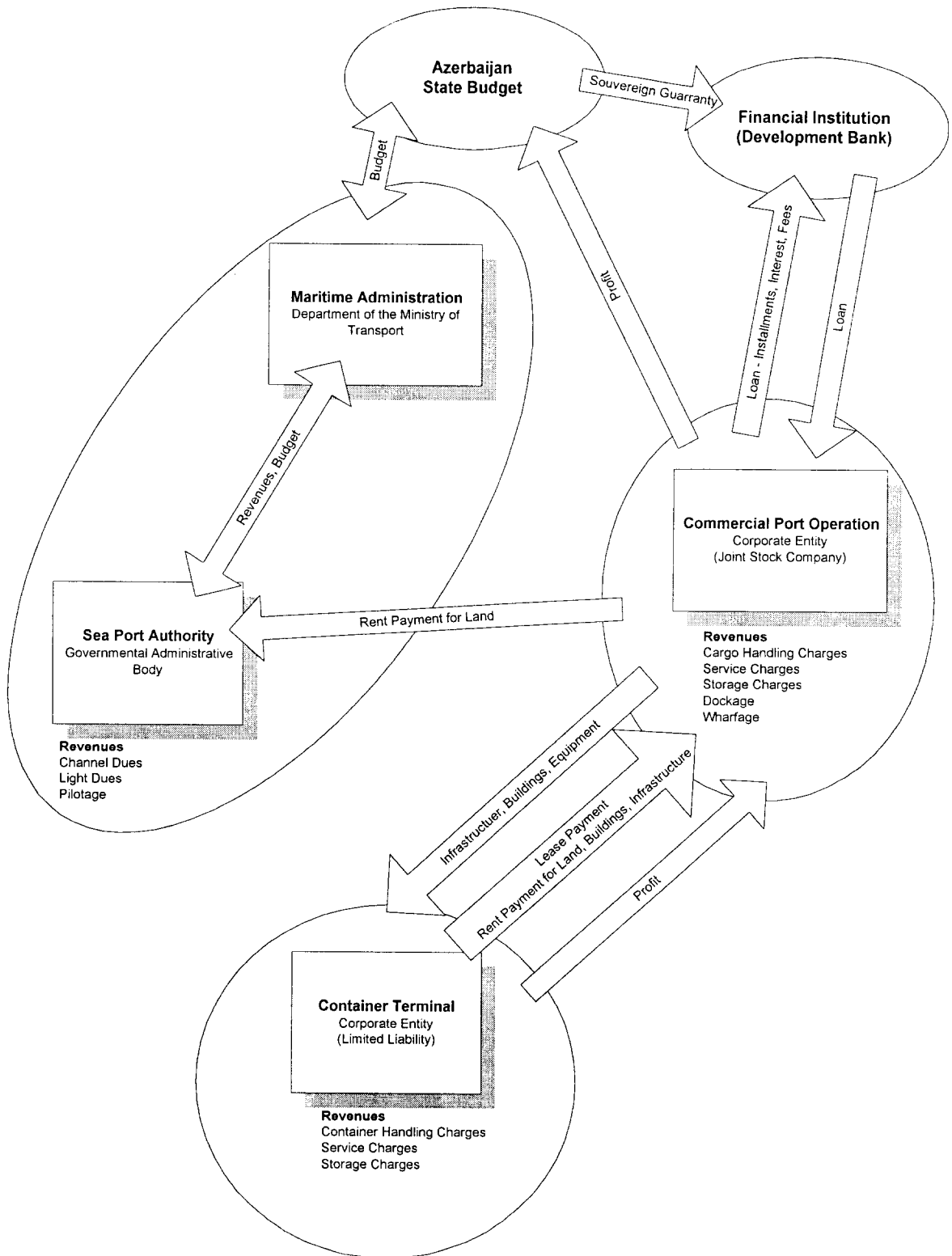
The investments to be made by the ISPB and the CY are considered in this analysis. The feasibility of investments in the ferry terminal is analysed under a separate contract.

For the purpose of the financial analysis of the general cargo terminal and the CY of the ISPB, it has been assumed that all loans to be made will be handled directly through the ISPB. The infrastructure and equipment required by the CY will be leased to the CY by the ISPB based on leases for the various investments equal to an annuity over the expected operational life of the assets to be leased at the same interest rate charged to the ISPB by the international financial organisations expected to grant the loans (i.e. EBRD) plus a service charge of 5%.

The land area of the port will be formally owned by the Government of the Republic of Azerbaijan and will be leased to the ISPB with the SPA acting as the landlord. It has been assumed that the land will be leased at a rate of USD 1.20 per square meter per year. This is equivalent to the rate used by the city government of St. Petersburg, Russia and the Russian federal government for land in the port and industrial areas of St. Petersburg.

An illustration of the financial arrangements based on the above structure is described in Figure 1 overleaf.

Modell of Cashflow and Corporate Structures Baku International Sea Port



4 Basic assumptions and inputs.

The purpose of this volume of the report is to describe the assumptions made with respect to the inputs to the financial and economic analysis. These are made both with respect to expected revenues and the various cost factors.

4.1 Revenues

The revenues of the cargo handling operations of the port are generated from two sources:

- Dues and charges assessed on each vessel calling at the port
- Cargo handling and storage activities in the port

4.1.1 Cargo forecasts

The expected revenues are generated based on the forecasted cargo flows through the port. The forecasted cargo flows used in the feasibility analyses are the most likely, optimistic and pessimistic cargo flow forecasts described in Volume 2 of this report.

4.1.2 Operational assumptions.

The cargo flow forecasts have been used as an input to evaluate the overall cargo handling facility and equipment requirements and thus the overall investments needed and also the overall operational scheme developed as part of the master plan, all of which is described in Volume III of the report. The operational assumptions used in the financial analyses are all described below.

4.1.3 Vessel/cargo handling and storage charges

It should be noted that the number of ship calls have been calculated on the basis of berth occupancy for either loading or discharge. In actual operation it is recognised that some of the vessels will either only discharge or load cargoes, while others will both load and discharge at the port of Baku. For the calculation of the vessel dues it is assumed that 50% of the vessels are either loaded or discharged at the port of Baku, while the remaining 50% of the vessels perform both loading and discharge at the port.

The charges levied on the vessels calling at the port of Baku is composed of a variety of charges, such as dockage, wharfage, channel dues, light dues etc. The average total charges per vessel in 1996 excluding the charges for assistance of the harbour fleet has been USD 3.100 per ship call. This level of charges is currently at a similar level to other ports in the Caspian Sea basin. For the purpose of this analysis it is assumed that these charges will remain at the same level for the forecast period.

The setting of the rates for cargo handling and storage is in addition to the overall efficiency and productivity of the cargo handling operations the key competitive tool of the port management to attract cargoes to the port. The port management has developed a guideline for the setting of the rate and tariff structure of the

port. Based on this guideline and also taking consideration of the port tariffs of the other ports in the Caspian Sea basin, the port management has developed a new tariff structure to take effect on January 1, 1997. In developing this new tariff, particular emphasis has been placed on being competitive with the cargo handling rates of the Russian ports of Makhachkala and Astrakhan. Both of these ports are like Baku located on the rail network connecting the major industrial centres of Russia and Ukraine with the Caspian Sea ports and thus competing with the port of Baku for the lucrative, high volume transit trades to and from Iranian Caspian Sea ports. The rate structure currently developed by the management of the port of Baku is set at a level between 15 and 20% below these Russian ports, both of which are considered the major competitors of the port of Baku. The rate levels are also evaluated to be at a comparable level to those of the ports of Turkmenbashi, Turkmenistan and Aktau, Kazakhstan, and below those of the Iranian ports. The rates are, however, lower than those of comparable ports elsewhere in the world.

Although the cargo handling charges may be considered low by international standards, the rate level proposed by the management of the port is considered to represent the realistic level that can be achieved given the competitive situation and cost level in Azerbaijan. For the purpose of the feasibility analysis these rates have been used and have been simplified to represent an average rate level for major cargo categories. The average rates by cargo type proposed by the port management from January 1, 1997 have been used as the basis for the baseline year 2000, while the container handling rates are proposed by the team of consultants based on rates in similar ports world-wide. With the investments to be made in upgrading and reconstruction of the port infrastructure and acquisition of modern cargo handling equipment and ensuing increases in productivity and efficiency, the cargo handling rates can be increased gradually to a level charged by comparable ports world-wide over the forecast period. The assumption is therefore made that the rates will be gradually increased over the forecast period, so that the cargo handling rates will be at a level commensurate with rates world-wide by the year 2015. The rate level used as the basis for the year 2015 are the rates currently charged by European ports, which are considered to be representative for the current competitive rates charged world-wide. Real increases are assumed on an annual basis to reach the level of rates currently charged in Europe by the year 2015. On this basis the rates used in this analysis are:

<u>Cargo type</u>	<u>Calculation basis</u>	<u>Rate in USD</u>	
		<u>Year 2000</u>	<u>Year 2015</u>
Dry bulk cargoes	Ton	2.90	8.50
Neobulk cargoes	Ton	6.00	16.00
General cargoes	Ton	4.75	17.00
Containers	Unit	150.00	200.00
Stuffing and stripping in CFS - 20ft	Unit	200.00	400.00
Stuffing and stripping in CFS - 40ft	Unit	300.00	600.00

This simplified tariff and rate structure has been combined with the cargo forecast and the cargo handling calculations developed in the operational assessment in Volume 3.

4.2 Proposed investments.

As discussed in Volumes III and IV a three phased investment plan has been proposed. These investments are expected to be financed with loans for the European Bank for Reconstruction and Development (EBRD). The investments the Consultants recommend have been reduced to a minimum in this feasibility calculation in order to decrease the loan for the first development phase as much as possible.

4.2.1 Brief overview of the investment projects.

The investments to be made include rehabilitation and construction of the basic infrastructure of the port as well as rehabilitation, replacement and acquisition of new cargo handling equipment. The total recommended investments to be made are presented in Volume IV for the civil works and can be summarised as presented in Table 3. This table contains only those investments for which the financing is realistic, not all the investments. In this table a distribution of the investments between the CY and the general cargo terminal has been made for the purpose of allocating the investments between the two main cargo handling activities of the port. It should be noted, however, that the terminals are mutually dependent, and as a consequence no investments can be made in one terminal and not in the other.

Table 3
Investments in Civil Works - International Sea Port of Baku (in USD)

	Total	Container yard	General cargo terminal	Container yard	General cargo terminal
		% of inv.	% of inv.		
Phase I Development Plan:					
General items	1,345,870	50	50	672,935	672,935
Renovation of west quays	5,760,927	85	15	4,896,788	864,139
Stabilisation of south quay	543,250	85	15	461,763	81,488
Surfacing of operation areas	1,680,000	50	50	840,000	840,000
Surfacing of traffic area	832,000	65	35	540,800	291,200
Surfacing of gate area	157,500	100		157,500	0
General drainage in port	228,905	50	50	114,453	114,453
Adapt. of old workshop complex	40,000	100		40,000	0
Renovation of rail tracks	339,200	25	75	84,800	254,400
New workshop building	330,000	50	50	165,000	165,000
Heavy equipment workshop	200,000	75	25	150,000	50,000
Entrance gate, office building	345,000	100		345,000	0
Entrance gate, office complex	80,000	100		80,000	0
Works for utilities	2,191,253	50	50	1,095,627	1,095,627
Substations and shelters	112,500	50	50	56,250	56,250
Grand total - Phase 1	14,186,405			9,700,914	4,485,491
Distribution of civil works:					
General items	1,345,870			672,935	672,935
Quay walls	6,643,377			5,443,350	1,200,027
Renovation of surfaces and drainage of rain	2,898,405			1,652,753	1,245,653
Works for utilities	2,191,253			1,095,627	1,095,627
Buildings and structures	1,107,500			836,250	271,250
Total	14,186,405			9,700,914	4,485,491

With respect to the investments in the acquisition of new equipment, this is presented in Table C-11 in Volume III, while the recommendations and proposed investments in rehabilitation of equipment, tools, parts and upgrading are presented in Section 5 of Volume III. As discussed in Section 3.2 of Part C, Volume III, the storage area of the current general cargo terminal will be too small by the year 2005 given the expected cargo volumes in the "Most likely scenario" of the cargo forecast. As a result it is assumed that these operation have to be moved to the Timber terminal, which will have to be upgraded at this time. The investments of total USD 13 mill. in quay walls, infrastructure and buildings in the year 2005 are for the

upgraded Timber terminal. The proposed investments which are having a realistic prospect to be financed have been summarised in Table 4.

Table 4
Summary of investments in the ISPB ('000 USD)

	Phase 1 - year 2000	Phase 2 - year 2005	Phase 2 - year 2010	Phase 3 - year 2015
Investment type:				
Quaywalls, renov. of surfaces and gen. items	10,888	8,450	999	
Buildings and utilities	3,299	4,550		
Railmounted gantry cranes	0	0	2,300	2,300
Railmounted yard cranes for railroad operations	0	0	1,500	1,500
Quay cranes	0	0	0	0
Reach stackers	1,200			
Empty container stacker	220			
Forklift truck 42 t	300			
Forklifts	84	168		84
Mafi-trailers, tractors/tugmasters etc	480	240	240	90
Tanktrailer			40	
Pick-up trucks, minibuses, cars	110			
Stevedoring equipment	150			
Workshops, training and eqpt. etc.	310			
Total investments	17,040	13,408	5,079	3,974
Investments to be financed by:				
Loans from EBRD	15,976	13,408	5,079	3,974
Grants from the European Union - Tacis	1,064	0	0	0

The investments in container handling equipment is scheduled to be acquired in three Phases. Phase 1 will be up to the year 2000 coinciding with the completion of the Phase I construction work of the berths and other infrastructure, while Phase 2 will be made in the year 2005 to cope with the expected increase in container traffic requiring additional equipment. An additional railway gantry crane will be required as Phase 3 in the year 20015.

Under the "Pessimistic scenario" on the other hand the cargo volumes will not exceed a level of capacity made available by the Phase I investments over the planning period. As a result no investments beyond those made in Phase I will be made under this scenario.

4.2.2 Financing of the investments.

Takis has committed funds totalling USD 2.5 million as a grant to the ISPB to be used for initial investments in the port. A proposal as to the investments of these funds are presented in Section 5 Recommendations in Volume III.

EBRD is expected to provide financing for the remaining investments beyond the grant from Tacis in Phase 1 and 100% of the total cost of the proposed investments in Phases 2 and 3. The terms of the financing discussed with representatives of the EBRD to be used as the basis for this analysis are:

- Grace period: 3 years
- Term of repayment: 12 years
- Type of loan: Annuity with annual payment of interest and instalments
- Interest: LIBOR + 1%. LIBOR to be based on 6 months interest period
- Front end fee: 1% of loan amount
- Commitment fee: 0.5% of unused portion of loan amount granted.

It is assumed that the port will finance 100% of the investments beyond the grant from Takis on the above terms.

4.3 Operating costs.

The current accounting system is such that it is difficult to allocate the various cost items between the various activities of the port. Data and information is, however, available on the major costs and input factors. To the extent that data has been available, the costs are based on the current cost level and adjusted for expected developments. When appropriate data has not been available, cost factors based on those in similar ports and situations world-wide have been used

4.3.1 Manpower and labour costs - operational employees.

The expected labour requirements are based on the cargo forecasts and the expected operational efficiency with new cargo handling equipment as described in Volume III. The expected manning levels for the various operations are as described in the operational report, and have been summarised in Table 5 for the general cargo operations and in Table 6 for container operations.

Table 5

Expected manning levels for cargo handling operations of the ISPB

General cargo terminal

Type of employee:	Year 2000	Year 2005	Year 2010	Year 2015
Level 1: Top management	1	1	1	1
Level 2: Middle management	6	8	8	8
Level 3: Foremen, eqpt opts, spec. clerical	17	20	22	32
Level 4: Specialised labour/dock workers	44	53	64	80
Level 5: General port worker	3	4	4	4
Level 6: General labour	3	4	4	4
Total	74	90	103	129

Table 6

Expected manning levels for cargo handling operations of the ISPB

Container terminal - CY

Type of employee:	Year 2000	Year 2005	Year 2010	Year 2015
Level 1: Top management	1	1	1	1
Level 2: Middle management	8	9	9	9
Level 3: Foremen, eqpt opts, spec. clerical	13	17	19	24
Level 4: Specialised labour/dock workers	21	26	29	34
Level 5: General port worker	9	10	11	11
Level 6: General labour	1	1	1	1
Total	53	64	70	80

Container terminal - CFS

<i>Type of employee:</i>	<i>Year 2000</i>	<i>Year 2005</i>	<i>Year 2010</i>	<i>Year 2015</i>
Level 1: Top management				
Level 2: Middle management				
Level 3: Foremen, eqpt opts, spec. clerical	5	7	9	12
Level 4: Specialised labour/dock workers	10	14	17	23
Level 5: General port worker	10	14	17	23
Level 6: General labour	10	14	17	23
Total	35	49	60	81

Container terminal - total

<i>Type of employee:</i>	<i>Year 2000</i>	<i>Year 2005</i>	<i>Year 2010</i>	<i>Year 2015</i>
Level 1: Top management	1	1	1	1
Level 2: Middle management	8	9	9	9
Level 3: Foremen, eqpt opts, spec. clerical	18	24	28	36
Level 4: Specialised labour/dock workers	31	40	46	57
Level 5: General port worker	19	24	28	34
Level 6: General labour	11	15	18	24
Total	88	113	130	161

The wages of the operational personnel are assessed based on a schedule dependent upon both by the years of employment and the type of work performed. The current (December 1997) average monthly pay for an operational port worker is equivalent to between USD 70-100 (administration) and USD 300 (docker). The minimum wage required to support a family in Baku presently is unofficially estimated to be between USD 250 to USD 300 per month. As a result the average Azeri port worker will have to make up the difference between the wages received from his main place of employment and the cost to support a family from other sources or employment outside the port.

The operational staff of the port, such as forklift operators, dockers, crane operators etc. shall considered to be specialised workers with skills that are attractive to employers engaged in similar activities as those of the port. Presently several international freight forwarders and other transport operators are establishing offices and terminal and warehouse facilities in the Baku area. Representatives of European transport and freight forwarding organisations have indicated that local warehouse personnel hired by them is paid a minimum of USD 150 to USD 200 per month, while more skilled personnel and professionals (e.g. freight forwarders, dispatchers, supervisors, foremen etc.) are paid between USD 400 and USD 500 per month.

It cannot be expected that the port of Baku shall be a wage leader in terms of the wages paid to the operational staff. At the same time it cannot be expected that the current low level of pay can persist in an environment where skilled port workers can be expected to be recruited by the increasing number of international transport organisations establishing themselves with services competing with those of the port. As a consequence it will be expected that the port will have to increase the wage levels to that of the market established by the other transport organisations operating in the Baku area. To this effect the assumption is made that the minimum wage level of port operational workers will have to be increased. By the year 2000 it is assumed that the wages of the operational employees of the port will have to be brought to a level competitive with those of the foreign transportation companies operating in Baku. In the years up to the year 2015 it is assumed that the wage level will be increased to a real level similar to that of countries in transition.

4.3.2 Administrative and management staff.

A plan has been developed for the reorganisation of the management structure and administration of the port. The proposed organisation structure and staffing requirements are presented in Volume 3.

The current average monthly salary of the management and administrative staff between USD 70 and USD 100 per month.. As discussed in Section 4.3.1 above, this is considerably below the minimum income required to support a family in Baku. As a consequence also the management and administrative staff have to supplement their income from other sources, which is an untenable situation.

The salaries of skilled administrative and clerical personnel will have to be raised to a minimum level of approximately USD 450 per month, while the salaries of middle management and supervisory staff will have to be increased to a level of USD 550 per month. The top management (i.e. operations and port administrative directors) should be raised to a level of minimum USD 900 per month. Similar to that of the port workers, the wages of the management and administrative staff will have to be increased to a level similar to those of developing countries by the year 2015.

The following pay scale has been used in this analysis:

<u>Level:</u>	<u>Description</u>	<u>Total wages USD/month</u>	
		<u>Year 2000</u>	<u>Year 2015</u>
1	Top management	900	5000
2	Middle management	550	3100
3	Foremen, equipment operators, clerical	450	2500
4	Labour A - Specialised workers, dockers	400	2200
5	Labour B - General port workers	300	1800
6	General labour	200	1500

4.3.3 Taxes.

The basic assumptions is made that the current tax scheme will continue in the future. Thus the calculation of the taxation has been made on the currently levied taxes and tax basis. These taxes are (beginning 1997):

- Value Added Tax (VAT) is assessed on all services at a rate of 20%. In terms of the port the services rendered by the entertainment boat and charges assessed between the various departments of the port are exempt. All revenues presented in the revenue forecast are, however, assumed to be net of VAT.
- Pension fund and unemployment fund contributions have to made by the port as an employer at a rate of 35% and 2% respectively of the wages paid to the employees. These taxes can be deducted for calculation of taxable profit, and is paid directly to the government.
- Road fund tax has to be paid at a rate of 0.5% of the revenues of the transportation department of the port. This tax is deductible for the calculation of profit taxes.
- Land fund tax has to be paid at the rate of 1% of the minimum salary rate for each square meter used by the port. The current minimum wage rate is Manat 5,500, and the number of square meters, for which the port has to pay taxes is 397,300. This tax is deductible for the calculation of profit taxes.
- Transport tax is paid to the government at a rate 5% of the minimum wage rate for the sum of the horsepower of the engines of the fleet of cars, trucks and buses owned by the port. This tax is deductible for the calculation of profit taxes.
- Profit tax is assessed at a rate of 32% of the net profit of the company.
- Disablement (disability) fund tax is assess at a rate of 1% of the net profit of the company.

In addition there are certain taxes deducted from withheld by the company from the wages and salaries of the employees:

- Income taxes calculated according to the rules specified by the Ministry of Finance
- Pension fund contributions are deducted at a rate of 1% of the wages and salaries received
- Trade union fees are deducted at a rate of 1% of the wages and salaries received

4.3.4 Depreciation.

The method of depreciation used is straight line depreciation based on a percentage rate of the original cost of the asset. The depreciation rates used stem from the former Soviet Union and are described in a major book encompassing virtually all thinkable and unthinkable assets. The general rule is, however, that the time for depreciation is considerably longer than the expected economic or technical life of the object to be depreciated. Another factor is that the existing assets are grossly undervalued. As a result the overall profitability of the port with the current book value of the fixed assets will be overstated. As a consequence the taxable profitability will be too high increasing the effective rate of taxation. As an illustration the total fixed assets of the port are depreciated based on an original value of USD 1,547,500 (July 1996), and the average annual rate depreciation of all the assets is 4.876%.

It is considered outside the scope of this project to assess the real, current market value of the existing assets of the port to make an assessment of the real economically and technically correct depreciation to assess the real profitability of the port. Such a calculation is furthermore not considered to have an impact the overall assessment of the financial viability and feasibility of the planned investments to be made. The current average rate of depreciation of 4.876% of the original value of the assets have therefore been used for the existing assets. This rate has also been applied for tax depreciation of new investments.

