

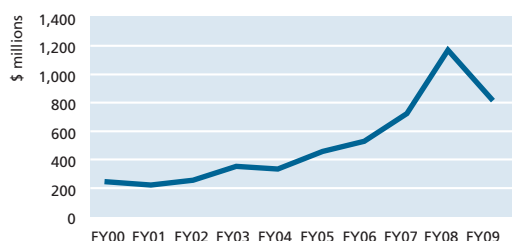
IFC FINANCING TO MICRO, SMALL, AND MEDIUM ENTERPRISES IN EAST ASIA & PACIFIC

KEY HIGHLIGHTS

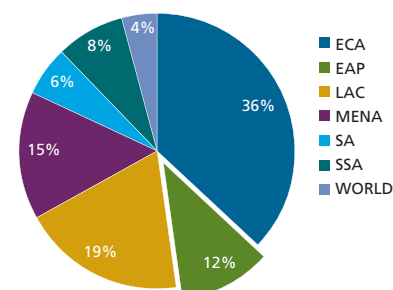
- IFC's committed portfolio as of June 2009 in East Asia & Pacific was \$797.3 million in 34 financial institutions (FIs) that primarily target micro, small, and medium enterprises (MSMEs)¹ in developing countries.
- New commitments in these FIs represented \$80.7 million.
- IFC was able to survey or extrapolate outreach data for 25 of these institutions. They had an outstanding portfolio of \$20.5 billion for 1.4 million MSME loans.

MSME FINANCIAL INTERMEDIARY PORTFOLIO, JUNE 2009

IFC'S COMMITTED PORTFOLIO IN MSME FIs IN EAP



IFC'S REGIONAL COMMITTED PORTFOLIOS IN MSME FIs



MSME LOANS BY IFC CLIENTS, DECEMBER 2008

MSME LOANS BY TYPE OF FI: MICROFINANCE INSTITUTION (MFI), SMALL AND MEDIUM ENTERPRISE FINANCIAL INSTITUTION (SME FI)

	Surveyed Clients	Reporting Clients	Countries	Outstanding Loan Portfolio in # as of Dec. 2008 ('000)	Outstanding Loan Portfolio in \$ as of Dec. 2008 ('000)	2008 Disbursements in # ('000)	2008 Disbursements in \$ ('000)	AVG Loan Size	NPL %	% of institutions receiving advisory services from IFC
MFI	7	100%	5	1,262	1,337,920	810	1,442,214	1,060	0.9%	71%
SME FI	18	72%	6	159	19,157,713	99	23,813,519	120,362	3.7%	67%
Total	25	80%	8	1,421	20,495,633	908	25,255,733			

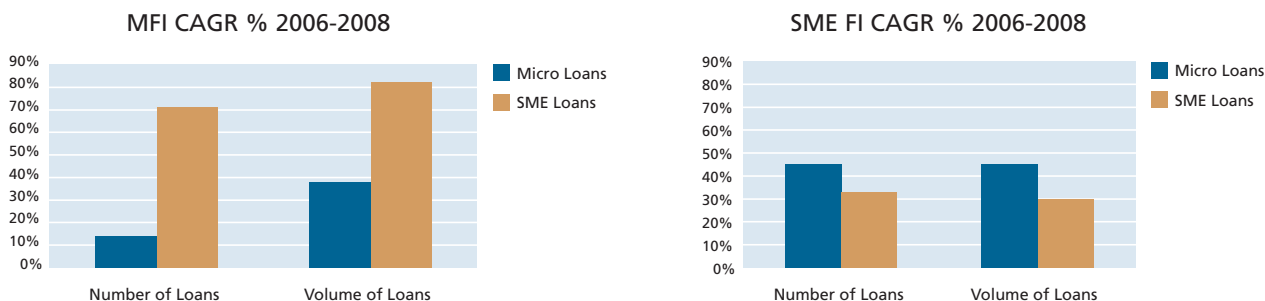
Nonperforming Loan (NPL) = > 90 days past due loans.

