



PlaNet Finance

ACTIVITY REPORT
2008





TABLE OF CONTENTS

| | |
|----------------------------------------------------------|----|
| PlaNet Finance in Figures | 1 |
| Foreword | 2 |
| PlaNet Finance Mission and Model | 3 |
| 2008 Assessment | 5 |
| Challenges Ahead | 6 |
| PlaNet Finance Business Units | 7 |
| PlaNet Finance Advisory Services..... | 8 |
| Planet Rating..... | 9 |
| PlaNIS..... | 10 |
| MicroCred..... | 11 |
| PlaNet Guarantee..... | 12 |
| FinanCités..... | 13 |
| MicroFit..... | 14 |
| PlaNet University..... | 15 |
| PlaNet Finance Global Reach | 16 |
| Africa..... | 17 |
| Middle East North Africa..... | 18 |
| Asia..... | 19 |
| Latin America and the Caribbean..... | 20 |
| Europe and North America..... | 21 |
| Governance and Resources | 22 |
| Organization and Management Staff..... | 23 |
| Governance..... | 24 |
| Board of Directors and International Advisory Board..... | 25 |
| Human Resources..... | 26 |
| Financial Report..... | 27 |
| Key Impact Figures | 28 |
| Contacts | 29 |

OUR VISION: a world without poverty

OUR MISSION: to alleviate poverty through the development of microfinance, therefore increasing the unbanked and underbanked's access to financial services

OUR VALUES: excellence, ethics and solidarity

PlaNet Finance in Figures

Figures and data as of December 2008



Staff: 160 including 122 experts based in 18 offices worldwide.
Achievements 2008: 113 technical assistance and capacity building projects carried out in 45 countries. 228 partner microfinance institutions (MFI) supported through 16,050 man-days of technical assistance. These MFIs provided access to microfinance to 4.2 million microentrepreneurs.
Revenue: EUR 7,910K
www.planetfinance-as.org



Staff: 15 analysts distributed in 6 offices worldwide.
Achievements 2008: Planet Rating rated 96 MFIs.
Revenue: EUR 790K
Equity: EUR 484K
www.planetrating.com



Staff: 10
Achievements 2008: USD 114 million of loans outstanding, benefiting 56 MFIs that support 1.97 million microentrepreneurs in 20 countries.
Revenue: EUR 858K
www.planis.org



Staff: 491 of whom 96% are based in the field.
Achievements 2008: MicroCred operated in 4 countries: Mexico, Madagascar, China and Senegal. MicroCred institutions counted 20,582 active clients and an outstanding portfolio of EUR 10.9 million.
Revenue: EUR 7,079K
Equity: EUR 15,058K
www.microcredgroup.com



Staff: 6
Achievements 2008: PlaNet Guarantee provided training to 16 MFIs, developed 2 microinsurance products and accompanied 10 MFIs in the implementation of credit life microinsurance programs. These MFIs were thus able to insure 70,000 microentrepreneurs.
Revenue: EUR 16K
www.planetguarantee.org



Staff: 5
Achievements 2008: 21 microentrepreneurs financed and supported for a total of EUR 1 million.
Equity: EUR 2.43 million
www.financites.fr



Staff: 15
Achievements 2008: 12 MIS implementations were launched in microfinance institutions, which reach out to 200,000 microentrepreneurs. MicroFit also launched a Credit Bureau (Information Sharing System) project in Egypt.
Revenue: EUR 154K
www.micro-fit.com



Staff: 3
Achievements: 30 trainings conducted in Paris, 646 hours of classes taught, participation in 30 conferences worldwide and launch of a Chair in microfinance.
www.formation-microfinance.com

FOREWORD



2008 will be remembered as the year of a unique crisis, probably the greatest one since 1929. This crisis finds its roots in the very foundations of finance and its values.

Though the crisis has not yet had a significant impact on microfinance, it may be linked to it through many aspects. Even though microfinance's USD 40 billion of active portfolio represents only a fraction of the world banking system's total portfolio, the crisis' lessons remain in many ways relevant within the microfinance sector.

First of all, the crisis has revealed the perversity of indebtedness and over-indebtedness, which are well known but too often overlooked by bankers more interested in their own personal profits than the financial health of their clients. This lesson should be learned by a number of microfinance institutions which have been aggressively growing in many markets without paying the necessary attention to their clients.

The crisis has also highlighted the importance of risk management in finance and particularly with respect to the risks tied to operations of securization, whose nature has enabled thousands of financial institutions to loose the notion of risk by selling it to others. The crisis has revealed that these operations which had started to develop in the microfinance sector, though quite appealing in nature but dangerous in practice, need to be assessed more carefully.

Finally, the crisis has pointed a finger at the lack of values within an industry which has too often chosen profitability as its only measure of success, and has pushed the client's satisfaction and customer service aside.

The microfinance sector can both learn from this crisis and use the sector's values and tools to influence the most classic of financial institutions.

However, for millions of families, in microfinance lies great hope. Microfinance is more than ever needed in both developing and industrialized countries, and anywhere where it may help individuals develop their professional projects and, from there, choose their own future.

PlaNet Finance has been contributing to the development of microfinance for 10 years. By providing access to financial services to the poor, PlaNet Finance gives millions of women and men the means to develop an income generating activity, to save their profits and to insure a better future for themselves and their families.

Through its different units PlaNet Finance is committed to poverty alleviation through the development of microfinance.

In 2008, PlaNet Finance and the group's 700 collaborators were active in close to 80 countries around the world, working on over 300 technical support programs, investment operations, or rating missions.

I want to thank them for their commitment and passion.

Together with its many partners, PlaNet Finance and its collaborators contribute every day to a better distribution of the financial system throughout the world.

Jacques Attali
Founder and President of PlaNet Finance

Thanks to a dedicated team, PlaNet Finance's efforts in the development of the microfinance sector have shown very good results. PlaNet Finance is working to come up with new ideas and new programs that will enable the poorest low-income populations of the world to have access to essential financial services. It has also worked to strengthen the sector through ratings, research and funding of microfinance institutions. I am proud to stand by their side.