For the new investments to be made, however, an assessment has been made as to the technical and economic life span of the assets to depreciate these at a realistic level. The technical and economic depreciation rates used in the analysis are as follows:

<u>Asset type</u>	<u>Depreciation/years</u>
Quay walls and infrastructure	25
Buildings and utilities	15
Cranes	15
Large forklifts and stackers	10
Small forklifts	8
Tractors, trailers, tugmasters etc.	10
Tanktrailer	10
Automobiles, pick-up trucks and minibuses	5

It is furthermore assumed that the equipment will be fully replaced at the time it is fully depreciated at the same cost (in real terms) as its original cost of acquisition. These investments are assumed to be made with funds accumulated by the port.

4.3.5 Maintenance.

The assessment of the maintenance costs have been divided in two:

- Maintenance of the existing assets
- Maintenance of investments in new facilities and equipment

The maintenance charges of the existing assets have been assessed based on the historical costs adjusted for expected increased maintenance requirements of assets not rehabilitated or renewed. A charge of 5% of the book value is assumed.

The maintenance charges for the new investments in facilities and equipment has been assessed based on the overall maintenance experience of the ports world-wide. The annual maintenance requirements is based on the overall investment at the following rates:

<u>Type of asset</u>	<u>Percent of orig. inv. for annual maintenance.</u>
Quay walls and infrastructure	1
Buildings and utilities	4
Cranes	4
Large forklifts and stackers	10
Small forklifts	10
Tractors, trailers, tugmasters etc.	20
Tanktrailer	5
Automobiles, pick-up trucks and minibuses	15

4.3.6 Utility and electricity costs.

The key input in this respect is electricity. The current charges paid is USD 0.035 per kwh, a level which in real terms is expected to be remain at this level for the forecast period. The consumption of electricity is based on the assessment made in the operational report based on the cargo volumes to be handled and the average consumption of the various pieces of equipment.

4.3.7 Fuel costs and consumption.

The average cost of diesel fuel is currently USD 0.13 per litre, and this cost is assumed to remain stable in real terms through the forecast period. The fuel consumption is derived from the operation report (Volume 3) and is based on the average operating hours of the equipment and the average fuel consumption per operating hour.

4.3.8 Other costs.

All other costs are relatively small and are to a large extent independent of the volume of cargo volume and new investments made. These costs include communications, office supplies, travel and other miscellaneous costs and are assumed to be USD 50,000 per year.

4.3.9 Corporate overhead.

The cargo handling operations will have to share in the overall cost of the corporate administration of the port. These costs are assessed on an annual basis to be

USD 418,000. Of these charges, the cargo operations will be allocated 40% or USD 167,200, while the other operational departments (e.g. the Ferry Terminal, the Oil Terminal, the Harbour Fleet, the Maritime Administration/Harbour Masters department) will share the remaining 60% of the corporate overhead costs.

5 Projection of the feasibility of investments in facilities and equipment.

In performing the feasibility analyses the basic assumptions described above have been applied. Using these inputs, the investment projects are evaluated on two bases:

- Project investment analysis basis to evaluate the overall feasibility of the proposed investments the IRR and NPV of the proposed investments.
- Financial analysis to evaluate the after tax profitability and the cash flow implications using the proposed financing terms and the current taxation scheme existing in Azerbaijan.

These are briefly described below.

5.1 Feasibility analysis of the proposed investments in the general cargo terminal.

The purpose of this analysis is to evaluate and assess if the investments projects are feasible and viable independent of the method of financing selected and the tax regime, in which the port will have to operate. The methodology used for this purpose is to make an assessment of the total revenues and costs on a pre-tax basis excluding the depreciation and interest costs of the new investments to find the net cash flow from port operations. The viability and feasibility of these investments are then evaluated based on the expected internal rate of return (IRR) and the discounted net present value (NPV) of the cash flow expected to be generated from these projects.

The assets, for which the investments are made have for the most part an economic and technical life beyond the year 2015, which is the final year of this analysis. As described in Section 4.3.4 it is furthermore assumed that reinvestments in assets and equipment are made when these assets have been fully depreciated. In order to obtain a reasonable assessment of the NPV and the IRR, it is necessary to use a residual value of the assets at the end of the year 2015. Since it will be difficult if not impossible to make an assessment of the market value of the port assets at that time, the residual value is defined as the depreciated book value of the assets (i.e. total investments and reinvestments minus the sum of the depreciations).

5.1.1 The most likely scenario.

Using the cargo flows from the most likely scenario and the assumptions with respect to revenues and costs described above, an assessment has been made of the overall viability and feasibility of the proposed investments in the cargo terminals of the International Seaport of Baku. The detailed results of this analysis is presented as Table B.1 in Table Section - (the fin. results appendix). As shown in this table the overall cargo operations is expected to be highly profitable given the assumptions of the most likely scenario. Some key figures are:

- The operating margin of the cargo operations of the port in the year 2000 is expected to be 35% increasing to 48% in 2004. In 2005 it declines to 44% as a result of the Phase 2 investment in the rehabilitated timber terminal is made. Thereafter it is expected to gradually increase to fully 63% in 2015.

The NPV is as follows:		The IRR is
With a 10% discount rate:	USD 53.6 million	39%
With a 15% discount rate:	USD 30.8 million	

The overall conclusion is that the cargo terminal operations of the port can be expected to be highly profitable.

A profitability analysis was also made under this scenario of the two different operations on this terminal, i.e. the General Cargo Terminal and the Container Terminal. For this purpose a distribution of the investments, revenues and costs were made.

The following assumptions were made in respect of this terminal:

- The overall investments in both infrastructure and equipment was divided between the two terminals as described in Section 4.2.1
- The revenues were distributed based on the type of operation (i.e. container revenues to the Container Terminal and dry bulk, neobulk and general cargo revenues plus all ship operations were allocated to the General Cargo Terminal).
- The cost of operation and general and administrative costs was allocated based on the expected use of both manpower and other resources as described in Section 4.2.1.

The overall results are briefly summarised below:

5.1.1.1 The Container Terminal.

With modern equipment and a new management and organisational structure, this terminal is expected to operate with a productivity commensurate with world standards for similar types of operations. The profitability of this terminal will therefore be high and the operating margin in the year 2000 is expected to be 37% increasing to 49% in the year 2015. The overall conclusion is that the Container Terminal operations is expected to be exceptionally profitable under the most likely scenario.

5.1.1.2 The General Cargo Terminal.

A major proportion of the infrastructure investments will have to be allocated to this terminal. The work to be performed is also more labour intensive. Although it is a profitable operation, the operating margins are smaller than that of the Container Terminal. The operating margin in the year 2000 is expected to be 32% increasing to 39% in 2004, after which it is reduced to 31% in 2005 when the Phase 2 investments required to upgrade the timber terminal are made. In the ensuing years after which the profitability is expected to increase and reach 42% in the year 2015. The overall conclusion is that the General Cargo Terminal operations is expected to be profitable, albeit not at the rate of the Container Terminal.

The two terminals are, however, mutually dependent, and any investments will have to be made benefiting both operations. This analysis underscores, however, the importance of the International Seaport of Baku of securing the right to operate the container terminal in the Baku area.

5.1.2 The pessimistic/low growth scenario.

Under this scenario the following assumptions have been changed compared to those described in Section 2 above:

- Investments. The lower expected cargo flows will obviate the need for the Phases 2 and 3 developments. Thus the investments will be limited to those described above as part of Phase 1.
- Manpower. The manning level of the year 2000 will be maintained for the entire planning period, and no increases will be undertaken.

The expected results are presented in Table B.2 in Table Section and can be summarised as follows:

- The profit margin of the cargo operations of the port will be reduced to 19% in 2000 increasing to 47% in the year 2015. Although the cargo flows are reduced, so are also the operating costs by the fact that no increases in manpower or additional equipment is acquired after the year 2000.

The NPV is as follows:		The IRR is
With a 10% discount rate:	USD 15.3 million	21%
With a 15% discount rate:	USD 6.1 million	

The overall conclusion is that the investment will be reduced, but still provide an acceptable level of profitability to make the investments in the port feasible and viable.

5.1.3 Sensitivity of dramatically reduced container handling revenues.

As discussed in Section 4.1.3 above, the current rate levels of bulk, neobulk and general cargoes are below those of competing ports by a margin of 15 to 20%. In addition a large proportion of these cargoes can be considered to be "captive cargoes" as discussed in Volume 2 of the report. As such the port is expected to be able to maintain these rate levels without having to resort to rebating to retain these cargoes.

The container cargoes through the CY on the other hand will be considered as highly competitive cargoes. With the expected volumes of containers under the "Most likely scenario", it is possible that commercial terminal operators may establish competing container yards in the Baku area and engage in rate cutting to obtain a share of the container handling business. The CY of the port will under such circumstances be forced to reduce their rates to retain the business.

The following assumptions are made under these circumstances:

- Container handling rates. Both the rates for the handling of containers in the CY and the stuffing and stripping in the CFS is reduced to 50% of the rates expected under normal circumstances as described in Section 4.1.3. The bulk, neobulk and general cargo handling rates are not affected by the rate cuts by the CY.

- Cargo volumes. The CY and the CFS and also the general cargo terminal are able to retain the volume of containers as described under the "Most likely scenario".

The expected results are presented in Table B.3 in the Table Section and can be summarised as follows:

- The profit margin of the CY operations of the port will be 11% in 2000 increasing to 51% in 2015.
- The overall profitability of the port will be positive throughout the planning period increasing from 25% in the year 2000 increasing to 71% in 2015.

The NPV is as follows:		The IRR is
With a 10% discount rate:	USD 44.9 million	32%
With a 15% discount rate:	USD 24.0 million	

The overall conclusion is that although the container operations of the CY yield a negative profitability initially, the overall profitability will be satisfactory over the planning period.

5.2 Financial analysis of the proposed investment projects

The purpose of this analysis is to evaluate the overall financial viability of the operations of the port based on the proposed financing scheme and the current tax regime existing in Azerbaijan. The methodology used is to present the expected revenues and costs including interest payments on the loan, both the actual and tax depreciation and the profit taxes to arrive at the expected after tax profit of the port. This is presented in the form of expected future income statements of the cargo operations of the port. In addition the expected net cash flow from the projects with the financing scheme and terms of the loan proposed by the EBRD in addition to the grant to be received by Takis is developed.

5.2.1 Financial analysis of the most likely scenario

This analysis has been made with the same basic inputs as described in Section 5.1.1 above. In this analysis the expected income statement of cargo operations of the port has been evaluated based on the financing terms proposed by the EBRD and the tax regime currently in effect in Azerbaijan. The result of this analysis is presented as Table B.4 in the Table Section and can be summarised as follows:

- Profitability. The port will under this scenario experience an overall profitability from cargo operations starting at 28% in the year 2000 increasing to 44% in 2004. In the year 2005, during which the Phase 2 investments will become operational with increases in manpower, depreciation and maintenance costs, the cargo operations will still achieve a solid net profit margin of 36% increasing to 62% in the year 2015.
- The port will experience positive net annual cash flows of between USD 4.0 million up to USD 19.0 million (2015).
- The cumulative cash position of the cargo operations of the port will continually be increased, and the port will be able to repay the loans prior to maturity if desired or required.

- The debt service ratio will with the exception of the years 2005 and 2006, when the investments in the Phase 2 developments are made, never go below 3.0.

Under this scenario the International Seaport of Baku will have no difficulties in servicing the loans with the EBRD.

5.2.2 Financial analysis of the pessimistic scenario.

The changes to the investments and costs are the same as those described in Section 5.1.2 above. The difference with the investment analysis is that the interest expenses for the loans and potential profit taxes have been added to present the expected income statement and the cash position given the cargo flows of the pessimistic/low growth scenario. The results of this analysis is presented as Table B.5 in the Table Section, and can be summarised as follows:

- Even with the interest and instalment payments on the loan to be taken from EBRD the cargo operations of the port will operate at profit in the entire planning period. The profitability of the overall cargo operations in the port will increase from 11% in 2000 to 53% in 2015.
- The cash flow will be positive throughout the planning period increasing from USD 1.9 million in 2000 to fully USD 7.9 million in 2015, when the loan to EBRD has been repaid in full.
- The accumulated cash flow will have reached an amount in excess of USD 52 mill. in the year 2015.
- The debt cover ratio will at no point in time be less than 1.0, indicating that the port will be able to service the loan with full payments of interest and instalments even under the "Pessimistic scenario".

5.2.3 Sensitivity of dramatically reduced container handling revenues.

The comments and assumptions for this analysis are the same as those described in Section 5.1.3. The results of the analysis is presented as Table B.6 in the Table Section B and can be summarised as follows:

- Profitability. The container operations of the CY will even under these circumstances operate with a profit. The profitability ratio will increase from 11% and increase to 51% in 2015. The cargo operations of the port will under this scenario experience an overall profitability from cargo operations starting at 15% in the year 2000 increasing to 69% in 2015.
- The port will experience positive net annual cash flows of between USD 2.2 million in 2000 up to USD 19.0 million in 2015.
- The cumulative cash position of the cargo operations of the port will even with dramatically reduced container revenues be able to repay the loans prior to maturity if desired or required.
- The debt service ratio will never go below 1.7 indicating that the port will at all time be able to service the loans from the annual cash flows.

6 Economic impact analysis.

The purpose of this section is to describe the overall expected economic impact of the cargoes expected to be handled in and through the port of Baku. An economic model developed in the United States has been used to evaluate the economic impact of port development on the region, in which the port the located, in

terms of the added value in USD to the overall economy of the region and the number of jobs created in the region in addition to those directly involved in the operation of the port. The model calculates the value added to the economy in terms of the multiplier effect of each ton of cargo of various cargo types from economic activity created in the region of the port based on the cargo flows through the port, and the same way with the number of jobs created. Examples of value added activities are various transportation services (trucking, rail etc.), warehousing, miscellaneous port related services (freight forwarding, shipping agents, various suppliers of goods and services etc.), establishment or relocation of new industries or businesses as a result of the port etc.

The coefficients used are based on those developed for US ports and port hinterlands. While it is recognised that the Azeri economy is less developed than that of the United States, the coefficients for economic impact can nevertheless give an indication of the order of magnitude the impact of the investments to made and the resultant expected increased cargo flows will have on the regional and national economy of Azerbaijan.

6.1 Overall economic impact of the port of Baku

6.1.1 Most likely scenario

The economic impact of the cargo flows of the most likely scenario is presented as Table B.7 in the Table Section. As shown in this table the overall added value of the cargo flows to the economy is expected to increase from USD 149 million in the year 2000 and increase to an estimated USD 342 million in 2015. The discounted value of the future economic impacts in the year 2000 at a discount rate of 10% will be USD 1.6 billion, while at a discount rate of 15% it will be USD 1.1 billion.

The number of jobs that will be created from the expected cargo flows through the port is presented in Table B.8. As shown in this table the total number of jobs that will be supported as a direct result of the activities in the port is expected to increase from approximately 1,600 in the year 2000 and will increase to close to 4,600 in the year 2015.

6.1.2 Pessimistic scenario

Although the cargo flows are dramatically reduced in the pessimistic scenario, the expected impact on the Azerbaijan economy is significant. As shown in Table B.9 in the Table Section, the annual contributions that will be made by the cargo flows through the port will increase from USD 96 mill. in the year 2000 to USD 131 in 2015. The NPV of the future economic impacts in the year 2000 will be USD 816 with a discount rate of 10%, while at 15% it will be USD 610 mill.

The number of new employment created by the cargo flows through the port will also be significant even under the pessimistic/low growth scenario. As shown in Table B.10 in the Table Section, the total number of jobs created and supported by the cargo flows through the port is expected to increase from 690 in 2000 to 970 in the year 2015.

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Table Section

Table B.1.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:																
Vessel dues:																
Vessel dues, all inclusive	751	792	834	875	917	958	1,012	1,067	1,121	1,176	1,230	1,302	1,375	1,448	1,520	1,593
Cargo handling charges:																
Bulk cargoes	1,131	1,366	1,614	1,877	2,153	2,444	2,778	3,132	3,504	3,895	4,305	4,788	5,296	5,829	6,387	6,971
Neobulk cargoes	1,860	2,207	2,581	2,984	3,415	3,873	4,430	5,024	5,655	6,324	7,030	7,791	8,523	9,294	10,086	10,897
General cargoes	238	253	260	261	253	239	278	320	366	414	465	527	594	664	738	816
Total	3,229	3,825	4,456	5,121	5,821	6,556	7,486	8,476	9,525	10,633	11,800	13,216	14,712	16,287	17,941	19,674
Container yard leasing revenues:																
Leasing revenues - terminals and land from CY	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing revenues - equipment from CY	773	773	773	773	773	1,260	1,260	1,260	1,260	1,260	1,310	1,310	1,310	1,310	1,310	1,505
Leasing revenues - buildings from CY	1,210	1,210	1,210	1,210	1,210	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
Total	2,021	2,021	2,021	2,021	2,021	2,561	2,561	2,561	2,561	2,561	2,610	2,610	2,610	2,610	2,610	2,805
Total revenues	6,000	6,638	7,311	8,017	8,759	10,074	11,059	12,104	13,207	14,369	15,640	17,129	18,697	20,344	22,071	24,071
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	321	419	517	615	713	977	1,095	1,213	1,331	1,449	1,909	2,053	2,197	2,340	2,484	3,231
Contribution pension and unemployment fund	119	155	191	228	264	361	405	449	492	536	706	760	813	866	919	1,191
Total labor	440	574	708	842	977	1,338	1,500	1,662	1,824	1,985	2,615	2,813	3,010	3,206	3,403	4,421
Maintenance and repair - existing facilities	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
Maintenance and repair - new facilities/equipment	675	675	675	675	675	942	942	942	942	942	942	942	942	942	942	942
Total direct	1,193	1,327	1,461	1,595	1,729	2,358	2,520	2,681	2,843	3,005	3,635	3,832	4,029	4,226	4,423	5,441
Indirect costs:																
Depreciation - new facilities:																
Tax depreciation	972	972	972	972	972	1,826	1,826	1,826	1,826	1,826	1,837	1,837	1,837	1,837	1,837	1,911
Add depreciation	25	25	25	25	25	109	109	109	109	170	182	182	182	182	182	213
Total depreciation - new facilities	997	997	997	997	997	1,935	1,935	1,935	1,935	1,996	2,020	2,020	2,020	2,020	2,020	2,124
Depreciation existing facilities	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Utilities, electricity	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79
Fuel consumption - machinery	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Rental of land from SPA	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	1,410	1,410	1,410	1,410	1,410	2,348	2,348	2,348	2,348	2,409	2,433	2,433	2,433	2,433	2,433	2,549
General and administrative costs:																
Management wages	50	66	81	97	112	162	181	201	220	240	260	279	299	318	338	358
Contribution pension and unemployment fund - mgmt	19	24	30	36	42	60	67	74	82	89	96	103	111	118	125	132
Land fund tax	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Transport tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate management and G & A - ISPB	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	242	263	284	305	327	394	421	448	474	501	528	555	582	609	636	662
Total costs and expenses	2,845	3,000	3,156	3,311	3,466	5,059	5,288	5,477	5,726	5,915	6,596	6,820	7,043	7,267	7,491	8,651
Operating income	3,156	3,638	4,155	4,706	5,292	4,975	5,771	6,627	7,481	8,455	9,044	10,309	11,654	13,077	14,560	15,421
Taxes payable:																
Profit tax	1,113	1,282	1,463	1,656	1,861	1,780	2,058	2,358	2,678	3,019	3,229	3,672	4,143	4,641	5,167	5,471
Disabling (disability) fund tax	32	37	42	47	53	51	59	67	77	86	92	105	118	133	146	151
Total taxes	1,145	1,319	1,505	1,703	1,914	1,830	2,117	2,425	2,754	3,105	3,322	3,777	4,261	4,773	5,314	5,623
Net income after taxes	2,011	2,319	2,650	3,003	3,378	3,145	3,654	4,202	4,727	5,350	5,723	6,532	7,393	8,304	9,266	9,798
Net profit margin in % of revenues	34	35	36	37	39	31	33	35	36	37	37	38	40	41	42	41
Contribution of profits from CY	1,641	1,940	2,252	2,576	2,914	2,810	3,207	3,618	4,045	4,486	4,868	5,535	6,224	6,936	7,672	8,241
Net income after taxes and contr. CY	3,652	4,259	4,902	5,579	6,292	5,954	6,861	7,820	8,771	9,836	10,591	12,067	13,617	15,240	16,937	18,031
Net profit margin in % of revenues	32	35	38	41	44	38	42	45	47	50	50	53	56	59	62	61

Table B.1.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Cash flow analysis:																
Cash received	3,652	4,259	4,902	5,579	6,292	6,954	7,661	8,420	9,171	9,936	10,591	12,067	13,617	15,240	16,937	18,032
Net income after taxes and contrib. CY	1,072	1,072	1,072	1,072	1,072	2,009	2,009	2,009	2,070	2,070	2,094	2,094	2,094	2,094	2,094	2,209
Add back depreciation	4,723	5,331	5,973	6,651	7,364	7,963	8,670	9,829	10,841	11,905	12,685	14,161	15,710	17,334	19,031	20,241
Total cash received	4,723	5,331	5,973	6,651	7,364	7,963	8,670	9,829	10,841	11,905	12,685	14,161	15,710	17,334	19,031	20,241
Net cash flow - year	4,723	5,331	5,973	6,651	7,364	7,963	8,670	9,829	10,841	11,905	12,685	14,161	15,710	17,334	19,031	20,241
Residual value of assets 2015	15,989	10,054	16,027	22,678	30,042	38,005	46,875	56,704	67,545	79,450	92,135	106,296	122,006	139,340	158,371	178,611
Investment analysis:																
Net present value with 10% discount rate	50,349															
Net present value with 15% discount rate	27,803															
Internal rate of return	34%															
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
Dry bulk cargo tons	390	405	420	434	449	464	484	504	524	544	564	591	617	644	670	697
Neobulk cargo tons	310	331	352	373	394	415	443	471	499	527	555	593	630	668	705	743
General cargo tons	50	45	41	36	32	27	29	31	32	34	36	38	41	43	46	48
Containers - CY 20 ft	24,600	24,391	24,181	23,972	23,762	23,553	23,767	23,981	24,186	24,410	24,624	26,290	27,956	29,621	31,287	32,953
Containers - CY 40 ft	6,150	8,060	9,971	11,881	13,792	15,702	17,466	19,271	21,055	22,840	24,624	26,290	27,956	29,621	31,287	32,953
No. of 20 ft. containers - stripped or stuffed	3,543	3,630	3,713	3,796	3,878	3,961	4,052	4,143	4,235	4,326	4,417	4,716	5,015	5,314	5,613	5,912
No. of 40 ft. containers - stripped or stuffed	0,443	0,618	0,794	0,969	1,145	1,320	1,498	1,676	1,853	2,031	2,209	2,388	2,508	2,657	2,807	2,956
No. of vessels arriving	242	256	269	282	296	309	327	344	362	379	397	420	444	467	490	514
Handling charges:																
Dry bulk per ton	2,90	3,37	3,85	4,32	4,79	5,27	5,74	6,21	6,69	7,16	7,63	8,11	8,58	9,05	9,53	10,00
Neobulk per ton	6,00	6,67	7,33	8,00	8,67	9,33	10,00	10,67	11,33	12,00	12,67	13,33	14,00	14,67	15,33	16,00
General cargo per ton	4,75	5,57	6,38	7,20	8,02	8,83	9,65	10,47	11,28	12,10	12,92	13,73	14,55	15,37	16,18	17,00
Containers per 20ft	150,00	153,33	156,67	160,00	163,33	166,67	170,00	173,33	176,67	180,00	183,33	186,67	190,00	193,33	196,67	200,00
Containers per 40ft	150,00	153,33	156,67	160,00	163,33	166,67	170,00	173,33	176,67	180,00	183,33	186,67	190,00	193,33	196,67	200,00
Container stuffing/stripping charge per 20 ft	200,00	213,33	226,67	240,00	253,33	266,67	280,00	293,33	306,67	320,00	333,33	346,67	360,00	373,33	386,67	400,00
Container stuffing/stripping charge per 40 ft	300,00	320,00	340,00	360,00	380,00	400,00	420,00	440,00	460,00	480,00	500,00	520,00	540,00	560,00	580,00	600,00
Vessel dues - average per vessel call:																
Vessel dues - average per vessel call	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
Operating and cost assumptions, Gen. Cargo Term.:																
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	6	6	6	6	6	8	8	8	8	8	8	8	8	8	8	8
Level 3 - Foremen, equipment operators, clerical staff	17	17	17	17	17	20	20	20	20	20	26	26	26	26	26	32
Level 4 - Labor A - specialized labor/dockers	44	44	44	44	44	53	53	53	53	53	64	64	64	64	64	80
Level 5 - Labor B - general port workers	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4
Level 6 - General labor	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4
Total work force	74	74	74	74	74	90	90	90	90	90	107	107	107	107	107	129
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/dockers	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Electricity consumption kwh	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000
Avg cost per kwh	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035
Fuel consumption (000 liters)	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0
Avg cost of fuel per liter	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13
Total investments:																
Quays and structures	11,931	11,931	11,931	11,931	11,931	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840

