

Press Release

MicroCred Inaugurates First Branch of its Microfinance Company in China - MicroCred Nanchong.

Paris, November 6, 2007.

MicroCred S.A., an international investment company focused on the creation and development of microfinance companies, announces the opening of its microfinance operation in Nanchong, China, Sichuan province. In a celebration on 24 October, marking the inauguration of its first branch in Jialing District of Nanchong city and the first loans disbursed, officials from both the Nanchong city government and Jialing district government in Nanchong city were present and made speeches marking this event. An official opening ceremony with shareholders and VIPs from the Chinese Government will be held in late January 2008.

Of the opening of MicroCred Nanchong, Arnaud Ventura, Chief Executive Officer of MicroCred S.A. remarked . "MicroCred will aim to provide financial services to as many small entrepreneurs as possible. Within just five years it is estimated that it could optimistically reach thousands of entrepreneurs from its network of branches throughout the Nanchong city." The ultimate goal is to make MicroCred Nanchong one of the leading microcredit providers in the region.

With the opening of MicroCred Nanchong, one of the People's Bank of Chinese's pilot microcredit projects, the MicroCred Group., based in France, established its fourth global microfinance company. This first investment in Asia is considered to be an important milestone in the group's regionally diversified strategy to create a strong network of financial institutions worldwide. MicroCred S.A. provides MicroCred Nanchong with central technical support including financial systems, methodologies and products.

MicroCred Nanchong will offer funding services to urban and rural micro- and small Chinese entrepreneurs. Initially, it will provide a microloan product but additional products will be offered to meet the diverse needs of micro and small enterprises in and around Nanchong City. The average loan size for the microloan product is expected to be around RMB 20K (EUR 2K). In 2008, MicroCred Nanchong will add a small loan product with an average loan size expected to be around RMB 75K (EUR 7,500).

At the end of October, less than one week after its operations began, a total of 44 loan applications have been approved by the credit committee and 40 disbursements valued at RMB 800K (EUR 80,000) were made.

For further information :

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About MicroCred :

MicroCred S.A. is an investment company whose mission is to create a group of companies and banks specialized in microfinance. MicroCred has developed an innovative model which provides access to financial services for micro entrepreneurs who are excluded from the traditional banking system.

PlaNet Finance, Société Générale, Axa Bank Belgium and the International Financial Corporation (World Bank Group), are the founding shareholders, with the European Investment Bank and the French Development Agency joining in February 2007.



MicroCred Nanchong Head Office during the Inauguration of its first branch in Jialing District.