Muhammad Yunus
Founder and President of the Grameen Bank
and Nobel Peace Prize Laureate 2006
Co-president of the International Advisory Board of PlaNet Finance

Microfinance represents not only economic values, but political values as well. I would like to underline the fact that these values are shared as well by the French-speaking world: solidarity, acquisition of new knowledge and capabilities that help us fight poverty, human dignity through education and work, gender equality and equal rights for all people, as well as respect for cultural diversity: there is a powerful link between microfinance institutions and the cultural and social environment.

In the past 10 years, PlaNet Finance has become a major force of cohesion and social dignity.

Abdou Diouf
Former President of the Republic of Senegal and Secretary-General of
the International Organization of French-speaking Nations
Co-president of the International Advisory Board of PlaNet Finance

PLANET FINANCE MISSION AND MODEL



In 2008, PlaNet Finance continued to grow in order to offer its services and support to more institutions and microentrepreneurs throughout the world. In total, PlaNet Finance and its partners supported more than 8 million people worldwide.

90% of PlaNet Finance's activities were developed in emerging countries with a strong focus last year on strengthening PlaNet Finance's volume of operations in Africa, Latin America and Asia, our 3 main regions of intervention.

In 2008, PlaNet Finance supported more than 220 microfinance institutions (MFIs) through technical assistance and consulting services. Planet Rating rated 96 MFIs, PlaNIS has secured financing for 56 institutions with a total of USD 114 million, MicroCred had 4 institutions under management reaching more than 20,000 clients, FinanCités had invested in 21 microenterprises in poor French suburbs and PlaNet Guarantee had insured 70,000 clients.

These achievements were the result of a complete restructuring of the organization. In 2008, PlaNet Finance, supported by Bain & Co and McKinsey, restructured itself to create a group of 8 different Business Units, each formed as an independent entity with its own specific mission, independent management, team and Board or Supervision Committee. Among these 8 Business Units, 4 are separate companies (Planet Rating, MicroCred, FinanCités and PlaNet Guarantee) setup jointly with like-minded investors supporting PlaNet Finance's mission.

This group, which gathers in total more than 700 staff worldwide, is still nascent. Most of the Business Units are recent and had only started to develop their activities less than 3 years ago. They are all promising and important developments are expected of them in the next 10 years, considering the needs in their respective markets.

The coherence and synergies within the group are insured through a strong back office and top management unit at the level of PlaNet Finance itself under the supervision of PlaNet Finance's Board of Directors.

In 2008, PlaNet Finance was clearly one of the most dynamic microfinance groups worldwide, and plans to continue on this path in 2009. Active in many different and innovative fields of microfinance (insurance, mobile banking, etc.), PlaNet Finance intends to increase its operations in the coming years.

Last but not least, PlaNet Finance is developing a very innovative business model. A unique and modern organization made of a group of non-profit institutions and social businesses which all share common values and one common goal: to fight poverty by increasing access to finance.

Arnaud Ventura
Co-founder and Vice-President of PlaNet Finance

Houinmé Village
(canton of Ouidah)-Benin
The women of Houinmé
have formed a group of
microentrepreneurs in order to
make mats, which they sell at
the Cotonou market.
They benefit, at the same time,
from a microfinance and health
program implemented by PlaNet
Finance Advisory Services in
partnership with sanofi-aventis.



@ Gil Corne

Our Mission

PlaNNet Finance's mission is to alleviate poverty through the development of microfinance, therefore increasing the unbanked and underbanked's access to the financial sector.

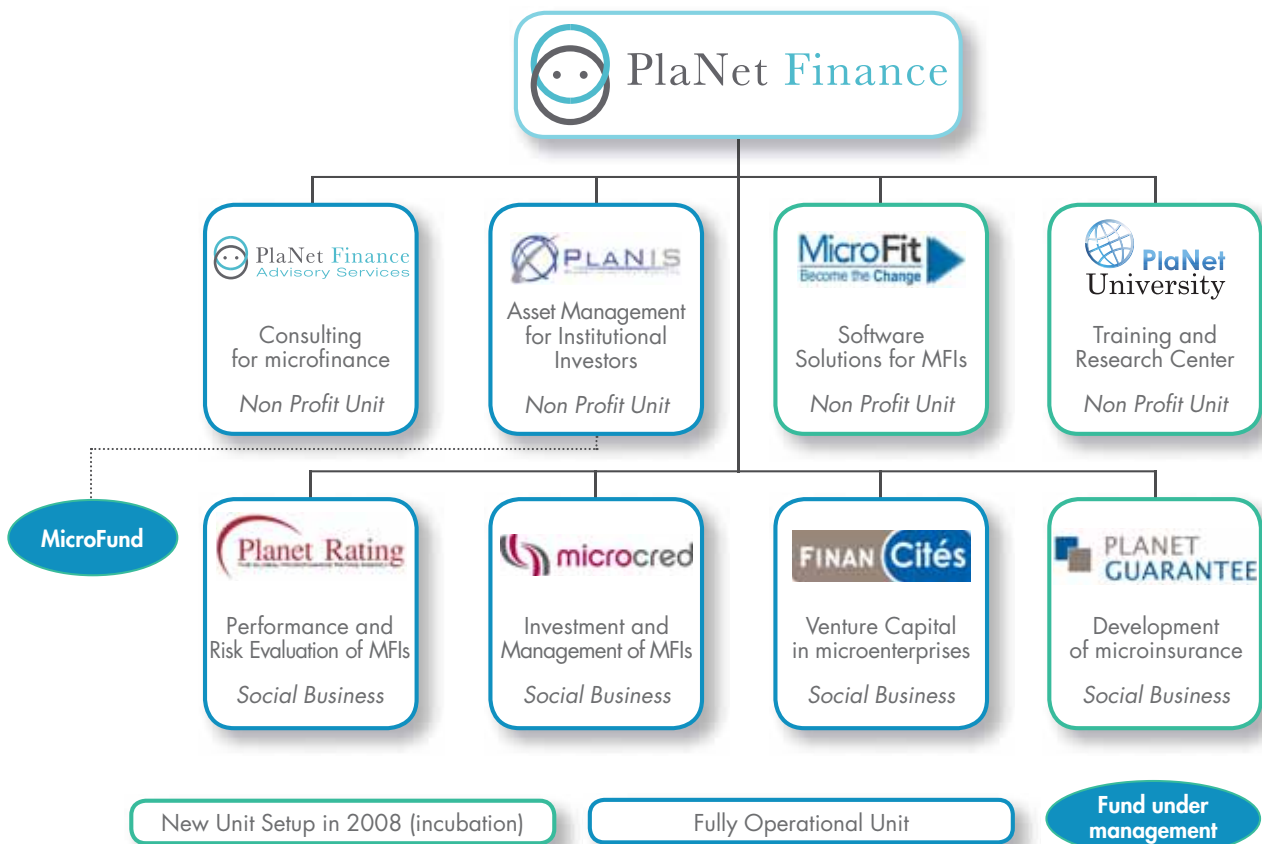
8 fields of expertise to help develop the microfinance sector