Table B.1.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vol6 Table B.1.xls																
Buildings and utilities etc	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921
Railmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Railmounted Yard Gantry Cranes for Railroad Operations.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Quay cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Forklifts	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590
Mafi trailers, tractors/tugmasters, other equipment	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511
Tank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Automobiles, pick-up trucks and minibuses	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Workshop training and equipment	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Total investments	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Depreciation calculation:																
Quaywalls and infrastructure - 25 years depr.	477	477	477	477	477	477	477	477	477	477	477	477	477	477	477	477
Buildings and utilities - 15 years depr.	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128
Cranes - 15 years depr.	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175
Forklifts, stackers - 10 years depr.	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
Forklifts - small - 8 years depr.	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Tractors, tugmasters, trailers etc - 10 years depr.	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Tank-trailer 10 years	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cars, pick-up trucks and minibuses - 5 years depreciation	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Total depreciation	997	997	997	997	997	997	997	997	997	997	997	997	997	997	997	997
Tax depreciation - new projects:																
Total tax depreciation - new assets 4.876%	9/2	9/2	9/2	9/2	9/2	9/2	9/2	9/2	9/2	9/2	9/2	9/2	9/2	9/2	9/2	9/2
Maintenance costs - new investments - gen. cargo term.																
Quaywalls etc - 1%	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
Buildings and utilities etc. - 4%	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Forklifts, reachstackers - 10%	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43
Quay cranes - 4%	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560
Tractors, tugmasters, trailers etc - 30%	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Automobiles, pick-up trucks and minibuses - 15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total maintenance and repair	675	675	675	675	675	675	675	675	675	675	675	675	675	675	675	675
Investments - Phase 1																
Container yard																
Quaywalls and structures	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353
Buildings and utilities etc	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141
Railmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Railmounted Yard Gantry Cranes for Railroad Operations.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Forklifts, large	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540
Forklifts, small	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Mafi trailers, tractors/tugmasters, other equipment	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480
Tank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Automobiles, pick-up trucks and minibuses -	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Total	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784
General cargo terminal																
Quaywalls and structures	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578
Buildings and utilities etc	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780
Mobile cranes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gantry and other cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forklifts	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Mafi trailers, tractors/tugmasters, other equipment	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Automobiles, pick-up trucks and minibuses -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Workshop training and equipment, yard repair etc.	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Total	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151
Grand total	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935

Table B.1.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Cumulative total	19,935															
Investments - Phase 2																
Container yard																
Quaywalls and structures						459	459	459	459	459	459	459	459	459	459	459
Buildings and utilities etc																
Rainmounted Yard Gantry Cranes						2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Rainmounted Yard Gantry Cranes for Railroad Operations.						1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Reach stackers																
Forklifts, large																
Forklifts, small						150	150	150	150	150	150	150	150	150	150	150
Marf. trailers, tractors/tugmasters, other equipment						240	240	240	240	240	480	480	480	480	480	480
Tank-trailer																
Automobiles, pick-up trucks and minibuses -																
Total						4,649	4,649	4,649	4,649	4,649	4,889	4,889	4,889	4,889	4,889	4,889
General cargo terminal																
Quaywalls and structures						8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450
Buildings and utilities etc						4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555
Rainmounted Yard Gantry Cranes																
Rainmounted Yard Gantry Cranes for Railroad Operations.																
Reach stackers																
Forklifts																
Marf. trailers, tractors/tugmasters, other equipment																
Tank-trailer																
Automobiles, pick-up trucks and minibuses -																
Total																1,650
General cargo terminal																
Quaywalls and structures																
Buildings and utilities etc																
Mobile cranes																
Gantry cranes																
Reach stackers																
Forklifts																
Marf. trailers, tractors/tugmasters, other equipment																
Automobiles, pick-up trucks and minibuses -																
Total																1,650
Grand total																1,650
Renewal Investments:																
Phase 1																
Reach stackers, forklifts, tractors, tugmasters etc.											2,440					
Small forklifts																
Automobiles, pick-up trucks and minibuses -						100					100					100
Phase 2:																

Table B.1.1 Investment model of the International Seaport of Baku (all figures in '000 USD). - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vol6 Table B1.xls																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts														100		
Automobiles, pick-up trucks and minibuses -																
Phase 3																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																
Automobiles, pick-up trucks and minibuses -																
Renewal investments total:						100					2,540					
Cumulative reinvestments	3,765								685							
	19,935					17,654					240					1,600
Year																
Disbursement of loans/payment for investments																
General cargo operations:																
Number of units operated:																
Cranes - 35/40 tons	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cranes - other	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Large forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Small forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Yard tractors/trailers	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Fuel/energy consumption per unit/operating hour:																
Cranes - 35/40 tons - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Cranes - other - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Large forklifts - liters	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Small forklifts - liters	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors/trailers - liters	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Cranes - 35/40 tons	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Cranes - other	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Large forklifts	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Small forklifts	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors/trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Rental of land from SPA:																
Number of square meters rented	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Cost per square meter - USD per year	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20

Table B.1.2 Investment model of the Container Yard of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

Vol6 Table B1.xls	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:																
Container yard handling:																
Container handling, CY and seaborne	4,613	4,976	5,350	5,736	6,134	6,543	7,013	7,497	7,994	8,505	9,029	9,815	10,623	11,454	12,306	13,181
Stuffing/stripping in CFS - 20 ft. containers	709	774	842	911	982	1,056	1,135	1,215	1,299	1,384	1,472	1,635	1,805	1,984	2,170	2,365
Stuffing/stripping in CFS - 40 ft. containers	133	198	270	349	435	528	629	737	853	975	1,105	1,226	1,354	1,488	1,628	1,774
Total revenues	5,455	5,948	6,462	6,996	7,551	8,127	8,777	9,450	10,145	10,864	11,606	12,676	13,763	14,926	16,104	17,320
Direct costs:																
Labor:																
Direct wages	341	449	558	666	774	1,271	1,427	1,582	1,738	1,894	2,161	2,325	2,490	2,654	2,819	3,751
Contribution pension and unemployment fund	126	166	206	246	287	470	528	585	643	701	799	860	921	982	1,043	1,388
Total labor	467	615	764	912	1,061	1,741	1,954	2,168	2,381	2,595	2,960	3,186	3,411	3,636	3,862	5,139
Maintenance and repair - leased facilities/equipment	503	503	503	503	503	623	623	623	623	623	623	679	679	679	679	769
Electricity consumption - equipment	20	20	20	20	20	39	39	39	39	39	39	39	39	39	39	47
Fuel consumption - machinery and equipment	42	42	42	42	42	51	51	51	51	51	51	61	61	61	61	61
Total direct operating costs	565	565	565	565	565	714	714	714	714	714	714	779	779	779	779	876
Indirect operating costs:																
Leasing cost - land from ISPB	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing cost - equipment from ISPB	773	773	773	773	773	1,260	1,260	1,260	1,260	1,260	1,260	1,310	1,310	1,310	1,310	1,509
Leasing cost - buildings/infrastr. from ISPB	1,210	1,210	1,210	1,210	1,210	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	2,071	2,071	2,071	2,071	2,071	2,611	2,611	2,611	2,611	2,611	2,660	2,660	2,660	2,660	2,660	2,859
General and administrative costs:																
Management wages	64	83	103	122	142	178	200	222	243	265	287	308	330	352	373	395
Contribution pension and unemployment fund - mgmt	24	31	38	45	53	66	74	82	90	98	106	114	122	130	138	146
Corporate management and G & A - CY	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	254	281	308	335	362	412	441	471	501	530	560	589	619	649	678	708
Total costs and expenses	2,890	2,917	2,944	2,971	2,998	3,737	3,766	3,796	3,826	3,855	3,999	4,028	4,058	4,088	4,117	4,444
Operating income	2,565	3,031	3,518	4,026	4,554	4,390	5,011	5,654	6,320	7,009	7,607	8,648	9,725	10,838	11,987	12,876
Taxes payable:																
Profit tax	898	1,061	1,231	1,409	1,594	1,537	1,754	1,979	2,212	2,453	2,662	3,027	3,404	3,793	4,196	4,507
Disablement (disability) fund tax	26	30	35	40	46	44	50	57	63	70	76	86	97	108	120	129
Total taxes	923	1,091	1,266	1,449	1,639	1,580	1,804	2,035	2,275	2,523	2,738	3,113	3,501	3,902	4,315	4,635
Net income after taxes	1,641	1,940	2,252	2,576	2,914	2,810	3,207	3,618	4,045	4,486	4,868	5,535	6,224	6,936	7,672	8,241
Net profit margin in % of revenues	30	33	35	37	39	35	37	38	40	41	42	44	45	46	48	48
Cash flow analysis:																
Cash received:																
Net income after taxes	1,641	1,940	2,252	2,576	2,914	2,810	3,207	3,618	4,045	4,486	4,868	5,535	6,224	6,936	7,672	8,241
Cumulative net cash flow	1,641	3,581	5,833	8,409	11,323	14,133	17,340	20,958	25,003	29,489	34,357	39,892	46,116	53,052	60,724	69,964
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
Containers - CY 20 ft.	24,600	24,391	24,181	23,972	23,762	23,553	23,767	23,981	24,196	24,410	24,624	26,290	27,956	29,621	31,287	32,953
Containers - CY 40 ft.	6,150	8,060	9,971	11,881	13,792	15,702	17,486	19,271	21,055	22,840	24,624	26,290	27,956	29,621	31,287	32,953
No. of 20 ft. containers - stripped or stuffed	3,547	3,630	3,713	3,795	3,878	3,961	4,052	4,143	4,235	4,326	4,417	4,716	5,015	5,314	5,613	5,912
No. of 40 ft. containers - stripped or stuffed	0,443	0,618	0,794	0,969	1,145	1,320	1,498	1,676	1,853	2,031	2,209	2,356	2,508	2,657	2,807	2,956
Containers per 20ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Containers per 40ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00

Table B.1.2 Investment model of the Container Yard of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Container stuffing/stripping charge per 20 ft	200.00	213.33	226.67	240.00	253.33	266.67	280.00	293.33	306.67	320.00	333.33	346.67	360.00	373.33	386.67	400.00
Container stuffing/stripping charge per 40 ft	300.00	320.00	340.00	360.00	380.00	400.00	420.00	440.00	460.00	480.00	500.00	520.00	540.00	560.00	580.00	600.00
Operating and cost assumptions:																
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	8	8	8	8	8	9	9	9	9	9	9	9	9	9	9	9
Level 3 - Foremen, equipment operators, clerical staff	18	18	18	18	18	24	24	24	24	24	28	28	28	28	28	36
Level 4 - Labor A - specialized labor/dockers	31	31	31	31	31	50	50	50	50	50	46	46	46	46	46	57
Level 5 - Labor B - general port workers	19	19	19	19	19	24	24	24	24	24	28	28	28	28	28	34
Level 6 - General labor	11	11	11	11	11	15	15	15	15	15	18	18	18	18	18	24
Total work force	88	88	88	88	88	123	123	123	123	123	130	130	130	130	130	161
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/dockers	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc	200	267	333	400	467	533	600	667	733	800	867	933	1,000	1,067	1,133	1,200
Avg. cost per kwh	560,000	560,000	560,000	560,000	560,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,330,000
Electricity consumption kwh	0.035	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Fuel consumption, 000 liters	324.0	324.0	324.0	324.0	324.0	396.0	396.0	396.0	396.0	396.0	468.0	468.0	468.0	468.0	468.0	468.0
Avg. cost of fuel per liter	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Equipment prices and lease payments/year:																
Rail mounted gantry	2,300,000	1,500,000	1,729,271	1,958,542	2,187,813	2,417,084	2,646,355	2,875,626	3,104,897	3,334,168	3,563,439	3,792,710	4,021,981	4,251,252	4,480,523	4,709,794
Rail mounted gantry for Railway Operations	1,500,000	1,500,000	1,729,271	1,958,542	2,187,813	2,417,084	2,646,355	2,875,626	3,104,897	3,334,168	3,563,439	3,792,710	4,021,981	4,251,252	4,480,523	4,709,794
Reach stacker	400,000	10	59,799	119,597	179,396	239,195	298,994	358,793	418,592	478,391	538,190	597,989	657,788	717,587	777,386	837,185
Empty container handler - 15 tons	220,000	10	32,889	65,778	100,000	133,333	166,667	200,000	233,333	266,667	300,000	333,333	366,667	400,000	433,333	466,667
Forklift truck, 41 ton with spreader	320,000	10	47,839	95,678	143,517	191,356	239,195	287,034	334,873	382,712	430,551	478,390	526,229	574,068	621,907	669,746
Forklift, small	25,000	8	4,396	8,792	13,188	17,584	21,980	26,376	30,772	35,168	39,564	43,960	48,356	52,752	57,148	61,544
Yard tractors, trailers	120,000	10	17,940	35,880	53,820	71,760	89,700	107,640	125,580	143,520	161,460	179,400	197,340	215,280	233,220	251,160
Yank trailer	40,000	10	5,980	11,960	17,940	23,920	29,900	35,880	41,860	47,840	53,820	59,800	65,780	71,760	77,740	83,720
Automobile, pick-up trucks (2), minibuses	110,000	5	28,169	56,338	84,507	112,676	140,845	169,014	197,183	225,352	253,521	281,690	309,859	338,028	366,197	394,366
Infrastructure rental prices USD per year:																
Buildings, infrastructure and utilities etc	1,210	1,210	1,210	1,210	1,210	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
Terminal land area, USD per sq. meter	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26
Administration fee for lease	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Equipment list CV by year:																
Rail mounted gantry	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2
Rail mounted gantry for Railway Operations	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2
Reach stacker	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Empty container handler	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Forklift truck, 41 ton with spreader	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Forklift, small	10	10	10	10	10	13	13	13	13	13	16	16	16	16	16	22
Yard tractors/trailers	4	4	4	4	4	6	6	6	6	6	8	8	8	8	8	8
Yank trailer	4	4	4	4	4	1	1	1	1	1	1	1	1	1	1	1
Automobile, pick-up trucks (2), minibuses	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Lease payments per year:																
Rail mounted gantry	265,154	265,154	265,154	265,154	265,154	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308
Rail mounted gantry for Railway Operations	172,927	172,927	172,927	172,927	172,927	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853
Reach stacker	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597
Empty container handler	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778

Table B.1.2 Investment model of the Container Yard of the International Seaport of Baku (all figures in '000 USD). - Most likely scenario analysis.

Voib Table B1.xls	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Forklifts - small	43,960	43,960	43,960	43,960	43,960	57,148	57,148	57,148	57,148	57,148	70,336	70,336	70,336	70,336	70,336	96,713
Yard tractors/trailers	71,758	71,758	71,758	71,758	71,758	107,637	107,637	107,637	107,637	107,637	143,517	143,517	143,517	143,517	143,517	143,517
Tank trailer	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980
Automobile, pick-up trucks (2), minibus	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169
Total	773,324	773,324	773,324	773,324	773,324	1,260,472	1,260,472	1,260,472	1,260,472	1,260,472	1,309,539	1,309,539	1,309,539	1,309,539	1,309,539	1,508,842
Maintenance costs																
Quaywalls etc - 1%	94	94	94	94	94	98	98	98	98	98	98	98	98	98	98	98
Buildings and utilities etc. - 4%	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46
Forklifts, reachstackers - 10%	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	149
Forklifts, small - 10%	25	25	25	25	25	33	33	33	33	33	40	40	40	40	40	55
Gantry cranes - 4%	92	92	92	92	92	152	152	152	152	152	152	152	152	152	152	212
Tractors, tugmasters, trailers etc - 20%	96	96	96	96	96	144	144	144	144	144	192	192	192	192	192	192
Tank trailer - 5%	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Automobile, pick-up trucks (2), minibus - 15%	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Total maintenance and repair	503	503	503	503	503	623	623	623	623	623	679	679	679	679	679	769
Rental of land and buildings - sq. meters:																
Land area	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Fuel/energy consumption per unit/operating hour:																
Rail mounted gantry kwh/hour	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Rail mounted gantry for Railway Operations kwh/hour	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60
Reach stacker/heavy forklift trucks, liters/hour	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Empty container handler, liters/hour	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
Forklift truck small, liters/hour	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors, trailers, liters/hour	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Rail mounted gantry kwh/hour	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Rail mounted gantry for Railway Operations	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Reach stacker/heavy fork lift trucks	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Empty container handler	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Forklift truck, small	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors, trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000

Table B.2.1 Investment model of the International Seaport of Baku (all figures in '000 USD). - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:																
Vessel dues:																
Vessel dues, all inclusive	491	530	569	608	647	686	700	714	728	742	756	771	786	802	817	832
Cargo handling charges:																
Bulk cargoes	682	808	938	1,072	1,211	1,354	1,505	1,661	1,823	1,989	2,160	2,340	2,524	2,714	2,909	3,110
Neobulk cargoes	930	1,060	1,195	1,336	1,482	1,633	1,796	1,965	2,140	2,321	2,508	2,709	2,918	3,133	3,355	3,584
General cargoes	238	248	250	243	228	203	228	253	280	307	336	365	396	427	460	493
Total	1,849	2,116	2,383	2,652	2,920	3,190	3,529	3,880	4,242	4,617	5,004	5,414	5,838	6,274	6,724	7,187
Container yard leasing revenues:																
Leasing revenues - terminals and land from CY	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing revenues - equipment from CY	745	745	745	745	745	745	745	745	745	745	745	745	745	745	745	745
Leasing revenues - buildings from CY	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993	1,993
Total	4,332	4,638	4,945	5,252	5,560	5,869	6,221	6,586	6,963	7,352	7,752	8,178	8,617	9,069	9,534	10,012
Total revenues																
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	321	419	517	615	713	811	909	1,007	1,105	1,203	1,301	1,399	1,497	1,594	1,692	1,790
Contribution pension and unemployment fund	119	155	191	228	264	300	336	372	409	445	481	517	554	590	626	662
Total labor	440	574	708	842	977	1,111	1,245	1,379	1,513	1,648	1,782	1,916	2,050	2,184	2,319	2,453
Maintenance and repair - existing facilities	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
Maintenance and repair - new facilities/equipment	675	675	675	675	675	675	675	675	675	675	675	675	675	675	675	675
Total direct	1,193	1,327	1,461	1,595	1,729	1,864	1,998	2,132	2,266	2,400	2,535	2,669	2,803	2,937	3,071	3,206
Indirect costs:																
Depreciation - new facilities:																
Tax depreciation	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972
Add'l depreciation	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Total depreciation - new facilities	997	997	997	997	997	997	997	997	997	997	997	997	997	997	997	997
Depreciation existing facilities	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Utilities, electricity	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79
Fuel consumption - machinery	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Rental of land from SPA	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410
General and administrative costs:																
Management wages	50	66	81	97	112	128	144	159	175	190	206	221	237	252	268	283
Contribution pension and unemployment fund - mgmt	19	24	30	36	42	47	53	59	65	70	76	82	88	93	99	105
Land fund tax	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Transport tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate management and G & A - ISPB	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	242	263	284	305	327	348	369	390	412	433	454	475	497	518	539	560
Total costs and expenses	2,845	3,000	3,156	3,311	3,466	3,622	3,777	3,933	4,149	4,304	4,460	4,615	4,771	4,926	5,082	5,237
Operating income	1,488	1,638	1,789	1,941	2,094	2,247	2,444	2,653	2,814	3,047	3,293	3,563	3,846	4,142	4,452	4,775
Taxes payable:																
Profit tax	530	582	635	688	742	795	864	938	1,015	1,097	1,183	1,277	1,376	1,480	1,588	1,701
Disabling (disability) fund tax	15	17	18	20	21	23	25	27	29	31	34	36	39	42	45	49
Total taxes	545	599	653	708	763	818	889	964	1,044	1,128	1,216	1,314	1,416	1,522	1,634	1,750
Net income after taxes	943	1,039	1,136	1,233	1,331	1,429	1,555	1,689	1,770	1,919	2,076	2,249	2,430	2,620	2,818	3,025
Net profit margin in % of revenues	22	22	23	23	24	24	25	26	26	27	27	28	28	29	30	30
Contribution of profits from CY	632	752	878	1,007	1,142	1,280	1,391	1,504	1,619	1,737	1,858	2,180	2,519	2,873	3,244	3,630
Net income after taxes and contr. CY	1,575	1,792	2,014	2,241	2,472	2,709	2,946	3,193	3,369	3,656	3,934	4,429	4,949	5,493	6,062	6,655
Net profit margin in % of revenues	16	18	19	21	22	24	25	27	27	29	30	32	35	38	40	43
Cash flow analysis:																
Cash received:																
Net income after taxes and contr. CY	1,575	1,792	2,014	2,241	2,472	2,709	2,946	3,193	3,369	3,656	3,934	4,429	4,949	5,493	6,062	6,655
Add back depreciation	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,132	1,132	1,132	1,132	1,132	1,132	1,132	1,132