MSME LOANS BY TYPE OF EXPOSURE: MICRO, SMALL, MEDIUM

	Outstanding Loan Portfolio in # as of Dec. 2008 ('000)	Outstanding Loan Portfolio in \$ as of Dec. 2008 ('000)	2008 Disbursements in # ('000)	2008 Disbursements in \$ ('000)	AVG Loan Size	NPL %
Micro	1,304	1,096,845	812	964,149	841	2.2%
Small	64	1,805,493	46	1,634,199	28,346	5.3%
Medium	53	17,593,294	50	22,657,385	331,549	3.2%
Total	1,421	20,495,633	908	25,255,733		

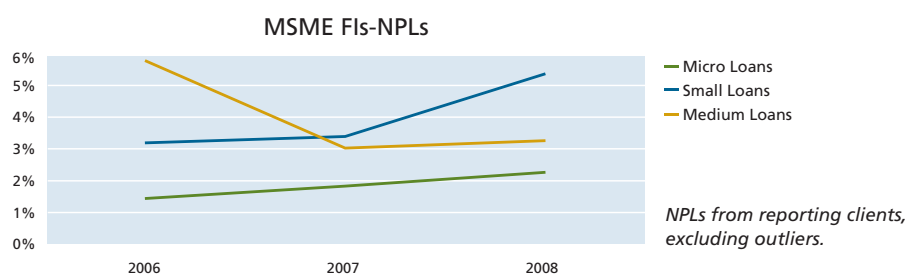
¹ MSME Firm Size Definitions: IFC's Global Financial Markets categorizes its clients' sub-borrowers according to the following definitions: (1) Microenterprise if loan < \$10,000 at origination; (2) Small Business if loan < \$100,000 at origination; (3) Medium Business if loan < \$1 million at origination (\$2 million for more advanced countries).

GROWTH TREND BY TYPE OF FI AND EXPOSURE



Compounded annual growth rate (CAGR) from 3 reporting and repeated clients, excluding greenfield institutions and FIs that are closing their operations.

NPL TREND BY TYPE OF EXPOSURE



CLIENT HIGHLIGHT: BINHAI RURAL COMMERCIAL BANK (BRCB)

Objective and Client's Needs: Binhai Rural Commercial Bank (BRCB) is a new rural commercial bank, formed through the consolidation of two existing rural cooperative banks and one rural credit union in the Tianjin Binhai New District in December 2007. With solid roots in the rural and sub-urban economy in Binhai, BRCB is positioned to serve the segments that are neglected by the big banks in this transition economy, namely, the farmers and Small and Medium Enterprises (SMEs) formed in the urbanization process. IFC has partnered with BRCB since 2007, as one of the founding shareholders, providing both investments and advisory services.

IFC's Involvements: IFC has committed US\$32 million in equity and a 3-year comprehensive advisory program. IFC

has played a proactive role in the Bank through enhancing its corporate governance, risk management, internal controls, and lending to SMEs. IFC's ongoing Advisory Services is assisting the Bank to improve organizational structure and credit process, prepare an appropriate Credit Manual, develop an expert risk rating system and an expert credit scoring tool, enhance internal controls, and improve staff capacity by training in several areas. IFC and the Bank are actively discussing further collaboration on energy efficiency financing and green credit.

Development Impact: As of December 2008, the Bank had 8,895 SME loans worth US\$765.5 million. The Bank increased its SME loan portfolio by 84 percent in number and by 49 percent in volume from 2007 to 2008.

"Over the past year, IFC provided training and advisory services and played an active role at the Board level. These are instrumental in helping the bank implement its strategy, advance its SME and rural financing business, improve staff quality as well as its corporate governance and risk management situation."

– Fengchang Qi, Chairman, Binhai Rural Commercial Bank

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Please visit the regional Fact Sheets at ifc.org/gfm