Over the past 10 years, PlaNNet Finance has developed into a group of organizations (PlaNNet Finance Group) providing a diverse set of services:

1. **Technical assistance and advisory services**, through **PlaNNet Finance Advisory Services**;
2. **Evaluation and rating services** via **Planet Rating**, a specialized microfinance rating company;
3. **Investment advisory services** via **PlaNIS**, a business unit that advises and manages microfinance investment funds;
4. The **creation and management of new microfinance institutions** via **MicroCred**, a microfinance investment company;
5. **Microinsurance services** via **PlaNNet Guarantee**, a company specialized in the distribution of microinsurance products;
6. **Micro-Venture Capital** via **FinanCités**, a venture capital fund investing in very small enterprises, particularly in poor suburbs of France;
7. **Software solutions for microfinance actors** through **MicroFit**;
8. **Training and research in microfinance** through **PlaNNet University**.

These 8 business units consist of specialized and dedicated teams and gather more than 700 professionals in 40 locations worldwide. In 2008, PlaNNet Finance developed operations in close to 80 countries.

Group organizational chart as of December 31, 2008.



2008 Assessment

In 2008, PlaNet Finance carried out activities and programs over 5 continents.

In **Africa**, PlaNet Finance developed programs in 16 countries, among which Benin, with the creation of an innovative health mutual, and in Gabon through the support to the creation of a new microfinance institution, GAMIFI.

MicroCred, through its two microfinance banks in the region, MicroCred Sénégal and MicroCred Madagascar, was able to serve over 11,600 clients and Planet Rating rated a total of 28 MFIs.

In **the Middle East** and **North Africa**, PlaNet Finance's presence remained strong with 32 technical assistance programs in 12 countries. Planet Rating also conducted 7 ratings, further boosting Planet Rating's profile as the leading rating agency in the region.

In **Asia**, PlaNet Finance strengthened its presence considerably by carrying out projects in 11 countries. In particular, PlaNet Finance Advisory Services launched two innovative projects linking microfinance and the environment: one promoting the use of biogas equipment in China and another aiming at creating a favorable environment for the development of solar energy production in rural areas of Bangladesh and Indonesia. This latter program, called RENDEV project, was rewarded by the European Commission with the Sustainable Energy Awards. Furthermore, PlaNet Finance set up a long term technical assistance program with Harbin Bank in order to structure and strengthen the Small Loan Activity of the bank. MicroCred Nanchong (China) reached out to more than 1,500 clients and

broke even in 2008, marking MicroCred's first full year of activity in the region. Finally, PlaNet Guarantee implemented credit-life microinsurance in Sri Lanka.

In **Latin America**, PlaNet Finance Advisory Services opened a new office in Colombia raising to 8 the number of its offices in the region while Planet Rating carried out 34 ratings and MicroCred Mexico extended the number of its branches and outlets in Veracruz to 11 for a total of more than 7,900 clients. PlaNIS developed partnerships with 9 MFIs in the region lending them more than USD 9.8 million, almost 9% of PlaNIS' total portfolio.

In **Europe**, as part of its 10th birthday celebration, PlaNet Finance organized the first **"International Microfinance Awards"** in Paris. This event, which aimed at increasing awareness of microfinance among the general audience, rewarded 8 microentrepreneurs from around the world for their positive impact on their communities.

Also in France, the "Entreprendre en Banlieue" program ("Suburban Entrepreneurs"), which supports entrepreneurs in sensitive urban neighbourhoods, created 167 enterprises and 245 jobs in 2008. Since its inception in 2006, more than 15,100 microentrepreneurs have also benefited from training and outreach efforts.

During its first 18 months of activity, FinanCités granted equity investments to 21 small entrepreneurs, with an average investment per business of EUR 48,000.

Key figures for microfinance and poverty worldwide

- Out of the 6.7 billion inhabitants of the planet, 3 billion people live on less than USD 2 per day.
- 80% of the world's population has no access to a formal offer of financial services.
- The world's 10,000 microfinance institutions provide funding to 1.56 million active clients, 3/4 of whom are women.
- An estimated 500 million potential microentrepreneurs clients have yet to be reached.
- 106 million microfinance clients are among the poorest people on the planet (living on less than USD 1 per day)
- The active loan portfolio of microfinance institutions is estimated at USD 40 billion, while potential demand is estimated at USD 263 billion.

Sources : CGAP, ILO, Microcredit Summit Campaign 2009 Report



Port Blair children in Andaman Islands. Life has gone back to normal 4 years after the tsunami.

Challenges Ahead



Although 150 million entrepreneurs have already benefited from access to microfinance, hundreds of millions more still do not have access to these financial services. Thus, for 2009 our main objective is to develop and consolidate each of PlaNet Finance's eight business units in order to significantly increase the geographic outreach of our operations and the number of clients covered.

Our target is to reach 300 microfinance institutions through the support of our different activities by the end of 2010.

Over the next few years, PlaNet Finance's objectives will also be to reinforce the operational management of MFIs through the development of new technologies: mobile banking will particularly change the landscape of microfinance. PlaNet Finance is actively involved in this field, which will enable hundreds of thousands of low income entrepreneurs, mainly in rural areas, to gain access to financial services at an affordable cost.