Table B.2.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total cash received	2,646	2,663	3,085	3,312	3,544	3,781	4,017	4,264	4,521	4,789	5,066	5,351	5,641	5,936	6,236	6,541
Net cash flow - year	2,646	2,663	3,085	3,312	3,544	3,781	4,017	4,264	4,521	4,789	5,066	5,351	5,641	5,936	6,236	6,541
Cumulative net cash flow	2,646	5,309	8,394	11,706	15,250	19,031	23,048	27,312	31,833	36,622	41,688	47,039	52,680	58,616	64,847	71,388
Residual value of assets 2015	6,915															
Investment analysis:																
Net present value with 10% discount rate	12,187															
Net present value with 15% discount rate	3,161															
Internal rate of return	18%															
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
Dry bulk cargo tons	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Neobulk cargo tons	235	239	244	248	253	257	262	267	273	278	283	289	294	300	305	311
General cargo tons	159	159	163	167	171	175	180	184	189	193	198	203	208	214	219	224
Containers - CY 20 ft.	50	45	39	34	28	23	24	24	25	25	26	27	27	28	28	29
Containers - CY 40 ft.	24,600	24,391	24,181	23,972	23,762	23,553	23,343	23,133	22,923	22,713	22,503	22,293	22,083	21,873	21,663	21,453
No. of 20 ft. containers - stripped or stuffed	6,150	8,060	9,971	11,881	13,792	15,702	17,612	19,522	21,432	23,342	25,252	27,162	29,072	30,982	32,892	34,802
No. of 40 ft. containers - stripped or stuffed	3,547	3,630	3,713	3,795	3,878	3,961	4,052	4,143	4,235	4,326	4,417	4,508	4,599	4,690	4,781	4,872
No. of vessels arriving	0,443	0,618	0,794	0,989	1,145	1,320	1,498	1,676	1,853	2,031	2,209	2,387	2,565	2,743	2,921	3,099
Handling charges:																
Dry bulk per ton	2,90	3,37	3,85	4,32	4,79	5,27	5,74	6,21	6,69	7,16	7,63	8,11	8,58	9,05	9,53	10,00
Neobulk per ton	6,00	6,67	7,33	8,00	8,67	9,33	10,00	10,67	11,33	12,00	12,67	13,33	14,00	14,67	15,33	16,00
General cargo per ton	4,75	5,57	6,38	7,20	8,02	8,83	9,65	10,47	11,28	12,10	12,92	13,73	14,55	15,37	16,18	17,00
Containers per 20ft.	150,00	153,33	156,67	160,00	163,33	166,67	170,00	173,33	176,67	180,00	183,33	186,67	190,00	193,33	196,67	200,00
Containers per 40ft.	150,00	153,33	156,67	160,00	163,33	166,67	170,00	173,33	176,67	180,00	183,33	186,67	190,00	193,33	196,67	200,00
Container stuffing/stripping charge per 20 ft.	200,00	213,33	226,67	240,00	253,33	266,67	280,00	293,33	306,67	320,00	333,33	346,67	360,00	373,33	386,67	400,00
Container stuffing/stripping charge per 40 ft.	300,00	320,00	340,00	360,00	380,00	400,00	420,00	440,00	460,00	480,00	500,00	520,00	540,00	560,00	580,00	600,00
Vessel dues - average per vessel call																
Operating and cost assumptions, General Cargo Terminal:																
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Level 3 - Foremen, equipment operators, clerical staff	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17
Level 4 - Labor A - specialized labor/dockers	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44
Level 5 - Labor B - general port workers	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Level 6 - General labor	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Total work force	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Monthly wages - all inclusive																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/dockers	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc.	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Electricity consumption kwh	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000
Avg. cost per kwh	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035
Fuel consumption ('000 liters)	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0
Avg. cost of fuel per liter	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13
Total investments:																
Quaywalls and structures	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931
Buildings and utilities etc.	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921
Rainmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Rainmounted Yard Gantry Cranes for Railroad Operations:																
Quay cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Forklifts	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590
Marl trailers, tractors/tugmasters, other equipment	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511
Tank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40

Table B.2.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vol2 Table B22.xls																
Automobiles, pick-up trucks and minibuses	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Workshop training and equipment	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Total investments	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Depreciation calculation:																
Quaywalls and infrastructure - 25 years depr.	477	477	477	477	477	477	477	477	477	477	477	477	477	477	477	477
Buildings and utilities - 15 years depr.	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128
Cranes - 15 years depr.	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175
Forklifts, stackers - 10 years depr.	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
Forklifts - small - 8 years depr.	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Tractors, tugmasters, trailers etc - 10 years depr.	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Tank-trailer 10 years	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Automobiles, pick-up trucks and minibuses - 5 years depreciation	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Total depreciation	997	997	997	997	997	997	997	997	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
Tax depreciation - new projects:																
Total tax depreciation - new assets 4.876%	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972
Maintenance costs - new investments - general cargo terminal																
Quaywalls etc - 1%	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
Buildings and utilities etc - 4%	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Heavy forklifts, reachstackers - 10%	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43
Quay cranes - 4%	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560
Tractors, tugmasters, trailers etc - 20%	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Automobiles, pick-up trucks and minibuses - 15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total maintenance and repair	675	675	675	675	675	675	675	675	675	675	675	675	675	675	675	675
Investments - Phase 1																
Container yard																
Quaywalls and structures	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353
Buildings and utilities etc	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141
Railmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Railmounted Yard Gantry Cranes for Railroad Operations.																
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Forklifts, large	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540
Forklifts, small	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Mafi trailers, tractors/tugmasters, other equipment	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480
Tank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Automobiles, pick-up trucks and minibuses -	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Total	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784
General cargo terminal																
Quaywalls and structures	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578
Buildings and utilities etc	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780
Mobile cranes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gantry and other cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forklifts	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Mafi trailers, tractors/tugmasters, other equipment	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Automobiles, pick-up trucks and minibuses -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Workshop training and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151
Grand total	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Cumulative total																
Investments - phase 2	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Container yard																
Quaywalls and structures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings and utilities etc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Railmounted Yard Gantry Cranes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Railmounted Yard Gantry Cranes for Railroad Operations.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reach stackers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forklifts, large	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forklifts, small	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mafi trailers, tractors/tugmasters, other equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tank-trailer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table B.2.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Automobiles, pick-up trucks and minibuses -																
Total																
General cargo terminal																
Quaywalls and structures																
Buildings and utilities etc																
Mobile cranes																
Gantry and other cranes																
Reach stackers																
Forklifts																
Mati trailers, tractors/tugmasters, other equipment																
Automobiles, pick-up trucks and minibuses -																
Total																
Grand total																
Cumulative total																
Investments - Phase 3																
Container yard																
Quaywalls and structures																
Buildings and utilities etc																
Railmounted Yard Gantry Cranes																
Railmounted Yard Gantry Cranes for Railroad Operators																
Reach stackers																
Forklifts																
Mati trailers, tractors/tugmasters, other equipment																
Tank-trailer																
Automobiles, pick-up trucks and minibuses -																
Total																
Grand total																
Cumulative total																
Renewal investments:																
Phase 1																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																
Automobiles, pick-up trucks and minibuses -						100										100
Phase 2:																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																
Automobiles, pick-up trucks and minibuses -																
Phase 3																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																
Automobiles, pick-up trucks and minibuses -																
Renewal investments total:						100			685		2,540					100
Cumulative reinvestments																
Year																
Disbursement of loans																
General cargo operators:																
Number of units operated:																
Cranes - 35/40 tons	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cranes - other	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Large forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1

Table B.2.1 Investment model of the International Seaport of Baku (all figures in '000 USD). - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Small forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Yard tractors/trailers	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Fuel/energy consumption per unit/operating hour:																
Cranes - 35/40 tons - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Cranes - other - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Large forklifts - liters	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Small forklifts - liters	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors/trailers - liters	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Cranes - 35/40 tons	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Cranes - other	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Large forklifts	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Small forklifts	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors/trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Rental of land from SPA:																
Number of square meters rented	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Cost per square meter - USD per year	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20

Table B.2.2 - Investment model of the Container Yard of the International Seaport of Baku (all figures in '000 USD). - Pessimistic scenario analysis.

Revenues:	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Container yard handling:																
Container handling, CY and seaborne	3,263	3,408	3,557	3,709	3,864	4,023	4,153	4,285	4,419	4,556	4,694	4,905	5,120	5,340	5,564	5,793
Stuffing/stripping in CFS - 20 ft. containers	494	525	557	588	619	649	674	698	721	744	765	1,047	1,347	1,667	2,006	2,365
Stuffing/stripping in CFS - 40 ft. containers	93	131	173	220	270	325	369	416	466	519	574	613	653	694	736	779
Total revenues	3,849	4,065	4,287	4,517	4,753	4,997	5,196	5,400	5,607	5,818	6,033	6,564	7,120	7,701	8,307	8,937
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	341	449	558	666	774	883	991	1,100	1,208	1,316	1,425	1,533	1,642	1,750	1,858	1,967
Contribution pension and unemployment fund	126	166	206	246	287	327	367	407	447	487	527	567	607	648	688	728
Total labor	467	615	764	912	1,061	1,209	1,358	1,506	1,655	1,803	1,952	2,100	2,249	2,398	2,546	2,695
Maintenance and repair - leased facilities/equipment	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503
Electricity consumption - equipment	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Fuel consumption - machinery and equipment	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42
Total direct operating costs	565	565	565	565	565	565	565	565	565	565	565	565	565	565	565	565
Indirect operating costs:																
Leasing cost - land from ISPB	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing cost - equipment from ISPB	745	745	745	745	745	745	745	745	745	745	745	745	745	745	745	745
Leasing cost - buildings/infrastr. from ISPB	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043	2,043
General and administrative costs:																
Management wages	64	83	103	122	142	162	181	201	220	240	260	279	299	318	338	358
Contribution pension and unemployment fund - mgmt	24	31	38	45	53	60	67	74	82	89	96	103	111	118	125	132
Corporate management and G & A - CY	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	254	281	308	335	362	389	415	442	469	496	523	550	577	603	630	657
Total costs and expenses	2,869	2,869	2,916	2,969	3,023	3,077	3,131	3,184	3,238	3,291	3,345	3,398	3,452	3,505	3,558	3,611
Operating income	987	1,176	1,371	1,574	1,784	2,001	2,173	2,350	2,530	2,714	2,902	3,107	3,311	3,515	3,719	3,923
Taxes payable:																
Profit tax	345	411	480	551	624	700	761	822	886	950	1,016	1,192	1,377	1,571	1,774	1,985
Disability (disability) fund tax	10	12	14	16	18	20	22	23	25	27	29	34	39	45	51	57
Total taxes	355	423	494	567	642	720	782	846	911	977	1,045	1,226	1,417	1,616	1,825	2,042
Net income after taxes	632	752	878	1,007	1,142	1,280	1,391	1,504	1,619	1,737	1,858	2,180	2,519	2,873	3,244	3,630
Net profit margin in % of revenues	16	19	20	22	24	26	27	28	29	30	31	33	35	37	39	41
Cash flow analysis:																
Cash received:																
Net income after taxes	632	752	878	1,007	1,142	1,280	1,391	1,504	1,619	1,737	1,858	2,180	2,519	2,873	3,244	3,630
Cumulative net cash flow	632	1,384	2,262	3,269	4,411	5,691	7,082	8,586	10,205	11,942	13,800	15,980	18,499	21,372	24,616	28,247
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
Containers - CY 20 ft.	17,400	16,816	16,233	15,649	15,066	14,482	14,146	13,810	13,473	13,137	12,801	13,137	13,474	13,810	14,147	14,483
Containers - CY 40 ft.	4,350	5,411	6,472	7,533	8,594	9,655	10,284	10,913	11,543	12,172	12,801	13,137	13,474	13,810	14,147	14,483
No. of 20 ft. containers - stripped or stuffed	2,469	2,462	2,455	2,449	2,442	2,435	2,407	2,379	2,352	2,324	2,296	3,019	3,742	4,466	5,189	5,912
No. of 40 ft. containers - stripped or stuffed	0,309	0,410	0,510	0,611	0,711	0,812	0,679	0,946	1,014	1,081	1,148	1,178	1,208	1,239	1,269	1,299
Handling charges:																
Containers per 20ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Containers per 40ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Container stuffing/stripping charge per 20 ft.	200.00	213.33	226.67	240.00	253.33	266.67	280.00	293.33	306.67	320.00	333.33	346.67	360.00	373.33	386.67	400.00
Container stuffing/stripping charge per 40 ft.	300.00	320.00	340.00	360.00	380.00	400.00	420.00	440.00	460.00	480.00	500.00	520.00	540.00	560.00	580.00	600.00

Table B.2.2 - Investment model of the Container Yard of the International Seaport of Baku (all figures in '000 USD). - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Voiz Table B22.xls																
Operating and cost assumptions:																
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Level 3 - Foremen, equipment operators, clerical staff	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Level 4 - Labor A - specialized labor/doctors	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Level 5 - Labor B - general port workers	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19
Level 6 - General labor	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Total work force	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/doctors	300	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc.	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Avg. cost per kwh	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000
Fuel consumption '000 liters	0.035	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Avg. cost of fuel per liter	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0
Price	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Lease pmt/year																
Rail mounted gantry for Railway Operations	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Reach stacker	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Empty container handler - 15 tons	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000
Forklift truck, 41 ton with spreader	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000
Forklift, small	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Yard tractors, trailers	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Tank trailer	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Automobile, pick-up trucks (2), minibus	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Infrastructure rental prices USD per year:																
Buildings, infrastructure and utilities etc.	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210
Terminal land area, USD per sq. meter	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26
Administration fee for lease	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Equipment list CY by year:																
Rail mounted gantry	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Rail mounted gantry for Railway Operations	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Reach stacker	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Empty container handler	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Forklift truck, 41 ton with spreader	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Forklift, small	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors/trailers	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Tank trailer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Automobile, pick-up trucks (2), minibus	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Lease payments per year:																
Rail mounted gantry	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154
Rail mounted gantry for Railway Operations	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927
Reach stacker	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597
Empty container handler	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778
Forklift truck, 41 ton with spreader	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960
Forklift, small	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758
Yard tractors/trailers	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980
Tank trailer	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169
Automobile, pick-up trucks (2), minibus	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169

Table B.2.2 - Investment model of the Container Yard of the International Seaport of Baku (all figures in '000 USD) - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total	745,154	745,154	745,154	745,154	745,154	745,154	745,154	745,154	745,154	745,154	745,154	745,154	745,154	745,154	745,154	745,154
Maintenance costs																
Quaywalls etc - 1%	94	94	94	94	94	94	94	94	94	94	94	94	94	94	94	94
Buildings and utilities etc. - 4%	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46
Forklifts, reachstackers - 10%	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134
Forklifts, small - 10%	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Gantry cranes - 4%	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Tractors, tugmasters, trailers etc - 20%	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96
Tank trailer - 5%	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Automobile, pick-up trucks (2), minibus - 15%	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Total maintenance and repair	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503
Rental of land and buildings - sq. meters:																
Land area	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Fuel/energy consumption per unit/operating hour:																
Rail mounted gantry kwh/hour	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Rail mounted gantry for Railway Operations kwh/hour	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60
Reach stacker/heavy forklift trucks, liters/hour	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Empty container handler, liters/hour	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
Forklift truck small, liters/hour	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors, trailers, liters/hour	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Rail mounted gantry kwh/hour	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Rail mounted gantry for Railway Operations	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Reach stacker/heavy fork lift trucks	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Empty container handler	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Forklift truck, small	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors, trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000

Table B.3.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis - Container handling rates reduced 50%.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:																
Vessel dues:																
Vessel dues, all inclusive	751	792	834	875	917	958	1,012	1,067	1,121	1,176	1,230	1,302	1,375	1,448	1,520	1,593
Cargo handling charges:																
Bulk cargoes	1,131	1,366	1,614	1,877	2,153	2,444	2,778	3,132	3,504	3,895	4,305	4,788	5,296	5,829	6,387	6,970
Neobulk cargoes	1,860	2,207	2,581	2,984	3,415	3,873	4,430	5,024	5,655	6,324	7,030	7,801	8,623	9,494	10,416	11,388
General cargoes	238	253	260	261	253	239	218	320	366	414	465	527	594	664	738	816
Total	3,229	3,825	4,456	5,121	5,821	6,556	7,486	8,476	9,525	10,633	11,800	13,216	14,712	16,287	17,941	19,674
Container yard leasing revenues:																
Leasing revenues - terminals and land from CY	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing revenues - equipment from CY	773	773	773	773	773	1,260	1,260	1,260	1,260	1,260	1,310	1,310	1,310	1,310	1,310	1,509
Leasing revenues - buildings from CY	1,210	1,210	1,210	1,210	1,210	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
Total	2,021	2,021	2,021	2,021	2,021	2,561	2,561	2,561	2,561	2,561	2,610	2,610	2,610	2,610	2,610	2,809
Total revenues	6,000	6,638	7,311	8,017	8,759	10,074	11,059	12,104	13,207	14,369	15,640	17,129	18,697	20,344	22,071	24,076
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	321	419	517	615	713	977	1,095	1,213	1,331	1,449	1,909	2,053	2,197	2,340	2,484	3,230
Contribution pension and unemployment fund	119	155	191	228	264	361	405	449	492	536	706	760	813	866	919	1,195
Total labor	440	574	708	842	977	1,338	1,500	1,662	1,824	1,985	2,616	2,813	3,010	3,206	3,403	4,426
Maintenance and repair - existing facilities	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
Maintenance and repair - new facilities/equipment	675	675	675	675	675	942	942	942	942	942	942	942	942	942	942	942
Total direct	1,193	1,327	1,461	1,595	1,729	2,358	2,520	2,681	2,843	3,005	3,635	3,832	4,029	4,226	4,423	5,445
Indirect costs:																
Depreciation - new facilities:																
Tax depreciation	972	972	972	972	972	1,826	1,826	1,826	1,826	1,826	1,837	1,837	1,837	1,837	1,837	1,918
Add'l depreciation	25	25	25	25	25	109	109	109	109	170	182	182	182	182	182	217
Total depreciation - new facilities	997	997	997	997	997	1,935	1,935	1,935	1,935	1,996	2,020	2,020	2,020	2,020	2,020	2,135
Depreciation existing facilities	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Utilities, electricity	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79
Fuel consumption - machinery	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Rental of land from SPA	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	1,410	1,410	1,410	1,410	1,410	2,348	2,348	2,348	2,348	2,409	2,433	2,433	2,433	2,433	2,433	2,548
General and administrative costs:																
Management wages	50	66	81	97	112	162	181	201	220	240	260	279	299	318	338	358
Contribution pension and unemployment fund - mgmt	19	24	30	36	42	60	67	74	82	89	96	103	111	118	125	132
Land fund tax	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Transport tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate management and G & A - ISPB	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	242	263	284	305	327	394	421	448	474	501	528	555	582	609	636	662
Total costs and expenses	2,845	3,000	3,156	3,311	3,466	5,099	5,288	5,477	5,726	5,915	6,596	6,820	7,043	7,267	7,491	8,655
Operating income	3,156	3,638	4,155	4,706	5,292	4,975	5,771	6,627	7,481	8,455	9,044	10,309	11,654	13,077	14,580	15,421
Taxes payable:																
Profit tax	1,113	1,282	1,463	1,656	1,861	1,780	2,058	2,358	2,678	3,019	3,229	3,672	4,143	4,641	5,167	5,473
Disability (disability) fund tax	32	37	42	47	53	51	59	67	77	86	92	105	118	133	148	156
Total taxes	1,145	1,319	1,505	1,703	1,914	1,830	2,117	2,425	2,754	3,105	3,321	3,777	4,261	4,774	5,314	5,630
Net income after taxes	2,011	2,319	2,650	3,003	3,378	3,145	3,654	4,202	4,727	5,350	5,723	6,532	7,393	8,304	9,266	9,791
Net profit margin in % of revenues	34	35	36	37	39	31	33	35	36	37	38	40	41	41	42	41
Contribution of profits from CY	(163)	36	184	338	498	209	398	595	798	1,009	1,155	1,478	1,813	2,160	2,518	2,698
Net income after taxes and contr. CY	1,848	2,356	2,834	3,340	3,876	3,354	4,053	4,796	5,525	6,359	6,877	8,011	9,206	10,464	11,784	12,490
Net profit margin in % of revenues	21	25	28	31	34	26	29	32	35	37	37	40	43	45	48	47
Cash flow analysis:																
Cash received:																
Net income after taxes and contr. CY	1,848	2,356	2,834	3,340	3,876	3,354	4,053	4,796	5,525	6,359	6,877	8,011	9,206	10,464	11,784	12,490
Add back depreciation	1,072	1,072	1,072	1,072	1,072	2,009	2,009	2,009	2,070	2,070	2,094	2,094	2,094	2,094	2,094	2,209

