

MicroCred Madagascar Capital Increase

AfricInvest joins MicroCred Holding, BOA and IFC in MicroCred Madagascar's Capital Structure.

Paris, October 22, 2009

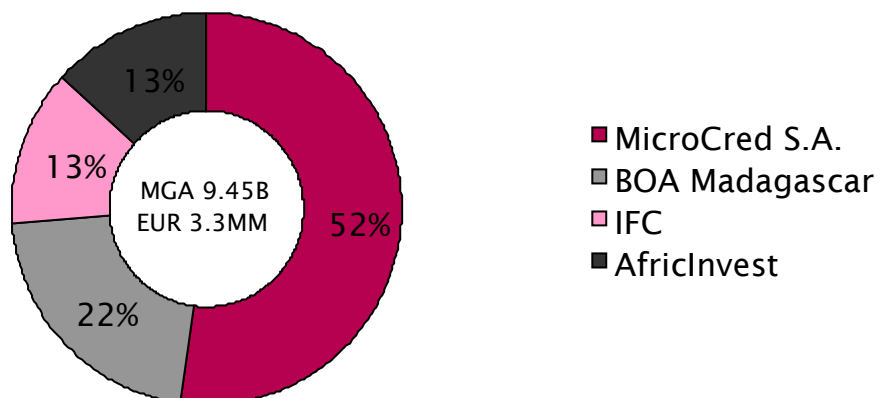
On June 15, 2009, the General Assembly of MicroCred Madagascar formally approved the capital increase proposed by the Management Board and officially welcomed AfricInvest as a new shareholder on October 8th, 2009. AfricInvest joins BOA, IFC and MicroCred S.A. in the capital structure of MicroCred Madagascar. The aforementioned shareholder will invest MGA 1,250,000,000 (EUR 440,000). MicroCred Madagascar's equity will then amount to MGA 9,450,000,000 (EUR 3.3 million).

MicroCred Madagascar's Chief Executive Officer, Michel Iams, said, *"This capital increase shows the confidence international investors have in our business model and in our capacity to propose adequate banking products to entrepreneurs who do not have access to the traditional banking system."*

MicroCred Madagascar began its operations in December 2006 and currently offers loan products with an average loan size of approximately EUR 764 to micro and small entrepreneurs throughout its network of 7 branches in Antananarivo and Tamatave. As of the end of August, the company had about 12,500 active clients and a gross outstanding loan portfolio of EUR 7.7 million. MicroCred Madagascar has just been granted the banking license by the Central Bank of Madagascar. This license will allow MicroCred Madagascar to propose a wider range of banking products (including saving products) to its clients.

Arnaud Ventura, President of the MicroCred S.A. Management Board is confident that the partnerships with AfricInvest in addition with the previous partnerships will enable MicroCred Madagascar to realize its goal and build a network of branches and outlets through which it will reach unserved and underserved micro and small business-owners and give them access to financial services to help them grow their businesses and improve the standard of living of their families.

MicroCred Madagascar Shareholding as of October 2009



About MicroCred:

MicroCred is an investment company that aims to create a group of companies and banks specialized in microfinance. MicroCred has developed an innovative model to provide microentrepreneurs excluded from the traditional banking system access to financial services. PlaNet Finance, Société Générale, Axa Belgium, the International Finance Corporation, (World Bank Group) the French Development Agency (AFD) and the European Investment Bank are among its shareholders. MicroCred holds 52% of the capital and will be responsible for the management of MicroCred Madagascar.

www.microcredgroup.com

For more information:

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