10 years ago, we designed one of the first tools to properly track microfinance's impact (IKM). Today, PlaNet Finance also knows that it has an important role to play in the fight against over-indebtedness – a great scourge affecting the world population – by developing specific technical solutions (MicroFit, MicroFit Easy X Change) that enable microfinance institutions to improve their management systems and quickly detect over-indebted clients, and thus avoiding indebting them even further.

In France, PlaNet Finance will reinforce its commitment to eliminate financial exclusion by developing the activities of FinanCités. In 2009, FinanCités will also become active in Guadeloupe and study possible further replications in other countries as a way to fight skyrocketing unemployment rates (Morocco, United Kingdom, India, U.S.A. and Italy).

For 2 years now, PlaNet Guarantee has developed innovative microinsurance solutions for microfinance institutions. More than 500 million families are not covered by any kind of insurance mechanism. Thanks to its forthcoming equity increase (of about EUR 3million), PlaNet Guarantee will be able to offer microinsurance products to 2 million microentrepreneurs in the next few years.

Human resources are more than ever a key element in the microfinance sector. We are thus reinforcing our training and research programs within PlaNet University. A dozen leading universities and business schools in Europe are part of our "University Meets Microfinance" program that will enable hundreds of students to be properly trained and coached in microfinance.

2009 and 2010 will be fantastic and innovative years for PlaNet Finance, set in the context of a changing and challenging microfinance sector.

Sébastien Duquet
Managing Director of PlaNet Finance

PLANET FINANCE BUSINESS UNITS



Paul Boyer received a EUR 70,000 investment from FinanCités to develop his business, Ethic Wear. Ethic Wear is a wholesaler of clothes using organic materials.

PlaNNet Finance Advisory Services



Microentrepreneur in Singair, Bangladesh, benefiting from RENDEV's Solar Home System project

Mission

PlaNNet Finance Advisory Services is the technical assistance and consulting services provider of PlaNNet Finance.

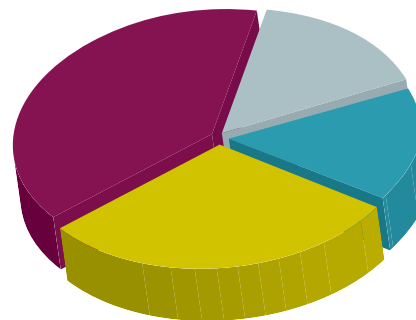
PlaNNet Finance Advisory Services' programs are organized along 3 main Business Lines:

1. Consulting and technical assistance to microfinance institutions, banks and governments ;
2. Microfinance Plus, are programs of high added social value (education, environment and health mainly) that enhance the provision of financial services;
3. Microfinance Sector Support (especially in matters of technology, but also in microinsurance, etc.).

The technical assistance activity of PlaNNet Finance is supported by international financial institutions, multilateral and bilateral sponsors (European Commission, FMO, Luxembourg Cooperation, MCA, etc.), foundations (Bill & Melinda Gates Foundation, Orange Foundation, etc.) private donors (Microsoft, sanofi, SAP, etc.), and directly from the beneficiaries or clients of its services.

Key Impact Figures

- 228 MFIs were supported which provided funding access to 4.2 million microentrepreneurs
- 18 offices worldwide
- 122 microfinance experts
- 16,050 man-days of technical assistance provided
- 113 technical assistance and capacity building projects carried out in 45 countries among which:
 - 4 health related projects
 - 8 environment oriented projects
 - 6 training programs targeting women
 - 20 education related projects
 - 12 Mobile Banking & MIS related projects
 - 5 rural microfinance related projects
 - 20 upscaling projects
 - 3 greenfield projects



NUMBER OF PROJECTS BY AREA IN 2008

- Latin America 18 projects
- MENA 32 projects
- Africa 45 projects
- Asia 18 projects



Upcoming Trends

In 2009, PlaNNet Finance Advisory Services will be developing a consulting offer in Mobile Banking Services directed towards unbanked populations. It will work closely with Mobile Operators, Money Transfer Companies and microfinance institutions in order to promote new business models, increase access to savings and credit services in rural areas and improve the performance of the sector. It will also aim to promote innovative services, such as Mobile Money Transfer, to MFIs through partnerships with postal operators, microinsurance providers and mobile companies.

Minh-Huy Lai
Managing Director of PlaNNet Finance Advisory Services

Planet Rating: Evaluation and Rating Services

Mission

Planet Rating is a specialized microfinance rating agency committed to the professionalization of the microfinance industry through greater transparency and access to financing.

The GIRAFE methodology is an innovative and unique rating approach conceived by Planet Rating in order to evaluate the performance and institutional risk of microfinance institutions (MFIs). The objective of GIRAFE is to promote an international standard of performance thereby strengthening the confidence of commercial investors. With 6 offices worldwide located in Paris, Dakar, Nairobi, Beirut, Lima and Manila, Planet Rating has established a true global coverage.

All Planet Rating's products are based on GIRAFE:

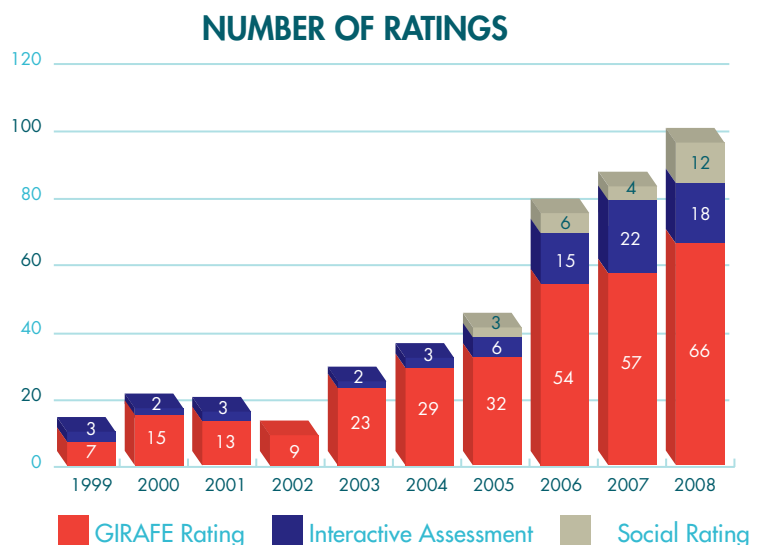
- The **GIRAFE Rating**, a comprehensive analysis of the risk profile of MFIs, is Planet Rating's core product.
- **Social Performance Ratings** are available to MFIs that wish to complement their institutional and financial rating and provide comprehensive information to their stakeholders.
- **Interactive Assessments** are designed for smaller and emerging institutions and help them identify their key areas for improvement regarding their financial, institutional or social performance.