Table B.3.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis - Container handling rates reduced 50%.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total cash received	2,919	3,427	3,905	4,412	4,947	5,363	6,061	6,805	7,594	8,429	8,971	10,104	11,300	12,557	13,877	14,698
Net cash flow - year	2,919	3,427	3,905	4,412	4,947	5,363	6,061	6,805	7,594	8,429	8,971	10,104	11,300	12,557	13,877	14,698
Cumulative net cash flow	2,919	6,347	10,252	14,664	19,611	24,974	31,035	37,841	45,435	53,864	62,835	72,939	84,239	96,796	110,674	125,372
Residual value of assets 2015	15,989															15,989
Investment analysis:																
Net present value with 10% discount rate	29,993															
Net present value with 15% discount rate	13,912															
Internal rate of return	24.67%															
Assumptions and bases for calculations:																
Cargoes in '000 tons of '000 containers:	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Dry bulk cargo tons	390	405	420	434	449	464	484	504	524	544	564	591	617	644	670	697
Neobulk cargo tons	310	331	352	373	394	415	443	471	499	527	555	593	630	668	705	743
General cargo tons	50	45	41	36	32	27	29	31	32	34	36	38	41	43	46	48
Containers - CY 20 ft	24,600	24,391	24,181	23,972	23,762	23,553	23,343	23,134	22,924	22,715	22,506	22,297	22,088	21,879	21,670	21,461
Containers - CY 40 ft	6,150	8,060	9,971	11,881	13,792	15,702	17,612	19,521	21,431	23,341	25,251	27,161	29,071	30,981	32,891	34,801
No. of 20 ft. containers - stripped or stuffed	3,547	3,630	3,713	3,795	3,878	3,961	4,052	4,143	4,235	4,326	4,417	4,508	4,599	4,690	4,781	4,872
No. of 40 ft. containers - stripped or stuffed	0,443	0,618	0,794	0,969	1,145	1,320	1,498	1,676	1,853	2,031	2,209	2,388	2,566	2,744	2,922	3,100
No. of vessels arriving	242	256	269	282	296	309	327	344	362	379	397	420	444	467	490	514
Handling charges:																
Dry bulk per ton	2,90	3,37	3,85	4,32	4,79	5,27	5,74	6,21	6,69	7,16	7,63	8,11	8,58	9,05	9,53	10,00
Neobulk per ton	6,00	6,67	7,33	8,00	8,67	9,33	10,00	10,67	11,33	12,00	12,67	13,33	14,00	14,67	15,33	16,00
General cargo per ton	4,75	5,57	6,38	7,20	8,02	8,83	9,65	10,47	11,28	12,10	12,92	13,73	14,55	15,37	16,18	17,00
Containers per 20ft.	150,00	153,33	156,67	160,00	163,33	166,67	170,00	173,33	176,67	180,00	183,33	186,67	190,00	193,33	196,67	200,00
Containers per 40ft.	150,00	153,33	156,67	160,00	163,33	166,67	170,00	173,33	176,67	180,00	183,33	186,67	190,00	193,33	196,67	200,00
Container stuffing/stripping charge per 20 ft.	200,00	213,33	226,67	240,00	253,33	266,67	280,00	293,33	306,67	320,00	333,33	346,67	360,00	373,33	386,67	400,00
Container stuffing/stripping charge per 40 ft.	300,00	320,00	340,00	360,00	380,00	400,00	420,00	440,00	460,00	480,00	500,00	520,00	540,00	560,00	580,00	600,00
Vessel dues per ship call:																
Vessel dues - average per vessel call	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
Operating and cost assumptions: General Cargo Terminal:																
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	6	6	6	6	6	8	8	8	8	8	8	8	8	8	8	8
Level 3 - Foremen, equipment operators, clerical staff	17	17	17	17	17	20	20	20	20	20	26	26	26	26	26	32
Level 4 - Labor A - specialized labor/dockers	44	44	44	44	44	53	53	53	53	53	64	64	64	64	64	80
Level 5 - Labor B - general port workers	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4
Level 6 - General labor	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4
Total work force	74	74	74	74	74	90	90	90	90	90	107	107	107	107	107	129
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/dockers	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc.	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Electricity consumption kWh	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000
Avg. cost per kWh	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035	0,035
Fuel consumption (000 liters)	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0	135,0
Avg. cost of fuel per liter	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13	0,13
Total Investments:																
Quays and structures	11,931	11,931	11,931	11,931	11,931	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840
Buildings and utilities etc	1,921	1,921	1,921	1,921	1,921	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Railmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Railmounted Yard Gantry Cranes for Railroad Operators.	-	-	-	-	-	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Quay cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Forklifts	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590
Mail trailers, tractors/stugmasters, other equipment	511	511	511	511	511	751	751	751	751	751	991	991	991	991	991	991
Tank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40

Table B.3.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis - Container handling rates reduced 50%.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vol6 Table B32.xls																
Automobiles, pick-up trucks and minibuses	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Workshop training and equipment	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Total investments	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Depreciation calculation:																
Quaywalls and infrastructure - 25 years depr.	477	477	477	477	477	477	477	477	477	477	477	477	477	477	477	477
Buildings and utilities - 15 years depr.	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128
Cranes - 15 years depr.	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175
Forklifts, stackers - 10 years depr.	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
Forklifts - small - 8 years depr.	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Tractors, tugmasters, trailers etc. - 10 years depr.	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Tank-trailer, 10 years	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Automobiles, pick-up trucks and minibuses - 5 years depreciation	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Total depreciation	997	997	997	997	997	997	997	997	997	997	997	997	997	997	997	997
Tax depreciation - new projects:																
Total tax depreciation - new assets 4.876%	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972
Maintenance costs - new investments - general cargo terminal																
Quaywalls etc - 1%	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
Buildings and utilities etc. - 4%	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Forklifts, reachstackers - 10%	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43
Quay cranes - 4%	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560
Tractors, tugmasters, trailers etc. - 30%	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Automobiles, pick-up trucks and minibuses - 15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total maintenance and repair	675	675	675	675	675	675	675	675	675	675	675	675	675	675	675	675
Investments - Phase 1																
Container yard																
Quaywalls and structures	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353
Buildings and utilities etc	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141
Railmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Railmounted Yard Gantry Cranes for Railroad Operations.																
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Forklifts, large	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540
Forklifts, small	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Mafi trailers, tractors/tugmasters, other equipment	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480
Tank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Automobiles, pick-up trucks and minibuses -	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Total	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784
General cargo terminal																
Quaywalls and structures	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578
Buildings and utilities etc	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780
Mobile cranes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gantry and other cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forklifts	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Mafi trailers, tractors/tugmasters, other equipment	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Automobiles, pick-up trucks and minibuses -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Workshop training and equipment	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Total	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151
Grand total	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Cumulative total																
Investments - phase 2	19,935															
Container yard																
Quaywalls and structures																
Buildings and utilities etc																
Railmounted Yard Gantry Cranes																
Railmounted Yard Gantry Cranes for Railroad Operations.																
Reach stackers																
Forklifts, large																
Forklifts, small																
Mafi trailers, tractors/tugmasters, other equipment																
Tank-trailer																

Table B.3.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis - Container handling rates reduced 50%.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Automobiles, pick-up trucks and minibuses -																
Total						4,649	4,649	4,649	4,649	4,649	4,889	4,889	4,889	4,889	4,889	4,889
General cargo terminal																
Quaywalls and structures						8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450
Buildings and utilities etc						4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555
Mobile cranes																
Gantry and other cranes																
Reach stackers																
Forklifts																
Mat trailers, tractors/tugmasters, other equipment																
Automobiles, pick-up trucks and minibuses -																
Total						13,005	13,005	13,005	13,005	13,005	13,005	13,005	13,005	13,005	13,005	13,005
Grand total						17,654	17,654	17,654	17,654	17,654	17,894	17,894	17,894	17,894	17,894	17,894
Cumulative total																
Investments - Phase 3						17,654										
Container yard																
Quaywalls and structures																
Buildings and utilities etc																
Railmounted Yard Gantry Cranes																
Railmounted Yard Gantry Cranes for Railroad Operations																
Reach stackers																
Forklifts																
Mat trailers, tractors/tugmasters, other equipment																
Tank-trailer																
Automobiles, pick-up trucks and minibuses -																
Total																1,650
General cargo terminal																
Quaywalls and structures																
Buildings and utilities etc																
Mobile cranes																
Gantry cranes																
Reach stackers																
Forklifts																
Mat trailers, tractors/tugmasters, other equipment																
Automobiles, pick-up trucks and minibuses -																
Total																1,650
Grand total																
Cumulative total																
Renewal investments:																
Phase 1																
Reach stackers, forklifts, tractors, tugmasters etc																
Small forklifts																
Automobiles, pick-up trucks and minibuses -						100										100
Phase 2:																
Reach stackers, forklifts, tractors, tugmasters etc																
Small forklifts																
Automobiles, pick-up trucks and minibuses -														100		240
Phase 3																
Reach stackers, forklifts, tractors, tugmasters etc																
Small forklifts																
Automobiles, pick-up trucks and minibuses -																
Renewal investments total:						100			685		2,540			100		340
Cumulative investments																
Year						3,765			685		2,540			100		340
Disbursement of loans						2,000			2,008		2,010			2,013		2,015
General cargo operations:						19,935					240					1,650
Number of units operated:																
Cranes - 35/40 tons						1			1		1			1		1
Cranes - other						8			8		8			8		8
large forklifts						1			1		1			1		1

Table B.3.1 Investment model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis - Container handling rates reduced 50%.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Small forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Yard tractors/trailers	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Fuel/energy consumption per unit/operating hour:																
Cranes - 35/40 tons - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Cranes - other - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Large forklifts - liters	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Small forklifts - liters	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors/trailers - liters	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Cranes - 35/40 tons	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Cranes - other	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Large forklifts	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Small forklifts	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors/trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Rental of land from SPA:																
Number of square meters rented	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Cost per square meter - USD per year	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20

Table B.3.2 Investment model of the Container Yard of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis - container handling rates reduced 50%.

Voib Table B32.xls	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:																
Container yard handling:																
Container handling, CY and seaborne	2,306	2,488	2,675	2,868	3,067	3,271	3,507	3,749	3,997	4,252	4,514	4,907	5,312	5,727	6,153	6,591
Stuffing/stripping in CFS - 20 ft. containers	355	387	421	455	491	528	567	608	649	692	736	817	903	992	1,085	1,182
Stuffing/stripping in CFS - 40 ft. containers	66	99	135	174	217	264	315	369	426	487	552	613	674	744	814	887
Total revenues	2,727	2,974	3,231	3,498	3,776	4,063	4,388	4,725	5,073	5,432	5,803	6,338	6,891	7,463	8,052	8,660
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	341	449	558	666	774	1,271	1,427	1,582	1,738	1,894	2,161	2,325	2,490	2,654	2,819	3,751
Contribution pension and unemployment fund	126	166	206	246	287	470	528	585	643	701	799	860	921	982	1,043	1,368
Total labor	467	615	764	912	1,061	1,741	1,954	2,168	2,381	2,595	2,960	3,186	3,411	3,636	3,862	5,139
Maintenance and repair - leased facilities/equipment	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503
Electricity consumption - equipment	20	20	20	20	20	39	39	39	39	39	39	39	39	39	39	39
Fuel consumption - machinery and equipment	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42
Total direct operating costs	565	565	565	565	565	714	714	714	714	714	779	779	779	779	779	876
Indirect operating costs:																
Leasing cost - land from ISPB	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing cost - equipment from ISPB	773	773	773	773	773	1,260	1,260	1,260	1,260	1,260	1,310	1,310	1,310	1,310	1,310	1,509
Leasing cost - buildings/infrastr. from ISPB	1,210	1,210	1,210	1,210	1,210	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	2,071	2,071	2,071	2,071	2,071	2,611	2,611	2,611	2,611	2,611	2,660	2,660	2,660	2,660	2,660	2,859
General and administrative costs:																
Management wages	64	83	103	122	142	178	200	222	243	265	287	308	330	352	373	395
Contribution pension and unemployment fund - mgmt	24	31	38	45	53	66	74	82	90	98	106	114	122	130	138	146
Corporate management and G & A - CY	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	254	281	308	352	412	441	501	501	501	530	560	589	619	649	678	708
Total costs and expenses	2,890	2,917	2,944	2,971	2,998	3,737	3,766	3,796	3,826	3,855	3,999	4,028	4,058	4,088	4,117	4,444
Operating Income	(163)	57	287	527	778	327	622	929	1,247	1,577	1,804	2,310	2,833	3,375	3,935	4,216
Taxes payable:																
Profit tax	-	20	100	185	272	114	218	325	437	552	631	808	922	1,181	1,377	1,476
Disability fund tax	-	1	3	5	8	3	6	9	12	16	18	23	28	34	39	42
Total taxes	-	21	103	190	280	118	224	334	449	568	649	831	1,020	1,215	1,417	1,518
Net income after taxes	(163)	36	184	338	498	209	398	595	798	1,009	1,155	1,478	1,813	2,160	2,518	2,698
Net profit margin in % of revenues	(6)	1	6	10	13	5	9	13	16	19	20	23	26	29	31	31
Cash flow analysis:																
Cash received:																
Net income after taxes	(163)	36	184	338	498	209	398	595	798	1,009	1,155	1,478	1,813	2,160	2,518	2,698
Cumulative net cash flow	(163)	(126)	57	395	893	1,102	1,500	2,095	2,893	3,902	5,057	6,535	8,348	10,508	13,027	15,725
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
Containers - CY 20 ft.	24,600	24,391	24,181	23,972	23,762	23,553	23,343	23,134	22,924	22,715	22,506	22,297	22,088	21,879	21,670	21,461
Containers - CY 40 ft.	6,150	8,060	9,971	11,881	13,792	15,702	17,612	19,522	21,432	23,342	25,252	27,162	29,072	30,982	32,892	34,802
No. of 20 ft. containers - stripped or stuffed	3,547	3,630	3,713	3,796	3,879	3,961	4,044	4,127	4,210	4,293	4,376	4,459	4,542	4,625	4,708	4,791
No. of 40 ft. containers - stripped or stuffed	0,443	0,618	0,794	0,969	1,145	1,320	1,496	1,671	1,847	2,022	2,197	2,372	2,547	2,722	2,897	3,072
Handling charges:																
Containers per 20ft.	75.00	76.67	78.33	80.00	81.67	83.33	85.00	86.67	88.33	90.00	91.67	93.33	95.00	96.67	98.33	100.00
Containers per 40ft.	75.00	76.67	78.33	80.00	81.67	83.33	85.00	86.67	88.33	90.00	91.67	93.33	95.00	96.67	98.33	100.00
Container stuffing/stripping charge per 20 ft.	100.00	106.67	113.33	120.00	126.67	133.33	140.00	146.67	153.33	160.00	166.67	173.33	180.00	186.67	193.33	200.00
Container stuffing/stripping charge per 40 ft.	150.00	160.00	170.00	180.00	190.00	200.00	210.00	220.00	230.00	240.00	250.00	260.00	270.00	280.00	290.00	300.00
Operating and cost assumptions:																

Table B.3.2 Investment model of the Container Yard of the International Seaport of Baku (all figures in '000 USD). - Most likely scenario analysis - container handling rates reduced 50%.

Yield Table B32.xls	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	8	8	8	8	8	9	9	9	9	9	9	9	9	9	9	9
Level 3 - Foremen, equipment operators, clerical staff	18	18	18	18	18	24	24	24	24	24	28	28	28	28	28	36
Level 4 - Labor A - specialized labor/doctors	31	31	31	31	31	50	50	50	50	50	46	46	46	46	46	57
Level 5 - Labor B - general port workers	19	19	19	19	19	24	24	24	24	24	28	28	28	28	28	34
Level 6 - General labor	11	11	11	11	11	15	15	15	15	15	18	18	18	18	18	24
Total work force	88	88	88	88	88	123	123	123	123	123	130	130	130	130	130	161
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,363	3,907	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	733	880	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/doctors	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc.	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Electricity consumption kWh	560,000	560,000	560,000	560,000	560,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,330,000
Avg. cost per kWh	0.035	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Fuel consumption '000 liters	324.0	324.0	324.0	324.0	324.0	396.0	396.0	396.0	396.0	396.0	468.0	468.0	468.0	468.0	468.0	468.0
Avg. cost of fuel per liter	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Equipment prices and lease payments/year:																
Equipment prices	2,300,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Rail mounted gantry for Railway Operations	400,000	10	59,799													
Reach stacker	220,000	10	32,893													
Empty container handler - 15 tons	320,000	10	47,839													
Forklift truck, 41 ton with spreader	25,000	8	4,396													
Forklift, small	120,000	10	17,940													
Yard tractors, trailers	40,000	10	5,980													
Tank trailer	110,000	5	28,169													
Automobile, pick-up trucks (2), minibus																
Infrastructure rental prices USD Per year:																
Buildings, infrastructure and utilities etc.	1,210	1,210	1,210	1,210	1,210	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
Terminal land area, USD per sq. meter	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26
Administration fee for lease	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Equipment list CY by year:																
Rail mounted gantry	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2
Rail mounted gantry for Railway Operations	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2
Reach stacker	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Empty container handler	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Forklift truck, 41 ton with spreader	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Forklift, small	10	10	10	10	10	13	13	13	13	13	16	16	16	16	16	22
Yard tractors/trailers	4	4	4	4	4	6	6	6	6	6	8	8	8	8	8	8
Tank trailer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Automobile, pick-up trucks (2), minibus	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Lease payments per year:																
Rail mounted gantry	265,154	265,154	265,154	265,154	265,154	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308
Rail mounted gantry for Railway Operations	172,927	172,927	172,927	172,927	172,927	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853
Reach stacker	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597
Empty container handler	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778
Forklifts - small	43,960	43,960	43,960	43,960	43,960	57,148	57,148	57,148	57,148	57,148	70,336	70,336	70,336	70,336	70,336	96,713
Yard tractors/trailers	71,758	71,758	71,758	71,758	71,758	107,637	107,637	107,637	107,637	107,637	143,517	143,517	143,517	143,517	143,517	180,800
Tank trailer	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980
Automobile, pick-up trucks (2), minibus	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169
Total	773,324	773,324	773,324	773,324	773,324	1,260,472	1,260,472	1,260,472	1,260,472	1,260,472	1,309,539	1,309,539	1,309,539	1,309,539	1,309,539	1,508,842
Maintenance costs																

Table B.3.2 Investment model of the Container Yard of the International Seaport of Baku (all figures in '000 USD). - Most likely scenario analysis - container handling rates reduced 50%.

Vol6 Table B32.xls	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Quaywalls etc - 1%	94	94	94	94	94	94	98	98	98	98	98	98	98	98	98	98
Buildings and utilities etc. - 4%	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46
Forklifts, reachstackers - 10%	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	149
Forklifts, small - 10%	25	25	25	25	25	33	33	33	33	33	40	40	40	40	40	55
Gantry cranes - 4%	92	92	92	92	92	152	152	152	152	152	152	152	152	152	152	212
Tractors, tugmasters, trailers etc - 20%	96	96	96	96	96	144	144	144	144	144	144	144	144	144	144	192
Tank trailer - 5%	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Automobile, pick-up trucks (2), minibus - 15%	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Total maintenance and repair	503	503	503	503	503	623	623	623	623	623	679	679	679	679	679	769
Rental of land and buildings - sq. meters:																
Land area	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Fuel/energy consumption per unit/operating hour:																
Rail mounted gantry kwh/hour	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Rail mounted gantry for Railway Operations kwh/hour	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60
Reach stacker/heavy forklift trucks, liters/hour	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Empty container handler, liters/hour	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
Forklift truck, small, liters/hour	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors, trailers, liters/hour	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per Year:																
Rail mounted gantry kwh/hour	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Rail mounted gantry for Railway Operations	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Reach stacker/heavy fork lift trucks	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Empty container handler	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Forklift truck, small	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors, trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000

Table B.4.1 Financial model of the International Seaport of Baku (all figures in '000 USD). - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:																
Vessel dues, all inclusive	751	792	834	875	917	958	1,012	1,067	1,121	1,176	1,230	1,302	1,375	1,448	1,520	1,593
Cargo handling charges:																
Bulk cargoes	1,131	1,366	1,614	1,877	2,153	2,444	2,778	3,132	3,504	3,895	4,305	4,788	5,296	5,829	6,367	6,970
Neobulk cargoes	1,860	2,207	2,581	2,984	3,415	3,873	4,430	5,024	5,655	6,324	7,030	7,901	8,823	9,794	10,816	11,888
General cargoes	238	253	260	261	253	239	278	320	366	414	465	527	594	664	738	816
Total	3,229	3,825	4,456	5,121	5,821	6,556	7,486	8,476	9,525	10,633	11,800	13,216	14,712	16,287	17,941	19,674
Container yard leasing revenues:																
Leasing revenues - terminals and land from CY	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing revenues - equipment from CY	773	773	773	773	773	1,260	1,260	1,260	1,260	1,260	1,310	1,310	1,310	1,310	1,310	1,509
Leasing revenues - buildings from CY	1,210	1,210	1,210	1,210	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
Total	2,021	2,021	2,021	2,021	2,021	2,561	2,561	2,561	2,561	2,561	2,610	2,610	2,610	2,610	2,610	2,809
Total revenues	6,000	6,638	7,311	8,017	8,759	10,074	11,059	12,104	13,207	14,369	15,640	17,129	18,697	20,344	22,071	24,076
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	321	419	517	615	713	977	1,095	1,213	1,331	1,449	1,909	2,053	2,197	2,340	2,484	3,230
Contribution pension and unemployment fund	119	155	191	228	264	361	405	449	492	536	706	760	813	866	919	1,195
Total labor	440	574	708	842	977	1,338	1,500	1,662	1,824	1,985	2,615	2,813	3,010	3,206	3,403	4,426
Maintenance and repair - existing facilities	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
Maintenance and repair - new facilities/equipment	675	675	675	675	675	942	942	942	942	942	942	942	942	942	942	942
Total direct	1,193	1,327	1,461	1,595	1,729	2,358	2,520	2,681	2,843	3,005	3,635	3,832	4,029	4,226	4,423	5,445
Indirect costs:																
Depreciation - new facilities:																
Tax depreciation	972	972	972	972	972	1,826	1,826	1,826	1,826	1,826	1,837	1,837	1,837	1,837	1,837	1,918
Add depreciation	25	25	25	25	25	109	109	109	109	170	182	182	182	182	182	217
Total depreciation - new facilities	997	997	997	997	997	1,935	1,935	1,935	1,935	1,996	2,020	2,020	2,020	2,020	2,020	2,135
Depreciation existing facilities	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Utilities, electricity	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79
Fuel consumption - machinery	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Interest on loans - new investments	1,221	1,221	1,221	1,221	1,152	2,315	2,237	2,153	2,064	1,899	1,723	1,534	1,332	1,116	885	753
Other finance costs - new investments	174	-	-	-	-	177	-	-	-	-	-	-	-	-	-	17
Rental of land from SPA	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	2,805	2,631	2,631	2,631	2,563	4,839	4,585	4,501	4,472	4,308	4,155	3,967	3,765	3,549	3,317	3,317
General and administrative costs:																
Management wages	50	66	81	97	112	162	181	201	220	240	260	279	299	318	338	358
Contribution pension and unemployment fund - mgmt	19	24	30	36	42	60	67	74	82	89	96	103	111	118	125	132
Land fund tax	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Transport tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate management and G & A - ISPB	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	242	263	284	305	327	394	448	498	551	608	678	752	830	912	999	1,096
Total costs and expenses	4,239	4,221	4,376	4,532	4,619	7,525	7,525	7,630	7,790	7,814	8,319	8,354	8,376	8,384	8,376	9,425
Operating income	1,761	2,418	2,934	3,466	4,140	2,483	3,534	4,473	5,417	6,556	7,322	8,775	10,321	11,961	13,695	14,651
Taxes payable:																
Profit tax	625	855	1,036	1,229	1,458	907	1,275	1,604	1,965	2,354	2,626	3,135	3,676	4,250	4,857	5,204
Disablement (disability) fund tax	18	24	30	35	42	26	36	46	56	67	75	90	105	121	139	149
Total taxes	643	880	1,066	1,264	1,500	933	1,312	1,650	2,011	2,421	2,701	3,225	3,781	4,372	4,996	5,352
Net income after taxes	1,118	1,538	1,869	2,222	2,640	1,550	2,223	2,824	3,406	4,134	4,620	5,551	6,640	7,589	8,698	9,298
Net profit margin in % of revenues	19	23	26	28	30	15	20	23	26	29	30	32	35	37	39	39
Contribution of profits from CY	1,641	1,940	2,252	2,576	2,914	2,810	3,209	3,618	4,045	4,486	4,868	5,535	6,224	6,936	7,672	8,241
Net income after taxes and contr. CY	2,759	3,478	4,120	4,798	5,555	4,360	5,429	6,442	7,450	8,620	9,489	11,085	12,764	14,526	16,371	17,539
Net profit margin in % of revenues	24	29	32	36	39	28	33	37	40	43	45	49	53	56	59	59