Since its inception, Planet Rating has conducted more than 400 ratings for 300 different MFIs.

Planet Rating also provides **trainings** on the GIRAFE Methodology. They are an excellent introduction to institutional and financial performance evaluations in microfinance.

Key Impact Figures for 2008

- 84 different MFIs rated that support 3.9 million microentrepreneurs
- 66 GIRAFE Ratings
- 18 Interactive Assessments
- 12 Social Performance Ratings
- 16 Microfinance Investment Vehicles subscribed to the membership service



Upcoming Projects

In January 2009, Planet Rating officially opened its Manila Office. This coverage will allow Planet Rating to build a significant local market expertise and gain an efficient access to all of its clients.

In 2009 Planet Rating's goals are:

- Rate 100 MFIs, with at least 30% receiving both a Financial and Social Rating.
- Increase our presence in Asia (Central Asia, South Asia and South-East Asia) and deepen our presence in other regions where we are already present.

Emmanuelle Javoy
Managing Director of Planet Rating

PlaNIS and the MicroFund: Financing for Microfinance Institutions

Mission

PlaNIS was set up to help bridge the gap between private and institutional investors and microfinance institutions worldwide.

In order to reach that purpose, PlaNIS offers 3 major fields of expertise:

- Sourcing and monitoring of microfinance investment opportunities by region
- Investment analysis and portfolio management (reporting and risk monitoring)
- Structuring of debt investment opportunities in microfinance institutions

PlaNIS has built a strong partnership with a group of international Microfinance Investment Vehicles led by a core partner, responsAbility / Credit Suisse, and completed with other funds managed by Calvert Foundation and Triple Jump. PlaNIS also manages PlaNet Finance's fund: the MicroFund, a loan fund dedicated to investing in very small and promising MFIs to help them finance their loan portfolios. Loans provided range between EUR 10,000 and EUR 150,000.

Key Impact Figures for 2008

- 56 MFIs in 20 countries financed through PlaNIS
- 1.97 million microentrepreneurs financed through PlaNIS' partner MFIs
- More than USD 114 million outstanding portfolio under advisory / management



Joséphine Gonzalez, second from left, Regional Investment Officer for the Latin American region, visiting MFIs for due diligence in Mexico

Key Investment Figures for MIV advised by PlaNIS in 2008:

- Minimum loan disbursed: USD 200,000 and maximum loan disbursed: USD 4,000,000
- Average loan amount: USD 1,020,000
- Average annual interest rate on loans disbursed: 10.05%

Key Investment Figures for the MicroFund in 2008:

- 8 MFIs financed
- Total amount of loans disbursed in 2008: EUR 306,745
- Minimum loan disbursed: USD 21,142 and maximum loan disbursed: USD 111,625
- Average loans amount: USD 58,106
- Average annual interest rate of loans disbursed: 7.40%

Since its creation in 2001, the MicroFund has invested in 31 different MFIs for a total of EUR 1,105,839.



Upcoming Projects

In 2008, PlaNIS has shown the efficiency of its business model, which will be further developed in the forthcoming three years. The loan portfolio advised and monitored by PlaNIS' team is undergoing a strong growth in terms of performance criteria reflected by the amount of loans disbursed, as well as the number of MFIs and countries in the portfolio.

PlaNIS is completing its financial services with the development of an innovative solution of hedging of currency position designed for microfinance institutions.

In 2009 we will continue to strengthen the debt activity by improving the management and processing quality and we will focus on developing complementary financial products.

Cyrille Parant
Managing Director of PlaNIS

MicroCred: an International Microfinance Investment Company

Mission

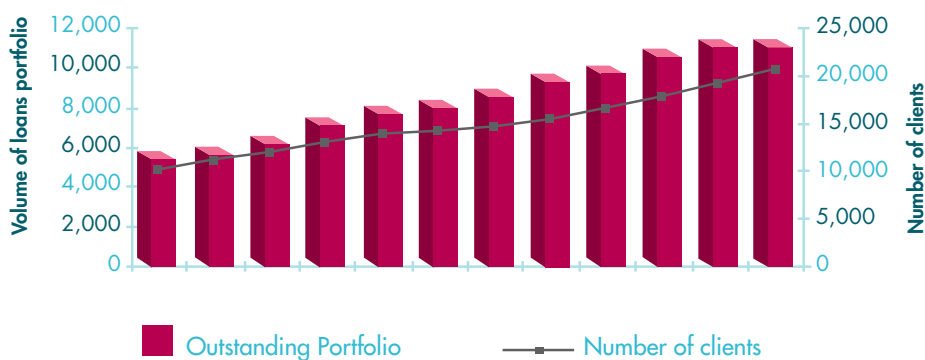
MicroCred is an investment company with a mission to create a group of microfinance institutions offering financial products to low-income entrepreneurs unserved or underserved by the traditional financial sector. MicroCred was founded by PlaNet Finance in 2005 and its shareholders regroup today PlaNet Finance, Générifinance (Société Générale), AXA Belgium, the International Finance Corporation (IFC), the European Investment Bank (EIB), Agence Française de Développement (AFD), and Developing World Markets (DWM).

MicroCred Holding total paid-in capital, at the end of 2008, was of EUR 18 million. The company's net result was over EUR 208 K.

Key Impact Figures for 2008

- Number of financial institutions: 4
- Number of points of sales: 15 branches, 6 outlets
- Number of loans disbursed within the year: 26,929
- Number of loans outstanding: 20,582
- Outstanding portfolio: EUR 10.9M
- Number of saving accounts: 5,443 (in Senegal only)
- Outstanding savings portfolio: EUR 520K
- PAR > 30: 2.34%

OUTSTANDING PORTFOLIO (K EUR) & NUMBER OF CLIENTS IN 2008



Fruit juice vendor who has benefited from a small loan from MicroCred to develop her business in Antananarivo, Madagascar



Upcoming Projects

In 2008, MicroCred focused on the consolidation and development of its four institutions in Mexico, Madagascar, Senegal and China. MicroCred Nanchong in China and MicroCred Madagascar were able to break-even and generate net profits of nearly EUR 100K and EUR 160K, respectively. In 2009, MicroCred aims at reaching break-even point in Mexico and will look at increasing its presence in Sub-Saharan Africa with at least two new investments, likely in Nigeria and Côte d'Ivoire. MicroCred will also invite its existing and new shareholders, both at the subsidiaries and holding levels, to strengthen their position by increasing their equity participations.

Arnaud Ventura
President and CEO of MicroCred

PlaNNet Guarantee: Microinsurance Services

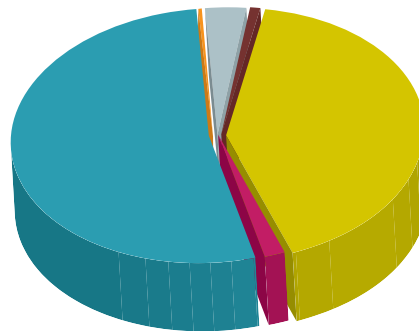
Mission

PlaNNet Guarantee is a third party administrator and a microinsurance broker, which links MFIs and their customers with insurers and reinsurers.

PlaNNet Guarantee's objective is to protect MFIs and their clients with a range of microinsurance products, as diversified as possible, and tailored to their specific needs.

Key Impact Figures for 2008

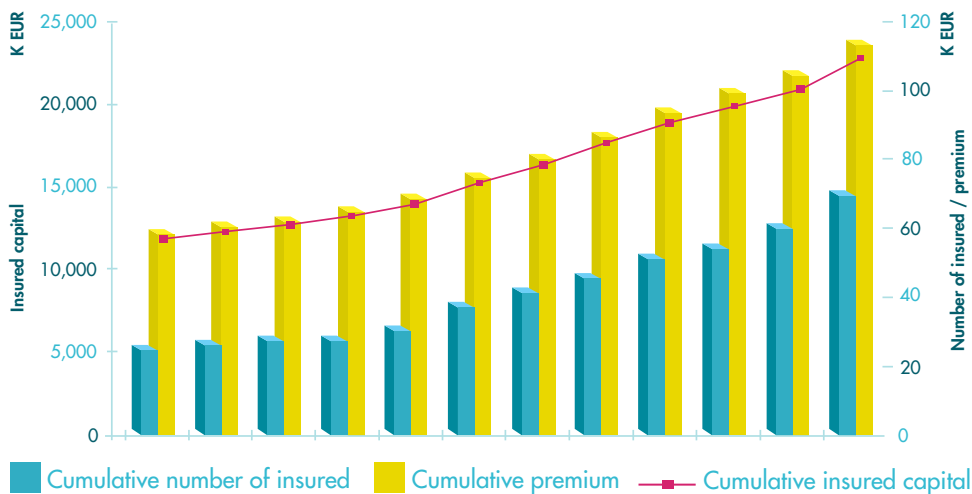
- 2 microinsurance products developed: Credit Life Microinsurance and Hospitalization Daily Indemnity Cover
- 10 MFIs supported in the implementation of a credit life microinsurance in 6 countries
- 70,000 microentrepreneurs insured
- 5 R&D projects in 12 countries



DISTRIBUTION OF PLANET GUARANTEE'S CLIENTS WORLDWIDE IN 2008

- Senegal 52.63%
- Madagascar 0.15%
- Côte d'Ivoire 3.28%
- Sri Lanka 0.63%
- Egypt 41.46%
- Cameroun 1.84%

CREDIT LIFE INSURANCE PRODUCT IN 2008



Microentrepreneur benefiting from Credit Life Microinsurance provided by Caurie Microfinance, a PlanNet Guarantee client in Senegal.



Upcoming Projects

PlaNNet Guarantee will face great challenges in 2009, as the microfinance market is discovering the advantages of microinsurance, both for MFIs and their microentrepreneur clients. Following PlanNet Guarantee's decision to increase its share capital, PlanNet Guarantee's primary objective will be to look for new investors in the insurance, reinsurance, new technologies, and microfinance sectors.

We plan to expand our operations in Asia, Latin America and new countries in Africa. 2009 will also see the development of new products to better serve microentrepreneurs and MFIs: Credit Life, Hospitalization Daily Indemnity Cover, Credit Insurance, Pension Funds and Index-based Crop Insurance.

Philippe Rives
President of the Management Board of PlanNet Guarantee

FinanCités: Micro-Venture Capital

Mission

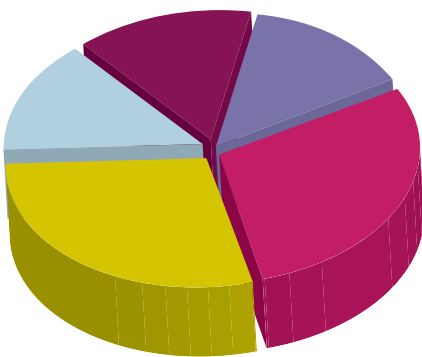
FinanCités was created in January 2007, with a current total capital of EUR 2,433,350 and 10 major shareholders. FinanCités is a social venture capital company, dedicated to supporting small and very small French businesses, located in sensitive inner-cities or managed by entrepreneurs living in these areas, by providing equity funds, long term financing, and by coaching them over a limited period.

Its social mission is to improve living conditions in sensitive neighborhoods, through the reduction of unemployment and the development of sustainable small enterprises.

HSBC Bank, Caisse des Dépôts, BNP Paribas, Club du XXIe Siècle, Mrs. Taittinger, Evens Foundation are among FinanCités' main partners. It is supported by the Agence Française de Développement and Région Ile-de-France since January 2009.