Table B.4.1 Financial model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Cash flow analysis:																
Cash received:																
Income after taxes and contr. CY:	2,759	3,478	4,120	4,798	5,555	4,360	5,429	6,442	7,450	8,620	9,489	11,086	12,764	14,526	16,371	17,539
Back depreciation:	1,072	1,072	1,072	1,072	1,072	2,009	2,009	2,009	2,070	2,070	2,094	2,094	2,094	2,094	2,094	2,209
Cash flow from operations:	3,831	4,550	5,192	5,870	6,526	6,369	7,438	8,451	9,520	10,690	11,582	13,179	14,857	16,619	18,464	19,748
Grant contribution from TACS:	2,499															
Grant contribution from EBRD:	17,436					17,654					240					1,660
Total cash received:	23,766	4,550	5,192	5,870	6,526	24,023	7,438	8,451	9,520	10,690	11,822	13,179	14,857	16,619	18,464	21,398
Cash payments:																
EBRD loan payments:	-	-	-	975	1,043	1,116	1,194	1,278	2,354	2,519	2,695	2,884	3,086	3,302	3,533	1,585
EBRD loan payments for investments:	19,935	-	-	-	-	17,654	100	-	685	-	2,540	-	-	100	-	340
Renewal investments - equipment:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash payments:	19,935	-	-	975	1,043	1,116	1,194	1,278	2,354	2,519	2,695	2,884	3,086	3,302	3,533	3,575
Net cash flow - year:	3,831	4,550	5,192	4,895	5,583	5,153	6,244	7,173	6,481	8,171	6,347	10,295	11,772	13,218	14,932	17,823
Initial net cash flow:	3,831	8,380	13,572	18,467	24,050	29,203	35,447	42,621	49,102	57,273	63,620	73,915	85,687	98,904	113,836	131,659
Residual value of assets 2015:	15,989															15,989
Profit evaluation ratios:																
EBITDA service cover ratio:	3.14	3.73	4.25	2.67	3.02	1.86	2.17	2.46	2.75	2.42	2.62	2.98	3.36	3.76	4.18	8.45
EBITDA service cover ratio:	3.14	3.73	4.25	4.81	5.75	2.75	3.33	3.92	4.61	5.63	6.72	8.59	11.15	14.89	20.86	26.21
Shipments and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
General cargo tons	390	405	420	434	449	464	484	504	524	544	564	591	617	644	670	697
Oil cargo tons	310	331	352	373	394	415	443	471	499	527	555	593	630	668	705	743
General cargo tons	50	45	41	36	32	27	29	31	32	34	36	38	41	43	46	48
Containers - CY 20 ft	24,600	24,391	24,181	23,972	23,762	23,553	23,343	23,133	22,924	22,714	22,504	22,294	22,084	21,874	21,664	21,454
Containers - CY 40 ft	6,150	6,060	5,970	5,880	5,790	5,700	5,610	5,520	5,430	5,340	5,250	5,160	5,070	4,980	4,890	4,800
Containers - CY 20 ft of 20 ft containers - stripped or stuffed	3,547	3,630	3,713	3,795	3,878	3,961	4,044	4,127	4,210	4,293	4,376	4,459	4,542	4,625	4,708	4,791
Containers - stripped or stuffed of 40 ft containers	0.443	0.618	0.794	0.969	1.145	1.320	1.498	1.676	1.853	2.031	2.209	2.388	2.567	2.745	2.924	3.102
Containers of vessels arriving	242	256	269	282	295	309	327	344	362	379	397	420	444	467	490	514
Shipping charges:																
Shipping charges per ton	2.90	3.37	3.85	4.32	4.79	5.27	5.74	6.21	6.69	7.16	7.63	8.11	8.58	9.05	9.53	10.00
Shipping charges per container	6.00	6.67	7.33	8.00	8.67	9.33	10.00	10.67	11.33	12.00	12.67	13.33	14.00	14.67	15.33	16.00
General cargo per ton	4.75	5.57	6.38	7.20	8.02	8.83	9.65	10.47	11.28	12.10	12.92	13.73	14.55	15.37	16.18	17.00
Oil cargo per ton	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Containers per 20ft	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Containers per 40ft	200.00	213.33	226.67	240.00	253.33	266.67	280.00	293.33	306.67	320.00	333.33	346.67	360.00	373.33	386.67	400.00
Container stuffing/stripping charge per 20 ft	300.00	320.00	340.00	360.00	380.00	400.00	420.00	440.00	460.00	480.00	500.00	520.00	540.00	560.00	580.00	600.00
Container stuffing/stripping charge per 40 ft	300.00	320.00	340.00	360.00	380.00	400.00	420.00	440.00	460.00	480.00	500.00	520.00	540.00	560.00	580.00	600.00
Set dues per ship call:																
Set dues - average per vessel call	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
Operating and cost assumptions, General Cargo Terminal:																
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	6	6	6	6	6	8	8	8	8	8	8	8	8	8	8	8
Level 3 - Foremen, equipment operators, clerical staff	17	17	17	17	17	20	20	20	20	20	26	26	26	26	26	32
Level 4 - Labor A - specialized labor/dockers	44	44	44	44	44	53	53	53	53	53	64	64	64	64	64	80
Level 5 - Labor B - general port workers	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4
Level 6 - General labor	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4
Level 7 - Special work force	74	74	74	74	74	90	90	90	90	90	107	107	107	107	107	129
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/dockers	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Electricity consumption kwh	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000

Table B.4.1 Financial model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vol6 Table B42.xls																
Avg. cost per kWh	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035
Fuel consumption (000 liters)	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0
Avg. cost of fuel per liter	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Total investments:																
Quaywalls and structures	11,931	11,931	11,931	11,931	11,931	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840	20,840
Buildings and utilities etc	1,921	1,921	1,921	1,921	1,921	6,476	6,476	6,476	6,476	6,476	6,476	6,476	6,476	6,476	6,476	6,476
Railmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Railmounted Yard Gantry Cranes for Railroad Operations.	-	-	-	-	-	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Quay cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Forklifts	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590
Mafi trailers, tractors/tugmasters, other equipment	511	511	511	511	511	751	751	751	751	751	991	991	991	991	991	991
Tank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Automobiles, pick-up trucks and minibuses	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Workshop training and equipment	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Total investments	19,935	19,935	19,935	19,935	19,935	37,439	37,439	37,439	37,439	37,439	37,679	37,679	37,679	37,679	37,679	39,329
Depreciation calculation:																
Quaywalls and infrastructure - 25 years depr.	477	477	477	477	477	834	834	834	834	834	834	834	834	834	834	834
Buildings and utilities - 15 years depr.	128	128	128	128	128	432	432	432	432	432	432	432	432	432	432	432
Cranes - 15 years depr.	175	175	175	175	175	428	428	428	428	428	428	428	428	428	428	428
Forklifts, stackers - 10 years depr.	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
Forklifts - small - 8 years depr.	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Tractors, tugmasters, trailers etc - 10 years depr.	51	51	51	51	51	75	75	75	75	75	99	99	99	99	99	99
Tank-trailer 10 years	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Automobiles, pick-up trucks and minibuses - 5 years depreciation	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Total depreciation	997	997	997	997	997	1,935	1,935	1,935	1,935	1,935	2,020	2,020	2,020	2,020	2,020	2,135
Tax depreciation - new projects:																
Total tax depreciation - new assets 4.876%	972	972	972	972	972	1,826	1,826	1,826	1,826	1,826	1,837	1,837	1,837	1,837	1,837	1,918
Maintenance costs - new investments - general cargo terminal																
Quaywalls etc - 1%	26	26	26	26	26	110	110	110	110	110	110	110	110	110	110	110
Buildings and utilities etc - 4%	31	31	31	31	31	213	213	213	213	213	213	213	213	213	213	213
Heavy forklifts, reachstackers - 10%	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43
Quay cranes - 4%	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560
Tractors, tugmasters, trailers etc - 20%	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Automobiles, pick-up trucks and minibuses - 15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total maintenance and repair	675	675	675	675	675	942	942	942	942	942	942	942	942	942	942	942
Financing costs - Phase 1																
Front end fee - 1% of investment sum	174															
Commitment fee - 0.5% pa of unused loan																
Interest - LIBOR + 1% (LIBOR=6%)	1,221	1,221	1,221	1,221	1,152	1,079	1,001	918	828	732	630	521	403	278	144	
Installments: 3 year grace period - 12 years payback				975	1,043	1,116	1,194	1,278	1,367	1,463	1,565	1,675	1,792	1,917	2,052	
Loan amount	17,436															
Financing costs - Phase 2																
Front end fee - 1% of investment sum						177										
Commitment fee - 0.5% pa of unused loan																
Interest - LIBOR + 1% (LIBOR=6%)						1,236	1,236	1,236	1,236	1,167	1,093	1,014	929	839	742	
Installments: 3 year grace period - 12 years payback									987	1,056	1,130	1,209	1,294	1,384	1,481	
Loan amount	17,654															
Financing costs - Phase 3																
Front end fee - 1% of investment sum																17
Commitment fee - 0.5% pa of unused loan																
Interest - LIBOR + 1% (LIBOR=6%)																116
Installments: 3 year grace period - 12 years payback																
Loan amount	1,650															
Investments - Phase 1																
Container yard																
Quaywalls and structures	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353
Buildings and utilities etc	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141

Table B.A.1 Financial model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Unaccounted Yard Gantry Cranes for Railroad Operations	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
each stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
orklifts, large	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540
orklifts, small	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
ift trailers, tractors/fugmasters, other equipment	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480
ank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
omobiles, pick-up trucks and minibuses - total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
General cargo terminal	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784
aywalls and structures	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578
idings and utilities etc	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780
obile cranes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
anty and other cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
each stackers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
orklifts	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
ift trailers, tractors/fugmasters, other equipment	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
omobiles, pick-up trucks and minibuses - total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
orkshop training and equipment, yard repair etc	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
orkshop training and equipment, yard repair etc	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151
and total	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Investments - phase 2	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Container yard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
aywalls and structures	459	459	459	459	459	459	459	459	459	459	459	459	459	459	459	459
idings and utilities etc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unaccounted Yard Gantry Cranes for Railroad Operations	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
each stackers	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
orklifts, large	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
orklifts, small	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150
ift trailers, tractors/fugmasters, other equipment	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240
ank-trailer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
omobiles, pick-up trucks and minibuses - total	4,649	4,649	4,649	4,649	4,649	4,649	4,649	4,649	4,649	4,649	4,649	4,649	4,649	4,649	4,649	4,649
General cargo terminal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
aywalls and structures	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450	8,450
idings and utilities etc	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555	4,555
obile cranes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
anty and other cranes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
each stackers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
orklifts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ift trailers, tractors/fugmasters, other equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
omobiles, pick-up trucks and minibuses - total	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654
Grand total	-	-	-	-	-	13,005	13,005	13,005	13,005	13,005	13,005	13,005	13,005	13,005	13,005	13,005
Investments - Phase 3	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654	17,654
Container yard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
aywalls and structures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
idings and utilities etc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unaccounted Yard Gantry Cranes for Railroad Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
each stackers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
orklifts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ift trailers, tractors/fugmasters, other equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
omobiles, pick-up trucks and minibuses - total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grand total	-	-	-	-	-	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500

Table B.4.1 Financial model of the International Seaport of Baku (all figures in '000 USD). – Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total																
General cargo terminal																
Quaywalls and structures																
Buildings and utilities etc																
Mobile cranes																
Gantry cranes																
Reach stackers																
Forklifts																
Mafi trailers, tractors/tugmasters, other equipment																
Automobiles, pick-up trucks and minibuses -																
Total																
Grand total																
Cumulative total	1,650															1,650
Renewal investments:																
Phase 1																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts									685		2,440					
Automobiles, pick-up trucks and minibuses -						100					100					100
Phase 2:																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																
Automobiles, pick-up trucks and minibuses -																
Phase 3																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																
Automobiles, pick-up trucks and minibuses -																
Renewal investments total:									685		2,540					340
Cumulative reinvestments	3,765					100										
Year	2,000	2,001	2,002	2,003	2,004	2,005	2,006	2,007	2,008	2,009	2,010	2,011	2,012	2,013	2,014	2,015
Disbursement of loans	17,436					17,654					240					1,650
General cargo operations:																
Number of units operated:																
Cranes - 35/40 tons	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cranes - other	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Large forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Small forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Yard tractors/trailers	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Fuel/energy consumption per unit/operating hour:																
Cranes - 35/40 tons - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Cranes - other - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Large forklifts - liters	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Small forklifts - liters	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors/trailers - liters	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Cranes - 35/40 tons	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Cranes - other	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Large forklifts	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Small forklifts	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors/trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Rental of land from SPA:																
Number of square meters rented	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Cost per square meter - USD per year	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20

Table B.4.2 - Financial model of the Container Yard of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis.

Revenues:	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Container yard handling:																
Container handling, CY and seaborne	4,613	4,976	5,350	5,736	6,134	6,543	7,013	7,497	7,994	8,505	9,029	9,815	10,623	11,454	12,306	13,181
Stuffing/stripping in CFS - 20 ft. containers	709	774	842	911	982	1,056	1,135	1,215	1,299	1,384	1,472	1,635	1,805	1,984	2,170	2,365
Stuffing/stripping in CFS - 40 ft. containers	133	198	270	349	435	528	629	737	853	975	1,105	1,226	1,354	1,488	1,628	1,774
Total revenues	5,455	5,948	6,462	6,998	7,551	8,127	8,777	9,450	10,145	10,864	11,606	12,676	13,783	14,926	16,104	17,320
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	341	449	558	666	774	1,271	1,427	1,582	1,738	1,894	2,161	2,325	2,490	2,654	2,819	3,751
Contribution pension and unemployment fund	126	166	206	246	287	470	528	585	643	701	799	860	921	982	1,043	1,388
Total labor	467	615	764	912	1,061	1,741	1,954	2,168	2,381	2,595	2,960	3,186	3,411	3,636	3,862	5,139
Maintenance and repair - leased facilities/equipment	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503	679
Electricity consumption - equipment	20	20	20	20	20	20	39	39	39	39	39	39	39	39	39	47
Fuel consumption - machinery and equipment	42	42	42	42	42	42	51	51	51	51	61	61	61	61	61	61
Total direct operating costs	565	565	565	565	565	714	714	714	714	714	779	779	779	779	779	876
Indirect operating costs:																
Leasing cost - land from ISPB	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing cost - equipment from ISPB	773	773	773	773	773	1,260	1,260	1,260	1,260	1,260	1,310	1,310	1,310	1,310	1,310	1,509
Leasing cost - buildings/infrastr. from ISPB	1,210	1,210	1,210	1,210	1,210	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	2,071	2,071	2,071	2,071	2,071	2,611	2,611	2,611	2,611	2,611	2,660	2,660	2,660	2,660	2,660	2,859
General and administrative costs:																
Management wages	64	83	103	122	142	178	200	222	243	265	287	308	330	352	373	395
Contribution pension and unemployment fund - mgmt	24	31	38	45	53	66	74	82	90	98	106	114	122	130	138	146
Corporate management and G & A - CY	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	254	281	308	335	362	442	441	471	501	530	560	589	619	649	678	708
Total costs and expenses	2,890	2,917	2,944	2,971	2,998	3,737	3,766	3,796	3,826	3,855	3,999	4,028	4,058	4,088	4,117	4,444
Operating income	2,565	3,031	3,518	4,026	4,554	4,390	5,011	5,654	6,320	7,009	7,607	8,648	9,725	10,838	11,987	12,876
Taxes payable:																
Profit tax	898	1,061	1,231	1,409	1,594	1,537	1,754	1,979	2,212	2,453	2,662	3,027	3,404	3,793	4,196	4,507
Disability (disability) fund tax	26	30	35	40	46	44	50	57	63	70	76	86	97	108	120	129
Total taxes	923	1,091	1,266	1,449	1,639	1,580	1,804	2,035	2,275	2,523	2,738	3,113	3,501	3,902	4,315	4,635
Net income after taxes	1,641	1,940	2,252	2,576	2,914	2,810	3,207	3,618	4,045	4,486	4,868	5,535	6,224	6,936	7,672	8,241
Net profit margin in % of revenues	30	33	35	37	39	35	37	38	40	41	42	44	45	46	48	48
Cash flow analysis:																
Cash received:																
Net income after taxes	1,641	1,940	2,252	2,576	2,914	2,810	3,207	3,618	4,045	4,486	4,868	5,535	6,224	6,936	7,672	8,241
Cumulative net cash flow	1,641	3,581	5,833	8,409	11,323	14,133	17,340	20,958	25,003	29,489	34,357	39,892	46,116	53,052	60,724	68,964
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
Containers - CY 20 ft.	24,600	24,391	24,181	23,972	23,762	23,553	23,343	23,134	22,924	22,714	22,504	22,294	22,084	21,874	21,664	21,454
Containers - CY 40 ft.	6,150	8,060	9,971	11,881	13,792	15,702	17,612	19,522	21,432	23,342	25,252	27,162	29,072	30,982	32,892	34,802
No. of 20 ft. containers - stripped or stuffed	3,547	3,630	3,713	3,795	3,878	3,961	4,052	4,143	4,235	4,326	4,417	4,508	4,599	4,690	4,781	4,872
No. of 40 ft. containers - stripped or stuffed	0,443	0,618	0,794	0,969	1,145	1,320	1,498	1,676	1,853	2,031	2,209	2,388	2,566	2,744	2,922	3,100
Handling charges:																
Containers per 20ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Containers per 40ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Container stuffing/stripping charge per 20 ft.	200.00	213.33	226.67	240.00	253.33	266.67	280.00	293.33	306.67	320.00	333.33	346.67	360.00	373.33	386.67	400.00
Container stuffing/stripping charge per 40 ft.	300.00	320.00	340.00	360.00	380.00	400.00	420.00	440.00	460.00	480.00	500.00	520.00	540.00	560.00	580.00	600.00

Table B.4.2 - Financial model of the Container Yard of the International Seaport of Baku (all figures in '000 USD). - Most likely scenario analysis.

Operating and cost assumptions:	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	8	8	8	8	8	9	9	9	9	9	9	9	9	9	9	9
Level 3 - Foremen, equipment operators, clerical staff	18	18	18	18	18	24	24	24	24	24	28	28	28	28	28	36
Level 4 - Labor A - specialized labor/dockers	31	31	31	31	31	50	50	50	50	50	46	46	46	46	57	57
Level 5 - Labor B - general port workers	19	19	19	19	19	24	24	24	24	24	28	28	28	28	34	34
Level 6 - General labor	11	11	11	11	11	15	15	15	15	15	18	18	18	18	24	24
Total work force	88	88	88	88	88	123	123	123	123	123	130	130	130	130	161	161
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/dockers	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc.	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Electricity consumption kWh	560,000	560,000	560,000	560,000	560,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,330,000
Avg. cost per kWh	0.035	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Fuel consumption '000 liters	324.0	324.0	324.0	324.0	324.0	396.0	396.0	396.0	396.0	396.0	468.0	468.0	468.0	468.0	468.0	468.0
Avg. cost of fuel per liter	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Equipment prices and lease payments/year:																
Rail mounted yard gantry	2,300,000	15	265,154													
Rail mounted gantry for Railway Operations	1,500,000	15	172,927													
Reach stacker	400,000	10	59,799													
Empty container handler - 15 tons	220,000	10	32,889													
Forklift truck, 41 ton with spreader	320,000	10	47,839													
Forklift, small	25,000	8	4,396													
Yard tractors, trailers	120,000	10	17,940													
Tank trailer	40,000	10	5,980													
Automobile, pick-up trucks (2), minibus	110,000	5	28,169													
Infrastructure rental prices USD per year:																
Buildings, infrastructure and utilities etc.	1,210	1,210	1,210	1,210	1,210	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263
Terminal land area, USD per sq. meter	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26
Administration fee for lease	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Equipment list CY by year:																
Rail mounted gantry	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2
Rail mounted gantry for Railway Operations	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2
Reach stacker	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Empty container handler	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Forklift truck, 41 ton with spreader	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Forklift, small	10	10	10	10	10	13	13	13	13	13	16	16	16	16	16	22
Yard tractors/trailers	4	4	4	4	4	6	6	6	6	6	8	8	8	8	8	8
Tank trailer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Automobile, pick-up trucks (2), minibus	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Lease payments per year:																
Rail mounted gantry	265,154	265,154	265,154	265,154	265,154	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308	530,308
Rail mounted gantry for Railway Operations	172,927	172,927	172,927	172,927	172,927	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853	345,853
Reach stacker	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597
Empty container handler	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	70,336	70,336	70,336	70,336	70,336	86,713
Forklifts - small	43,960	43,960	43,960	43,960	43,960	57,148	57,148	57,148	57,148	57,148	70,336	70,336	70,336	70,336	70,336	96,713
Yard tractors/trailers	71,758	71,758	71,758	71,758	71,758	107,637	107,637	107,637	107,637	107,637	143,517	143,517	143,517	143,517	143,517	173,900
Tank trailer	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	7,176
Automobile, pick-up trucks (2), minibus	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	33,803

Table B.4.2 - Financial model of the Container Yard of the International Seaport of Baku (all figures in '000 USD). - Most likely scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total	773,324	773,324	773,324	773,324	773,324	1,260,472	1,260,472	1,260,472	1,260,472	1,260,472	1,309,539	1,309,539	1,309,539	1,309,539	1,309,539	1,508,842
Maintenance costs																
Quaywalls etc. - 1%	94	94	94	94	94	98	98	98	98	98	98	98	98	98	98	98
Buildings and utilities etc. - 4%	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46
Forklifts, reachstackers - 10%	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	149
Forklifts, small - 10%	25	25	25	25	25	33	33	33	33	33	40	40	40	40	40	55
Gantry cranes - 4%	92	92	92	92	92	152	152	152	152	152	152	152	152	152	152	212
Tractors, tugmasters, trailers etc. - 20%	96	96	96	96	96	144	144	144	144	144	192	192	192	192	192	192
Tank trailer - 5%	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Automobile, pick-up trucks (2), minibus - 15%	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Total maintenance and repair	503	503	503	503	503	623	623	623	623	623	679	679	679	679	679	769
Rental of land and buildings - sq. meters:																
Land area	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Fuel/energy consumption per unit/operating hour:																
Rail mounted gantry kwh/hour	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Rail mounted gantry for Railway Operations kwh/hour	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60
Reach stacker/heavy forklift trucks, liters/hour	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Empty container handler, liters/hour	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
Forklift truck, small, liters/hour	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors, trailers, liters/hour	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Rail mounted gantry kwh/hour	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Rail mounted gantry for Railway Operations	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Reach stacker/heavy fork lift trucks	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Empty container handler	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Forklift truck, small	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors, trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000

Table B.5.1 Financial model of the International Seaport of Baku - Corporate and the General Cargo Terminal (all figures in '000 USD) - Pessimistic scenario analysis.