Key Impact Figures for 2008

- 37 investment memorandum presented to the Investment Committee
- 21 investments committed totalling EUR 1 million
- 19 investments disbursed, totalling EUR 809K, of which 55% or EUR 445K were in equity participations, and 45% or EUR 364K as shareholders' loans
- 14 jobs created
- 13 coaches currently assisting entrepreneurs in their businesses
- Average equity invested of EUR 47,500



DISTRIBUTION OF BUSINESS FINANCED BY BUSINESS SECTOR

- Fashion 14%
- Company Services 14%
- Business 14%
- Building and Public Work 29%
- Individual Services 29%



FinanCités team at the PlaNet Finance Headquarter in Paris



Upcoming Projects

In order to continue serving a greater number of small businesses, one of FinanCités' main objectives for 2009 will be fundraising for new shareholders and reaching EUR 30M within 5 years.

FinanCités will seek to replicate its model in Guadeloupe (France), as well as in other countries confronted with similar economic and social difficulties, such as in Italy, the UK, the USA, Morocco or India.

Supporting microentrepreneurs will remain a major focus of our action, thanks to the dedication of our teams in the regular monitoring of financed entrepreneurs and to the implementation of personalized support by a network of experienced coaches, who provide advice and assistance to entrepreneurs during their investments (3 to 7 years).

Jean-François Vaucel
Managing Director of FinanCités

MicroFit: Software Solutions for Microfinance Actors

Mission

MicroFit's project was born out of the assessment that most microfinance institutions worldwide could benefit from affordable Management of Information Systems (MIS) that meet the highest banking standards and are run with more efficient implementation methodologies.

Achievements & Key Impact Figures for 2008

The Management of Information System

PlaNNet Finance created the MicroFit unit in May 2007. MicroFit is considered by the CGAP and microfinance institutions to be one of the best MIS for small and medium microfinance institutions. Several ratings and surveys have highlighted its popularity worldwide.

12 MIS implementation projects were launched in 2008:

- Gabon
- Haiti
- Madagascar
- Mali
- Morocco (4 projects)
- Sierra Leone (4 projects)

In Sierra Leone most notably, MicroFit was selected by a CGAP-approved consultant to provide software solutions to four Community Banks. These Community Banks, which were run entirely manually, are supported by the Microfinance Investment and Technical Assistance Facility (MITAF), an international technical service provider supporting the development of the microfinance sector in Sierra Leone through investments, trainings and technical assistance to MFIs.



MicroFit's team meeting in Dakar

The Information Sharing System

Due to the high indebtedness rate of microentrepreneurs met in many countries, PlaNNet Finance has thought it necessary to develop an Information Sharing System (ISS). It allows MFIs to share information on their clients in order to reduce their credit risk. By decreasing default rates and developing appropriate management decisions, it also aims to lower microentrepreneurs's final interest rates, as well as to decrease internal costs.

To this purpose, PlaNNet Finance created in April 2008 a new ISS product called "MicroFit X-change". This product is currently being implemented in Egypt for the Egyptian Microfinance Network.



Upcoming Projects

At a time when microfinance institutions are becoming more professional every day, we strongly believe that Information Technology is one of the key components that will help MFIs improve their management. In 2009, one of MicroFit's objectives will be to multiply the number of implementations in countries where the MIS is already present and enable MFIs to purchase it at an affordable price.

Enzo Cicchirillo
Director of MicroFit

PlaNNet University: Training and Research in Microfinance

Mission

PlaNNet University is PlaNNet Finance's microfinance training and research center. It offers many training programs to a vast community of practitioners, professionals, lessors, students and job seekers in the microfinance sector. Its applied training modules are based on in-field expertise and the exchange of experiences among its participants.

PlaNNet University is a French registered training center (declaration under the Regional Service for the Control of Professional Trainings).

Achievements and Key Impact Figures for 2008

In 2008, PlaNNet University conducted research activities in collaboration with specialized teams in order to stimulate thinking in the microfinance sector. One chair in microfinance, co-directed by PlaNNet Finance and ESCEM Tours and supported by Sogeti, was signed in May 2008 for a duration of 3 years.

VOLUME OF INTERVENTIONS IN UNIVERSITIES AND BUSINESS SCHOOLS

| COUNTRY | PARTNER UNIVERSITIES | NB OF HOURS OF GIVEN CLASSES | NB OF STUDENTS |
|--------------|------------------------------------------------------------------------------------------------|------------------------------|----------------|
| Argentina | Universidad Católica Argentina (UCA) | 65 | 43 |
| Belgium | Université Libre de Bruxelles (EMP) | 6 | 30 |
| Germany | Frei Universität Berlin | 46 | 58 |
| Egypt | Université française d'Égypte (UFE) | 12 | 20 |
| | Université de Nancy II | 12 | 25 |
| France | ESCP-EAP | 3 | 25 |
| | Université Cergy Pontoise | 24 | 20 |
| | EDHEC | 16 | 70 |
| Israel | ESCEM | 6 | 40 |
| | Rishon Letzion | 6 | 20 |
| Morocco | JDC Hertzlya | 2 | 50 |
| | Université Hassan II de Casablanca | 440 | 25 |
| Senegal | Institut Africain de Management (IAM) | 3 | 50 |
| | Ecole des Techniques Internationales du Commerce, de la Communication et des Affaires (ETICCA) | 3 | 80 |
| US | University of Pennsylvania | 2 | 12 |
| TOTAL | | 646 | 568 |

Other Achievements

- 20 conferences held in universities and business schools (HEC, ESSEC, ESCP, Audencia, Sciences Po Paris, Edhec, Cergy Pontoise University, etc.)
- 30 trainings provided in Paris (265 participants)
- 3 doctoral scholarships granted to PlaNNet Finance employees
- 1st Moroccan Microfinance Master's class in Casablanca

Upcoming Projects



For 2009, PlaNNet University's priorities are to increase its training and research activities worldwide, as well as strengthen the Moroccan Microfinance Master's program in Casablanca, making it the microfinance training reference for North Africa. To improve our actions we will focus on two strategic actions. The first one is to reinforce partnerships with the "Grandes Écoles" (equivalent to Ivy League universities), Universities and Student Associations. The second one is to develop the research component within the network and collaborate with the international research teams.