Vo16 Table B52.xls	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:																
Vessel dues, all inclusive		530	569	608	647	666	700	714	728	742	756	771	786	802	817	832
Cargo handling charges:																
Bulk cargoes	662	808	938	1,072	1,211	1,354	1,505	1,661	1,823	1,989	2,160	2,340	2,524	2,714	2,909	3,110
Neobulk cargoes	930	1,060	1,195	1,336	1,482	1,633	1,796	1,965	2,140	2,321	2,508	2,709	2,918	3,133	3,355	3,584
General cargoes	238	248	250	243	228	203	228	253	280	307	336	365	396	427	460	493
Total	1,849	2,116	2,383	2,652	2,920	3,190	3,529	3,880	4,242	4,617	5,004	5,414	5,838	6,274	6,724	7,187
Container yard leasing revenues:																
Leasing revenues - terminals and land from CY	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing revenues - equipment from CY	773	773	773	773	773	773	773	773	773	773	773	773	773	773	773	773
Leasing revenues - buildings from CY	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210
Total	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021
Total revenues	4,361	4,666	4,973	5,280	5,588	5,897	6,250	6,614	6,991	7,380	7,781	8,206	8,645	9,097	9,562	10,040
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	321	419	517	615	713	811	909	1,007	1,105	1,203	1,301	1,399	1,497	1,594	1,692	1,790
Contribution pension and unemployment fund	119	155	191	228	264	300	336	372	409	445	481	517	554	590	626	662
Total labor	440	574	708	842	977	1,111	1,245	1,379	1,513	1,648	1,782	1,916	2,050	2,184	2,319	2,453
Maintenance and repair - existing facilities	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
Maintenance and repair - new facilities/equipment	726	726	726	726	726	726	726	726	726	726	726	726	726	726	726	726
Total direct	1,243	1,377	1,512	1,646	1,780	1,914	2,048	2,183	2,317	2,451	2,585	2,719	2,854	2,988	3,122	3,256
Indirect costs:																
Depreciation - new facilities:																
Tax depreciation	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972
Add'l depreciation	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Total depreciation - new facilities	997	997	997	997	997	997	997	997	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
Depreciation existing facilities	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Utilities, electricity	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79
Fuel consumption - machinery	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Interest on loans - new investments	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221	1,221
Other finance costs - new investments	174	174	174	174	174	174	174	174	174	174	174	174	174	174	174	174
Rental of land from SPA	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	2,805	2,631	2,631	2,631	2,563	2,490	2,412	2,328	2,299	2,204	2,101	1,992	1,874	1,749	1,615	1,471
General and administrative costs:																
Management wages	50	66	81	97	112	128	144	159	175	190	206	221	237	252	268	283
Contribution pension and unemployment fund - mgmt	19	24	30	36	42	47	53	59	65	70	76	82	88	93	99	105
Land fund tax	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Transport tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate management and G & A - ISPB	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	242	263	284	305	327	348	369	390	412	433	454	475	497	518	539	560
Total costs and expenses	4,290	4,271	4,427	4,582	4,669	4,752	4,828	4,901	5,028	5,141	5,255	5,368	5,476	5,584	5,692	5,800
Operating income	71	395	546	698	919	1,145	1,420	1,713	1,963	2,292	2,640	3,020	3,420	3,842	4,286	4,753
Taxes payable:																
Profit tax	34	147	200	253	331	410	506	609	717	832	954	1,087	1,227	1,375	1,530	1,694
Disablement (disability) fund tax	1	4	6	7	9	12	14	17	20	24	27	31	35	39	44	48
Total taxes	35	151	206	261	340	422	521	626	738	856	981	1,118	1,262	1,414	1,574	1,742
Net income after taxes	36	244	341	438	579	724	900	1,087	1,226	1,436	1,659	1,902	2,158	2,428	2,712	3,011
Net profit margin in % of revenues	1	5	7	8	10	12	14	16	18	19	21	23	25	27	28	30
Contribution of profits from CY																
Net income after taxes and contr. CY	614	734	860	989	1,124	1,262	1,373	1,486	1,601	1,719	1,840	1,962	2,081	2,206	2,336	2,470
Net profit margin in % of revenues	8	11	14	16	18	20	23	25	26	28	30	34	37	41	44	48

Table B.5.1 Financial model of the International Seaport of Baku - Corporate and the General Cargo Terminal (all figures in '000 USD) - Pessimistic scenario analysis.

	Voie Table B5.2.xls															
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Cash flow analysis:																
Cash received:																
Net income after taxes and contr. CY	650	978	1,200	1,427	1,703	1,986	2,273	2,573	2,827	3,155	3,498	4,064	4,659	5,283	5,938	6,623
Add back depreciation	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,072	1,132	1,132	1,132	1,132	1,132	1,132	1,132	1,132
Net cash flow from operations	1,721	2,050	2,272	2,499	2,774	3,058	3,344	3,645	3,959	4,287	4,630	5,196	5,791	6,416	7,070	7,755
Grant contribution from Iacis	2,499															
Loans from EBRD	17,436															
Total cash received	21,656	2,050	2,272	2,499	2,774	3,058	3,344	3,645	3,959	4,287	4,630	5,196	5,791	6,416	7,070	7,755
Cash payments:																
Installments - EBRD loan																
Payments for investments	19,935															
Renewal investments - equipment																
Total cash payments	19,935															
Net cash flow - Year	1,721	2,050	2,272	2,499	2,774	3,058	3,344	3,645	3,959	4,287	4,630	5,196	5,791	6,416	7,070	7,755
Cumulative net cash flow	1,721	3,771	6,043	8,542	11,316	14,374	17,718	21,363	25,322	29,609	34,239	39,235	44,596	50,312	56,382	62,807
Residual value of assets 2015	6,915															6,915
Credit evaluation ratios:																
Debt service cover ratio	1	2	2	2	1	1	1	2	2	2	2	2	2	3	3	3
Interest service cover ratio	1	2	2	2	2	3	3	4	5	6	7	10	14	23	49	N.A.
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
Dry bulk cargo tons	235	239	244	248	253	257	262	267	273	278	283	289	294	300	305	311
Neobulk cargo tons	155	159	163	167	171	175	180	184	189	193	198	203	208	214	219	224
General cargo tons	50	45	39	34	28	23	24	24	25	25	26	27	27	28	28	29
Containers - CY 20 ft.	24,600	24,391	24,181	23,972	23,762	23,553	23,343	23,133	22,923	22,713	22,503	22,293	22,083	21,873	21,663	21,453
Containers - CY 40 ft.	6,150	8,060	9,971	11,881	13,792	15,702	17,612	19,521	21,431	23,341	25,251	27,161	29,071	30,981	32,891	34,801
No. of 20 ft. containers - stripped or stuffed	3,547	3,630	3,713	3,795	3,878	3,961	4,052	4,143	4,234	4,326	4,417	4,511	4,605	4,701	4,797	4,892
No. of 40 ft. containers - stripped or stuffed	0,443	0,618	0,794	0,969	1,145	1,320	1,498	1,676	1,853	2,031	2,209	2,388	2,567	2,747	2,927	3,106
No. of vessels arriving	158	171	183	196	209	221	226	230	235	239	244	249	254	259	264	269
Handling charges:																
Dry bulk per ton	2,90	3,37	3,85	4,32	4,79	5,27	5,74	6,21	6,69	7,16	7,63	8,11	8,58	9,05	9,53	10,00
Neobulk per ton	6,00	6,67	7,33	8,00	8,67	9,33	10,00	10,67	11,33	12,00	12,67	13,33	14,00	14,67	15,33	16,00
General cargo per ton	4,75	5,57	6,38	7,20	8,02	8,83	9,65	10,47	11,28	12,10	12,92	13,73	14,55	15,37	16,18	17,00
Containers per 20ft.	150,00	153,33	156,67	160,00	163,33	166,67	170,00	173,33	176,67	180,00	183,33	186,67	190,00	193,33	196,67	200,00
Containers per 40ft.	150,00	153,33	156,67	160,00	163,33	166,67	170,00	173,33	176,67	180,00	183,33	186,67	190,00	193,33	196,67	200,00
Container stuffing/stripping charge per 20 ft.	200,00	213,33	226,67	240,00	253,33	266,67	280,00	293,33	306,67	320,00	333,33	346,67	360,00	373,33	386,67	400,00
Container stuffing/stripping charge per 40 ft.	300,00	320,00	340,00	360,00	380,00	400,00	420,00	440,00	460,00	480,00	500,00	520,00	540,00	560,00	580,00	600,00
Vessel dues - average per vessel call	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
Operating and cost assumptions, Gen. Cargo Terminal:																
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Level 3 - Foremen, equipment operators, clerical staff	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17	17
Level 4 - Labor A - specialized labor/dockers	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44
Level 5 - Labor B - general port workers	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Level 6 - General labor	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Total work force	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/dockers	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc.	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Electricity consumption kwh	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000

Table B.5.1 Financial model of the International Seaport of Baku - Corporate and the General Cargo Terminal (all figures in '000 USD) - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vol6 Table B52.xls																
Avg. cost per kwh	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035
Fuel consumption (000 liters)	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0
Avg. cost of fuel per liter	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Total investments:																
Quaywalls and structures	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931	11,931
Buildings and utilities etc	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921
Railmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Railmounted Yard Gantry Cranes for Railroad Operations.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Quay cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Forklifts	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590
Matt trailers, tractors/tugmasters, other equipment	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511
Tank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Automobiles, pick-up trucks and minibuses	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Workshop training and equipment	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Total investments	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Depreciation calculation:																
Quaywalls and Infrastructure - 25 years depr.	477	477	477	477	477	477	477	477	477	477	477	477	477	477	477	477
Buildings and utilities - 15 years depr.	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128
Cranes - 15 years depr.	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175
Forklifts, stackers - 10 years depr.	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
Forklifts - small - 8 years depr.	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Tractors, tugmasters, trailers etc - 10 years depr.	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51	51
Tank-trailer 10 years	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cars, pick-up trucks and minibuses - 5 years depreciation	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Total depreciation	997	997	997	997	997	997	997	997	997	997	997	997	997	997	997	997
Tax depreciation - new projects:																
Total tax depreciation - new assets 4.876%	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972	972
Maintenance costs - new investments - gen.cargo term.																
Quaywalls etc - 1%	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
Buildings and utilities etc - 4%	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Heavy forklifts, reachstackers - 20%	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85	85
Quay cranes - 4%	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560
Tractors, tugmasters, trailers etc - 30%	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24
Automobiles, pick-up trucks and minibuses - 15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total maintenance and repair	726	726	726	726	726	726	726	726	726	726	726	726	726	726	726	726
Financing costs - Phase 1																
Front end fee - 1% of investment sum	174															
Commitment fee - 0.5% pa of unused loan																
Interest - LIBOR + 1% (LIBOR=6%)	1,221	1,221	1,221	1,221	1,152	1,079	1,001	918	828	732	630	521	403	278	144	
Installments: 3 year grace period - 12 years payback				975	1,043	1,116	1,194	1,278	1,367	1,463	1,565	1,675	1,792	1,917	2,052	
Loan amount	17,436															
Financing costs - Phase 2																
Front end fee - 1% of investment sum																
Commitment fee - 0.5% pa of unused loan																
Interest - LIBOR + 1% (LIBOR=6%)																
Installments: 3 year grace period - 12 years payback																
Loan amount	0															
Financing costs - Phase 3																
Front end fee - 1% of investment sum																
Commitment fee - 0.5% pa of unused loan																
Interest - LIBOR + 1% (LIBOR=6%)																
Installments: 3 year grace period - 12 years payback																
Loan amount	0															
Investments - Phase 1																
Container yard																
Quaywalls and structures	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353	9,353
Buildings and utilities etc	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141

Table B.5.1 Financial model of the International Seaport of Baku - Corporate and the General Cargo Terminal (all figures in '000 USD) - Pessimistic scenario analysis.

Y06 Table B52.xls	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Railmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Railmounted Yard Gantry Cranes for Railroad Operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Reach stackers large	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540	540
Forklifts, large	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Forklifts, small	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480	480
Tractor-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Automobiles, pick-up trucks and minibuses -	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Total	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784	14,784
General cargo terminal																
Quaywalls and structures	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578
Buildings and utilities etc	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780	780
Mobile cranes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gantry and other cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forklifts	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Forklifts, small	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Tractor-trailer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Automobiles, pick-up trucks and minibuses -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
General cargo terminal																
Quaywalls and structures	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151	5,151
Buildings and utilities etc	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Total	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935	19,935
Investments - Phase 2																
Container yard																
Quaywalls and structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings and utilities etc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Railmounted Yard Gantry Cranes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Railmounted Yard Gantry Cranes for Railroad Operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reach stackers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reach stackers large	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Forklifts, large	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Forklifts, small	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tractor-trailer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobiles, pick-up trucks and minibuses -	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General cargo terminal																
Quaywalls and structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings and utilities etc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mobile cranes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gantry and other cranes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reach stackers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Forklifts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Forklifts, small	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tractor-trailer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobiles, pick-up trucks and minibuses -	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investments - Phase 3																
Container yard																
Quaywalls and structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings and utilities etc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Railmounted Yard Gantry Cranes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Railmounted Yard Gantry Cranes for Railroad Operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reach stackers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Forklifts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Forklifts, small	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tractor-trailer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobiles, pick-up trucks and minibuses -	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investments - Phase 3																
Container yard																
Quaywalls and structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings and utilities etc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Railmounted Yard Gantry Cranes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Railmounted Yard Gantry Cranes for Railroad Operations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reach stackers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Forklifts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Forklifts, small	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tractor-trailer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobiles, pick-up trucks and minibuses -	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Table B.5.1 Financial model of the International Seaport of Baku - Corporate and the General Cargo Terminal (all figures in '000 USD) - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General cargo terminal																
Quaywalls and structures																
Buildings and utilities etc																
Mobile cranes																
Gantry cranes																
Reach stackers																
Forklifts																
Mini trailers, tractors/tugmasters, other equipment																
Automobiles, pick-up trucks and minibuses -																
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grand total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative total	0															
Renewal investments:																
Phase 1																
Reach stackers, forklifts, tractors, tugmasters etc.											2,440					
Small forklifts									685							
Automobiles, pick-up trucks and minibuses -					100						100					100
Phase 2:																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																0
Automobiles, pick-up trucks and minibuses -																
Phase 3																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																
Automobiles, pick-up trucks and minibuses -																
Renewal investments total	3,425	0	0	0	0	100	0	0	685	0	2,540	0	0	0	0	100
Cumulative reinvestments	17,436															
Disbursement of loans																
General cargo operations:																
Number of units operated:																
Cranes - 35/40 tons	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cranes - other	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Large forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Small forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Yard tractors/trailers	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Fuel/energy consumption per unit/operating hour:																
Cranes - 35/40 tons - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Cranes - other - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Large forklifts - liters	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Small forklifts - liters	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors/trailers - liters	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Cranes - 35/40 tons	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Cranes - other	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Large forklifts	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Small forklifts	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors/trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Renewal of land from SPA:																
Number of square meters rented	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Cost per square meter - USD per year	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20

Table B.5.2 - Financial model of the Container Yard of the International Seaport of Baku (all figures in '000 USD). - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:																
Container yard handling:																
Container handling, CY and seaborne	3,263	3,408	3,557	3,709	3,864	4,023	4,153	4,285	4,419	4,556	4,694	4,905	5,120	5,340	5,564	5,793
Stuffing/stripping in CFS - 20 ft. containers	494	525	557	588	619	649	674	698	721	744	765	1,047	1,347	1,667	2,006	2,365
Stuffing/stripping in CFS - 40 ft. containers	93	131	173	220	270	325	369	416	466	519	574	613	653	694	736	779
Total revenues	3,849	4,065	4,287	4,517	4,753	4,997	5,196	5,400	5,607	5,818	6,033	6,564	7,120	7,701	8,307	8,937
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	341	449	558	666	774	883	991	1,100	1,208	1,316	1,425	1,533	1,642	1,750	1,858	1,967
Contribution pension and unemployment fund	126	166	206	246	287	327	367	407	447	487	527	567	607	648	688	728
Total labor	467	615	764	912	1,061	1,209	1,358	1,506	1,655	1,803	1,952	2,100	2,249	2,398	2,546	2,695
Maintenance and repair - leased facilities/equipment	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503
Electricity consumption - equipment	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Fuel consumption - machinery and equipment	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42
Total direct operating costs	565	565	565	565	565	565	565	565	565	565	565	565	565	565	565	565
Indirect operating costs:																
Leasing cost - land from ISPB	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing cost - equipment from ISPB	773	773	773	773	773	773	773	773	773	773	773	773	773	773	773	773
Leasing cost - buildings/infrastr. from ISPB	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071
General and administrative costs:																
Management wages	64	83	103	122	142	162	181	201	220	240	260	279	299	318	338	358
Contribution pension and unemployment fund - mgmt	24	31	38	45	53	60	67	74	82	89	96	103	111	118	125	132
Corporate management and G & A - CY	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	254	281	308	335	362	389	415	442	469	496	523	550	577	603	630	657
Total costs and expenses	2,890	2,917	2,944	2,971	2,998	3,024	3,051	3,078	3,105	3,132	3,159	3,186	3,212	3,239	3,266	3,293
Operating income	959	1,148	1,343	1,546	1,756	1,973	2,145	2,322	2,502	2,686	2,874	3,378	3,907	4,461	5,040	5,644
Taxes payable:																
Profit tax	336	402	470	541	615	690	751	813	876	940	1,006	1,182	1,368	1,562	1,764	1,976
Disability (disability) fund tax	10	11	13	15	18	20	21	23	25	27	29	34	39	45	50	56
Total taxes	346	413	484	557	632	710	772	836	901	967	1,035	1,216	1,407	1,606	1,815	2,032
Net income after taxes	614	734	860	989	1,124	1,262	1,373	1,486	1,601	1,719	1,840	2,162	2,501	2,855	3,226	3,612
Net profit margin in % of revenues	16	18	20	22	24	25	26	28	29	30	30	33	35	37	39	40
Cash flow analysis:																
Cash received:																
Net income after taxes	614	734	860	989	1,124	1,262	1,373	1,486	1,601	1,719	1,840	2,162	2,501	2,855	3,226	3,612
Cumulative net cash flow	614	1,348	2,208	3,197	4,321	5,583	6,956	8,442	10,043	11,762	13,602	15,764	18,265	21,120	24,346	27,958
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
Containers - CY 20 ft.	17,400	16,816	16,233	15,649	15,066	14,482	14,146	13,810	13,473	13,137	12,801	13,137	13,474	13,810	14,147	14,483
Containers - CY 40 ft.	4,350	5,411	6,472	7,533	8,594	9,655	10,284	10,913	11,543	12,172	12,801	13,137	13,474	13,810	14,147	14,483
No. of 20 ft. containers - stripped or stuffed	2,469	2,462	2,455	2,449	2,442	2,435	2,407	2,379	2,352	2,324	2,296	3,019	3,742	4,466	5,189	5,912
No. of 40 ft. containers - stripped or stuffed	0,309	0,410	0,510	0,611	0,711	0,812	0,879	0,946	1,014	1,081	1,148	1,178	1,208	1,239	1,269	1,299
Handling charges:																
Containers per 20ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Containers per 40ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00

Table B.5.2 - Financial model of the Container Yard of the International Seaport of Baku (all figures in '000 USD) - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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Container stuffing/stripping charge per 20 ft	200.00	213.33	226.67	240.00	253.33	266.67	280.00	293.33	306.67	320.00	333.33	346.67	360.00	373.33	386.67	400.00
Container stuffing/stripping charge per 40 ft.	300.00	320.00	340.00	360.00	380.00	400.00	420.00	440.00	460.00	480.00	500.00	520.00	540.00	560.00	580.00	600.00
Operating and cost assumptions:																
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Level 3 - Foremen, equipment operators, clerical staff	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Level 4 - Labor A - specialized labor/dockers	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31
Level 5 - Labor B - general port workers	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19
Level 6 - General labor	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Total work force	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/dockers	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800
Level 6 - General labor, janitors etc.	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Electricity consumption kwh	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000
Avg cost per kwh	0.035	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Fuel consumption 000 liters	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0	324.0
Avg cost of fuel per liter	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Equipment prices and lease payments/year:																
Rail mounted yard gantry	2,300,000	15	265,154													
Rail mounted gantry for Railway Operations	1,500,000	15	172,927													
Reach stacker	400,000	10	59,799													
Empty container handler - 15 tons	220,000	10	32,889													
Forklift truck 41 ton with spreader	320,000	10	47,839													
Forklift, small	25,000	8	4,396													
Yard tractors, trailers	120,000	10	17,940													
Tank trailer	40,000	10	5,980													
Automobile - pick-up trucks (2), minibus	110,000	5	28,169													
Infrastructure rental prices USD per year:																
Buildings, infrastructure and utilities etc.	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210
Terminal land area, USD per sq. meter	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26
Administration fee for lease	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Equipment list CY by year:																
Rail mounted gantry	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Rail mounted gantry for Railway Operations	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Reach stacker	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Empty container handler	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Forklift truck 41 ton with spreader	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Forklift, small	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors/trailers	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Tank trailer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Automobile - pick-up trucks (2), minibus	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Lease payments per year:																
Rail mounted gantry	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154	265,154
Rail mounted gantry for Railway Operations	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927	172,927
Reach stacker	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597	119,597
Empty container handler	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778	65,778

Table B.5.2 - Financial model of the Container Yard of the International Seaport of Baku (all figures in '000 USD) - Pessimistic scenario analysis.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vol6 Table B52.xls																
Forklifts - small	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960	43,960
Yard tractors/trailers	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758	71,758
Tank trailer	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980	5,980
Automobile , pick-up trucks (2), minibus	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169	28,169
Total	773,324	773,324	773,324	773,324	773,324	773,324	773,324	773,324	773,324	773,324	773,324	773,324	773,324	773,324	773,324	773,324
Maintenance costs																
Quaywalls etc - 1%	94	94	94	94	94	94	94	94	94	94	94	94	94	94	94	94
Buildings and utilities etc. - 4%	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46	46
Forklifts, reachstackers - 10%	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134
Forklifts, small - 10%	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Gantry cranes - 4%	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Tractors, tugmasters, trailers etc - 20%	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96	96
Tank trailer - 5%	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Automobile , pick-up trucks (2), minibus - 15%	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Total maintenance and repair	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503	503
Rental of land and buildings - sq. meters:																
Land area	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Fuel/energy consumption per unit/operating hour:																
Rail mounted gantry kwh/hour	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Rail mounted gantry for Railway Operations kwh/hour	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60
Reach stacker/heavy forklift trucks, liters/hour	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Reach stacker/heavy forklift trucks, liters/hour	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
Forklift truck,small, liters/hour	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors, trailers, liters/hour	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Rail mounted gantry kwh/hour	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Rail mounted gantry for Railway Operations	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Reach stacker/heavy fork lift trucks	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Reach stacker/heavy forklift trucks	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Reach container handler	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Forklift truck, small	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors, trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000

Table B.6.1 Financial model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis - Container revenues reduced 50%.

Vol2 Table B62.xlsx	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:																
Vessel dues, all inclusive	751	792	834	875	917	958	1,012	1,067	1,121	1,176	1,230	1,302	1,375	1,448	1,520	1,593
Cargo handling charges:																
Bulk cargoes	1,131	1,366	1,614	1,877	2,153	2,444	2,778	3,132	3,504	3,895	4,305	4,788	5,296	5,829	6,387	6,970
Neobulk cargoes	1,860	2,207	2,581	2,984	3,415	3,873	4,430	5,024	5,655	6,324	7,030	7,901	8,823	9,794	10,816	11,888
General cargoes	238	253	260	261	253	239	278	320	366	414	485	527	594	664	738	816
Total	3,229	3,825	4,456	5,121	5,821	6,556	7,486	8,476	9,525	10,633	11,800	13,216	14,712	16,287	17,941	19,674
Container yard leasing revenues:																
Leasing revenues - terminals and land from CY	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing revenues - equipment from CY	773	773	773	773	773	1,260	1,260	1,260	1,260	1,260	1,310	1,310	1,310	1,310	1,310	1,509
Leasing revenues - buildings from CY	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210
Total	2,021	2,021	2,021	2,021	2,021	2,508	2,508	2,508	2,508	2,508	2,557	2,557	2,557	2,557	2,557	2,756
Total revenues	6,000	6,638	7,311	8,017	8,759	10,022	11,006	12,051	13,154	14,316	15,587	17,076	18,644	20,291	22,018	24,023
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	321	419	517	615	713	977	1,095	1,213	1,331	1,449	1,909	2,053	2,197	2,340	2,484	3,230
Contribution pension and unemployment fund	119	155	191	228	264	361	405	449	492	536	706	760	813	866	919	1,195
Total labor	440	574	708	842	977	1,338	1,500	1,662	1,823	1,985	2,616	2,813	3,010	3,206	3,403	4,426
Maintenance and repair - existing facilities	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
Maintenance and repair - new facilities/equipment	675	675	675	675	675	942	942	942	942	942	942	942	942	942	942	942
Total direct	1,193	1,327	1,461	1,595	1,729	2,358	2,519	2,681	2,843	3,005	3,635	3,832	4,029	4,226	4,423	5,445
Indirect costs:																
Depreciation - new facilities:																
Tax depreciation	972	972	972	972	972	1,803	1,803	1,803	1,803	1,803	1,815	1,815	1,815	1,815	1,815	1,895
Add'l depreciation	25	25	25	25	25	113	113	113	113	113	174	174	174	174	174	221
Total depreciation - new facilities	997	997	997	997	997	1,916	1,916	1,916	1,916	1,916	1,977	1,977	1,977	1,977	1,977	2,001
Depreciation existing facilities	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74
Utilities, electricity	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79	79
Fuel consumption - machinery	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Interest on loans - new investments	1,221	1,221	1,221	1,221	1,152	2,283	2,204	2,121	2,031	1,869	1,694	1,508	1,308	1,094	866	737
Other finance costs - new investments	174	174	174	174	174	172	172	172	172	172	192	192	192	192	192	17
Rental of land from SPA	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192	192
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	2,805	2,631	2,631	2,631	2,563	4,784	4,534	4,450	4,421	4,258	4,108	3,921	3,722	3,508	3,280	3,282
General and administrative costs:																
Management wages	50	66	81	97	112	162	181	201	220	240	260	279	299	318	338	358
Contribution pension and unemployment fund - mgmt	19	24	30	36	42	60	67	74	82	89	96	103	111	118	125	132
Land fund tax	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Transport tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Corporate management and G & A - ISPB	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	242	263	284	305	327	394	421	448	474	501	528	555	582	609	636	662
Total costs and expenses	4,239	4,221	4,316	4,532	4,619	7,555	7,474	7,579	7,739	7,764	8,271	8,308	8,332	8,343	8,338	9,369
Operating income	1,761	2,418	2,934	3,486	4,140	2,467	3,533	4,472	5,415	6,552	7,316	8,168	10,312	11,949	13,680	14,634
Taxes payable:																
Profit tax	625	855	1,036	1,229	1,458	910	1,276	1,605	1,956	2,354	2,826	3,134	3,674	4,247	4,853	5,199
Disablement (disability) fund tax	18	24	30	35	42	26	36	46	56	67	75	90	105	121	139	149
Total taxes	643	880	1,066	1,264	1,500	936	1,313	1,651	2,012	2,421	2,701	3,223	3,779	4,369	4,992	5,348
Net income after taxes	1,118	1,538	1,869	2,222	2,640	1,531	2,220	2,821	3,403	4,131	4,615	5,544	6,533	7,580	8,688	9,286
Net profit margin in % of revenues	19	23	26	28	30	15	20	23	26	29	30	32	35	37	39	39
Contribution of profits from CY	(163)	36	184	338	498	246	435	631	835	1,046	1,191	1,515	1,850	2,197	2,555	2,735
Net income after taxes and contr. CY	955	1,575	2,053	2,559	3,138	1,797	2,655	3,453	4,238	5,177	5,807	7,059	8,383	9,777	11,243	12,021
Net profit margin in % of revenues	11	17	20	24	27	14	19	23	27	30	32	36	39	42	45	45

Table B.6.1 Financial model of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis - Container revenues reduced 50%.

Voiz Table B62.xlsx	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Cash flow analysis:																
Cash received:																
Net income after taxes and contr. CY	955	1,575	2,053	2,559	3,138	1,797	2,655	3,453	4,238	5,177	5,807	7,059	8,383	9,777	11,243	12,021
Add back depreciation	1,072	1,072	1,072	1,072	1,072	1,990	1,990	1,990	2,051	2,051	2,075	2,075	2,075	2,075	2,075	2,190
Net cash flow from operations	2,027	2,646	3,124	3,631	4,210	3,787	4,645	5,443	6,289	7,228	7,882	9,134	10,458	11,852	13,318	14,211
Grant contribution from Tadis	2,499															
Loans from EBRD	17,436										240					1,650
Total cash received	21,962	2,646	3,124	3,631	4,210	20,917	4,645	5,443	6,289	7,228	8,122	9,134	10,458	11,852	13,318	15,861
Cash payments:																
Installments - EBRD loan				975	1,043	1,116	1,194	1,278	2,338	2,491	2,665	2,862	3,052	3,265	3,494	1,543
Payments for investments	19,935					17,190					240					1,650
Renewal investments - equipment						100			685		340					340
Total cash payments	19,935			975	1,043	1,116	1,194	1,278	2,338	2,491	2,665	2,862	3,052	3,265	3,494	1,543
Net cash flow - year	2,027	2,646	3,124	3,631	4,210	3,787	4,645	5,443	6,289	7,228	7,882	9,134	10,458	11,852	13,318	15,861
Cumulative net cash flow	2,027	4,673	7,797	10,453	13,620	16,191	19,642	23,807	27,083	31,820	34,496	40,779	48,185	56,672	66,496	78,824
Residual value of assets 2015	15,731															15,731
Credit evaluation ratios:																
Debt service cover ratio	1.66	2.17	2.56	1.65	1.92	1.11	1.37	1.60	1.44	1.66	1.81	2.10	2.40	2.72	3.06	6.23
Interest service cover ratio	1.66	2.17	2.56	2.97	3.65	1.66	2.11	2.57	3.10	3.87	4.65	6.06	8.00	10.83	15.38	19.29
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Dry bulk cargo tons	390	405	420	434	449	464	484	504	524	544	564	591	617	644	670	697
Neobulk cargo tons	310	331	352	373	394	415	443	471	499	527	555	593	630	668	705	743
General cargo tons	50	45	41	36	32	27	29	31	32	34	36	38	41	43	46	48
Containers - CY 20 ft.	24,600	24,391	24,181	23,972	23,762	23,553	23,343	23,134	22,924	22,714	22,504	22,294	22,084	21,874	21,664	21,454
Containers - CY 40 ft.	6,150	8,060	9,971	11,881	13,792	15,702	17,612	19,521	21,431	23,341	25,251	27,161	29,071	30,981	32,891	34,801
No. of 20 ft. containers - stripped or stuffed	3,547	3,630	3,713	3,795	3,878	3,961	4,043	4,125	4,208	4,290	4,372	4,454	4,536	4,618	4,700	4,782
No. of 40 ft. containers - stripped or stuffed	0,443	0,618	0,794	0,969	1,145	1,320	1,498	1,676	1,853	2,031	2,209	2,387	2,565	2,743	2,921	3,099
No. of vessels arriving	242	256	269	282	296	309	327	344	362	379	397	420	444	467	490	514
Handling charges:																
Dry bulk per ton	2.90	3.37	3.85	4.32	4.79	5.27	5.74	6.21	6.69	7.16	7.63	8.11	8.58	9.05	9.53	10.00
Neobulk per ton	6.00	6.67	7.33	8.00	8.67	9.33	10.00	10.67	11.33	12.00	12.67	13.33	14.00	14.67	15.33	16.00
General cargo per ton	4.75	5.57	6.38	7.20	8.02	8.83	9.65	10.47	11.28	12.10	12.92	13.73	14.55	15.37	16.18	17.00
Containers per 20ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Containers per 40ft.	150.00	153.33	156.67	160.00	163.33	166.67	170.00	173.33	176.67	180.00	183.33	186.67	190.00	193.33	196.67	200.00
Container stuffing/stripping charge per 20 ft.	200.00	213.33	226.67	240.00	253.33	266.67	280.00	293.33	306.67	320.00	333.33	346.67	360.00	373.33	386.67	400.00
Container stuffing/stripping charge per 40 ft.	300.00	320.00	340.00	360.00	380.00	400.00	420.00	440.00	460.00	480.00	500.00	520.00	540.00	560.00	580.00	600.00
Vessel dues per ship call:																
Vessel dues - average per vessel call	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
Operating and cost assumptions, Gen. Cargo Terminal:																
Number of port workers:																
Level 1 - Top management	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Level 2 - Middle management	6	6	6	6	6	8	8	8	8	8	8	8	8	8	8	8
Level 3 - Foremen, equipment operators, clerical staff	17	17	17	17	17	20	20	20	20	20	26	26	26	26	26	32
Level 4 - Labor A - specialized labor/dockers	44	44	44	44	44	53	53	53	53	53	64	64	64	64	64	80
Level 5 - Labor B - general port workers	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4
Level 6 - General labor	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4
Total work force	74	74	74	74	74	90	90	90	90	90	107	107	107	107	107	129
Monthly wages - all inclusive:																
Level 1 - Top management	900	1,173	1,447	1,720	1,993	2,267	2,540	2,813	3,087	3,360	3,633	3,907	4,180	4,453	4,727	5,000
Level 2 - Middle management	550	720	890	1,060	1,230	1,400	1,570	1,740	1,910	2,080	2,250	2,420	2,590	2,760	2,930	3,100
Level 3 - Foremen, equipment operators, clerical staff	450	587	723	860	997	1,133	1,270	1,407	1,543	1,680	1,817	1,953	2,090	2,227	2,363	2,500
Level 4 - Labor A - specialized labor/dockers	400	520	640	760	880	1,000	1,120	1,240	1,360	1,480	1,600	1,720	1,840	1,960	2,080	2,200
Level 5 - Labor B - general port workers	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400	1,500	1,600	1,700	1,800

Table B.6.1 Financial model of the International Seaport of Baku (all figures in '000 USD). - Most likely scenario analysis - Container revenues reduced 50%.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vol2 Table B62.xlw																
Level 6 - General labor, janitors etc.	200	287	373	460	547	633	720	807	893	980	1,067	1,153	1,240	1,327	1,413	1,500
Electricity consumption kwh	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000
Avg. cost per kwh	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035
Fuel consumption (1000 liters)	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0
Avg. cost of fuel per liter	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Total investments:																
Quaywalls and structures	11,931	11,931	11,931	11,931	11,931	20,381	20,381	20,381	20,381	20,381	20,381	20,381	20,381	20,381	20,381	20,381
Buildings and utilities etc	1,921	1,921	1,921	1,921	1,921	6,471	6,471	6,471	6,471	6,471	6,471	6,471	6,471	6,471	6,471	6,471
Railmounted Yard Gantry Cranes	2,300	2,300	2,300	2,300	2,300	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Railmounted Yard Gantry Cranes for Railroad Operations.	-	-	-	-	-	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Quay cranes	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324	324
Reach stackers	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Forklifts	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590	590
Mafi trailers, tractors/tugmasters, other equipment	511	511	511	511	511	751	751	751	751	751	991	991	991	991	991	991
Tank-trailer	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Automobiles, pick-up trucks and minibuses	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Workshop training and equipment	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Total investments	19,935	19,935	19,935	19,935	19,935	36,975	36,975	36,975	36,975	36,975	37,215	37,215	37,215	37,215	37,215	38,865
Depreciation calculation:																
Quaywalls and infrastructure - 25 years depr.	477	477	477	477	477	815	815	815	815	815	815	815	815	815	815	815
Buildings and utilities - 15 years depr.	128	128	128	128	128	431	431	431	431	431	431	431	431	431	431	431
Cranes - 15 years depr.	175	175	175	175	175	428	428	428	428	428	428	428	428	428	428	428
Forklifts, stackers - 10 years depr.	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
Forklifts - small - 8 years depr.	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Tractors, tugmasters, trailers etc. - 10 years depr.	51	51	51	51	51	75	75	75	75	75	99	99	99	99	99	99
Tank-trailer 10 years	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cars, pick-up trucks and minibuses - 5 years depreciation	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Total depreciation	997	997	997	997	997	1,916	1,916	1,916	1,916	1,977	2,001	2,001	2,001	2,001	2,001	2,116
Tax depreciation - new projects:																
Total tax depreciation - new assets 4.876%	972	972	972	972	972	1,803	1,803	1,803	1,803	1,803	1,815	1,815	1,815	1,815	1,815	1,895
Maintenance costs-new investments-gen. cargo term.																
Quaywalls etc. - 1%	26	26	26	26	26	110	110	110	110	110	110	110	110	110	110	110
Buildings and utilities etc. - 4%	31	31	31	31	31	213	213	213	213	213	213	213	213	213	213	213
Heavy forklifts, reachstackers - 10%	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43
Quay cranes - 4%	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560	560
Tractors, tugmasters, trailers etc. - 20%	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Automobiles, pick-up trucks and minibuses - 15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total maintenance and repair	675	675	675	675	675	942	942	942	942	942	942	942	942	942	942	942
Financing costs - Phase 1																
Front end fee - 1% of investment sum	174															
Commitment fee - 0.5% pa of unused loan																
Interest - LIBOR + 1% (LIBOR=6%)	1,221	1,221	1,221	1,221	1,152	1,079	1,001	918	828	732	630	521	403	278	144	
Installments: 3 year grace period - 12 years payback				975	1,043	1,116	1,194	1,278	1,367	1,463	1,565	1,675	1,792	1,917	2,052	
Loan amount	17,436															
Financing costs - Phase 2																
Front end fee - 1% of investment sum						172										
Commitment fee - 0.5% pa of unused loan																
Interest - LIBOR + 1% (LIBOR=6%)																
Installments: 3 year grace period - 12 years payback						1,203	1,203	1,203	1,203	1,136	1,064	987	905	816	722	621
Loan amount	17,190								961	1,028	1,100	1,177	1,260	1,348	1,442	1,543
Financing costs - Phase 3																
Front end fee - 1% of investment sum																
Commitment fee - 0.5% pa of unused loan																
Interest - LIBOR + 1% (LIBOR=6%)																
Installments: 3 year grace period - 12 years payback																
Loan amount	1,650															
Investments - Phase 1																

Table B.6.1 Financial model of the International Seaport of Baku (all figures in '000 USD). - Most likely scenario analysis - Container revenues reduced 50%.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vol2 Table B62.xlw																
Forklifts																
Mail trailers, tractors/tugmasters, other equipment																
Tank-trailer																
Automobiles, pick-up trucks and minibuses -																
Total																1,650
General cargo terminal																
Quaywalls and structures																
Buildings and utilities etc																
Mobile cranes																
Gantry cranes																
Reach stackers																
Forklifts																
Mail trailers, tractors/tugmasters, other equipment																
Automobiles, pick-up trucks and minibuses -																
Total																1,650
Grand total	1,650															
Cumulative total																
Renewal investments:																
Phase 1																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts									685		2,440					
Automobiles, pick-up trucks and minibuses -						100					100					100
Phase 2:																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																
Automobiles, pick-up trucks and minibuses -																
Phase 3																
Reach stackers, forklifts, tractors, tugmasters etc.																
Small forklifts																
Automobiles, pick-up trucks and minibuses -																
Renewal investments total:																
Cumulative reinvestments	3,765					100			685		2,540					340
Year	2,000	2,001	2,002	2,003	2,004	2,005	2,006	2,007	2,008	2,009	2,010	2,011	2,012	2,013	2,014	2,015
Disbursement of loans	17,436					17,190					240					1,650
General cargo operations:																
Number of units operated:																
Cranes - 35/40 tons	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Cranes - other	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Large forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Small forklifts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Yard tractors/trailers	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Fuel/energy consumption per unit/operating hour:																
Cranes - 35/40 tons - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Cranes - other - kwh	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Large forklifts - liters	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Small forklifts liters	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Yard tractors/trailers - liters	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Operating hours per year:																
Cranes - 35/40 tons	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Cranes - other	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Large forklifts	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Small forklifts	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Yard tractors/trailers	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Rental of land from SPA:																
Number of square meters rented	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Cost per square meter - USD per year	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20

Container Yard

Table B.6.2 - Financial model of the Container Yard of the International Seaport of Baku (all figures in '000 USD) - Most likely scenario analysis Container revenues reduced 50%.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vo6 Table B62.xls																
Revenues:																
Container yard handling:																
Container handling, CY and seaborne	2,306	2,488	2,675	2,868	3,067	3,271	3,507	3,749	3,997	4,252	4,514	4,807	5,312	5,727	6,153	6,591
Stuffing/stripping in CFS - 20 ft. containers	355	387	421	455	491	528	567	608	649	692	736	817	903	992	1,085	1,182
Stuffing/stripping in CFS - 40 ft. containers	66	99	135	174	217	264	315	369	426	487	552	613	677	744	814	887
Total revenues	2,727	2,974	3,231	3,498	3,776	4,063	4,388	4,725	5,073	5,432	5,803	6,338	6,891	7,463	8,052	8,660
Operating Costs:																
Direct costs:																
Labor:																
Direct wages	341	449	558	666	774	1,271	1,427	1,582	1,738	1,894	2,161	2,325	2,490	2,654	2,819	3,751
Contribution pension and unemployment fund	126	166	206	246	287	470	528	585	643	701	799	860	921	982	1,043	1,388
Total labor	467	615	764	912	1,061	1,741	1,954	2,168	2,381	2,595	2,960	3,186	3,411	3,636	3,862	5,139
Maintenance and repair - leased facilities/equipment	503	503	503	503	503	619	619	619	619	619	674	674	674	674	674	764
Electricity consumption - equipment	20	20	20	20	20	39	39	39	39	39	39	39	39	39	39	47
Fuel consumption - machinery and equipment	42	42	42	42	42	51	51	51	51	51	61	61	61	61	61	61
Total direct operating costs	565	565	565	565	565	709	709	709	709	709	774	774	774	774	774	872
Indirect operating costs:																
Leasing cost - land from ISPB	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38
Leasing cost - equipment from ISPB	773	773	773	773	773	1,260	1,260	1,260	1,260	1,260	1,310	1,310	1,310	1,310	1,310	1,509
Leasing cost - buildings/infrastr. from ISPB	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210	1,210
Other indirect costs	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total indirect costs	2,071	2,071	2,071	2,071	2,071	2,558	2,558	2,558	2,558	2,558	2,607	2,607	2,607	2,607	2,607	2,806
General and administrative costs:																
Management wages	64	83	103	122	142	178	200	222	243	265	287	308	330	352	373	395
Contribution pension and unemployment fund - mgmt	24	31	38	45	53	66	74	82	90	98	106	114	122	130	138	146
Corporate management and G & A - CY	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167	167
Total G & A	254	281	308	335	362	412	441	471	501	530	560	589	619	649	678	708
Total costs and expenses	2,890	2,917	2,944	2,971	2,998	3,679	3,709	3,738	3,768	3,798	3,941	3,971	4,001	4,030	4,060	4,386
Operating income	(163)	57	287	527	778	384	680	986	1,305	1,634	1,862	2,367	2,891	3,433	3,992	4,274
Taxes payable:																
Profit tax	-	20	100	185	272	135	238	345	457	572	652	829	1,012	1,201	1,397	1,496
Disablement (disability) fund tax	-	1	3	5	8	4	7	10	13	16	19	24	29	34	40	43
Total taxes	-	21	103	190	280	138	245	355	470	588	670	852	1,041	1,236	1,437	1,539
Net income after taxes	(163)	36	184	338	498	246	435	631	835	1,046	1,191	1,515	1,850	2,197	2,555	2,735
Net profit margin in % of revenues	(6)	1	6	10	13	6	10	13	16	19	21	24	27	29	32	32
Cash flow analysis:																
Cash received:																
Net income after taxes	(163)	36	184	338	498	246	435	631	835	1,046	1,191	1,515	1,850	2,197	2,555	2,735
Cumulative net cash flow	(163)	(126)	57	395	893	1,139	1,574	2,205	3,040	4,086	5,278	6,793	8,643	10,840	13,395	16,130
Assumptions and bases for calculations:																
Cargoes in '000 tons or '000 containers:																
Containers - CY 20 ft.	24,600	24,391	24,181	23,972	23,762	23,553	23,767	23,981	24,196	24,410	24,624	26,290	27,956	29,621	31,287	32,953
Containers - CY 40 ft.	6,150	8,060	9,971	11,881	13,792	15,702	17,486	19,271	21,055	22,840	24,624	26,290	27,956	29,621	31,287	32,953
No. of 20 ft. containers - stripped or stuffed	3,547	3,630	3,713	3,795	3,878	3,961	4,052	4,143	4,235	4,326	4,417	4,716	5,015	5,314	5,613	5,912
No. of 40 ft. containers - stripped or stuffed	0,443	0,618	0,794	0,969	1,145	1,320	1,498	1,676	1,853	2,031	2,209	2,358	2,508	2,657	2,807	2,956
Handling charges:																
Containers per 20ft.	75.00	76.67	78.33	80.00	81.67	83.33	85.00	86.67	88.33	90.00	91.67	93.33	95.00	96.67	98.33	100.00
Containers per 40ft.	75.00	106.67	133.33	160.00	186.67	213.33	240.00	266.67	293.33	320.00	346.67	373.33	400.00	426.67	453.33	480.00
Container stuffing/stripping charge per 20 ft.	100.00	106.67	113.33	120.00	126.67	133.33	140.00	146.67	153.33	160.00	166.67	173.33	180.00	186.67	193.33	200.00
Container stuffing/stripping charge per 40 ft.	150.00	160.00	170.00	180.00	190.00	200.00	210.00	220.00	230.00	240.00	250.00	260.00	270.00	280.00	290.00	300.00