2009 will also see the launching of two training projects on a European scale, co-financed by the European Commission:

UMM, "University Meets Microfinance":

Its purpose is to reinforce the cooperation between microfinance practitioners and European university students. Piloted in 2008, the program is targeting the following results for 2009-2011:

- Participation of 400 students in the UMM program
- 60 students to be followed throughout their research papers on microfinance and 15 scholarships
- 6 exchange workshops organized with the partner universities

T², Teaching Tutorials - Intelligent Agents to customize lifelong learning pathways in the microfinance sector:

Its purpose is to improve the training systems for MFIs based in Europe by adapting and integrating innovative new technologies.

Human capital is at least as important as financial capital and we have been seeking to promote the training of human resources (practitioners, microentrepreneurs) as a key to the successful development of the sector.

Pauline Bensoussan
Head of PlaNNet University

PLANET FINANCE GLOBAL REACH



Maimouna, Restaurant owner, Dakar, Senegal

Maimouna had always wanted to open her own restaurant. Today, she is 31 years old, married and mother of three and she is financially independent. Since 2008 she has been in charge of *Chez Ndickou* restaurant and its 7 employees. Her growing clientele enjoys the lively music played there. Thanks to a FCFA 250,000 (EUR 381) loan from MicroCred, she has been able to pay her suppliers as well as the rent of the terrace during Ramadan, when clients are scarce. Her enthusiasm towards this loan has motivated her to plan future projects in order to further develop her business by purchasing more materials and perhaps even by renting the neighbouring slot.

Highlights in Africa

PlaNNet Finance has conducted 99 operations and missions in 2008 in the region, among which the following 6 programs.



A farmer in Cape Verde, who has benefited from a micro loan provided by a MFI supported by PFAS



- 1 PFAS
- 2 MicroFit
- 3 PFAS
- 4 Planet Rating
- 5 PlaNNet Guarantee & PFAS
- 6 MicroCred

1. Support in the development of 8 MFIs in Cape Verde

The aim of this two-year project led by PlaNNet Finance Brasil is to offer quality, sustainable services to micro and small entrepreneurs and farmers in Cape Verde. During this project, 4 mature MFIs (Amasu, Morabi, DMCU and SoldiFogo) have received technical assistance, while 4 MFI start-ups were trained to begin their activity. *(PFAS)*

2. MicroFit elected Software provider of Community Banks in Sierra Leone

MicroFit has been selected by a CGAP-approved consultant to provide software solutions to four community banks in Sierra Leone. These banks, which were run entirely manually, are supported by the Microfinance Investment and Technical Assistance Facility (MITAF), an international technical service provider supporting the development of the microfinance sector in Sierra Leone through investments, trainings and technical assistance to MFIs. *(MicroFit)*

3. Enhancing microfinance in rural areas in Senegal

Through its "Microfinance in Rural Areas" program, PlaNNet Finance Sénégal plans to strengthen the capacity of partner MFIs to adapt financial products to the needs of microentrepreneurs in rural areas. PlaNNet Finance also offered trainings to 12 trainers from partner institutions. These trainers can then teach microentrepreneurs to develop income generating activities to improve living conditions among rural populations and reduce socio-economic inequalities between urban and rural areas. Thanks to down-gearing projects, those 12 trainers trained 480 microentrepreneurs, who in turn helped 3 other microentrepreneurs. In total, 30,000 rural microentrepreneurs have benefited from the project since its inception at the end of 2007. *(PFAS)*

4. Planet Rating consolidated its leading position in Africa

In 2008 Planet Rating remained the clear market leader for risk ratings of MFIs in Sub-Saharan Africa. It conducted 28 GIRAFE Ratings, Planet Rating's specialty offer, to evaluate the performance and institutional risk of MFIs. The continent also remains the main source of demand for Interactive Assessments of which 9 were conducted there. To better service the different countries of the area, Planet Rating relocated its regional office for East & Southern Africa from Kampala to Nairobi, Kenya being an important microfinance market in the region. *(Planet Rating)*

5. Launch of a health mutual in Benin

PlaNNet Finance entrusted PlaNNet Guarantee with the implementation of an innovative health mutual in Benin in order to improve borrowers' access to quality health care and, at the same time, to increase awareness of malaria prevention practices. This project will last three years and is supported by sanofi-aventis. During the first phase of this project, PlaNNet Guarantee structured the mutual and designed a microinsurance product. Awareness of malaria prevention was also provided to almost 120,000 microcredit clients. *(PlaNNet Guarantee & PFAS)*

6 Consolidation of MicroCred Madagascar's branch network

In 2008, MicroCred Madagascar had a strong performance rate, which exceeded expectations in terms of numbers, volume of loans disbursed and also in terms of the quality of its loan portfolio. In addition, MicroCred Madagascar consolidated its network by opening new branches. Through its 6 branches, the institution ended the year with over 9,100 active clients and an outstanding portfolio of more than EUR 5.5M. *(MicroCred)*

Highlights in the Middle East and North Africa

PlaNNet Finance has conducted 46 operations and missions in the region in 2008, among which the following 6 programs.

Entrepreneur beneficiary of a microinsurance product developed by PlaNNet Guarantee in Cairo, Egypt



- 1 PlaNNet Guarantee
- 2 MicroFit
- 3 PFAS
- 4 PFAS
- 5 PFAS
- 6 Planet Rating

1. Launch of a microinsurance market study in Egypt

Since the start of operations in 2007, PlaNNet Guarantee has implemented Credit life microinsurance products in two Egyptian MFIs. Credit life insurance protects microentrepreneurs and MFIs' portfolios against the risk of credit default in the case of death or total and permanent disability. As of December 2008, more than 42.3 thousand microentrepreneurs had benefited from Credit life microinsurance developed in co-operation with Allianz. *(PlaNNet Guarantee)*

2. Access to Credit Bureau for Egyptian MFIs

This project, launched by MicroFit in 2008, aims at establishing an Information Sharing System to enable Egyptian microfinance institutions to communicate with the national Credit Bureau. This will allow them to monitor client debt levels in order to avoid the risk tied to over-indebtedness, harmful to both the client and the MFI. *(MicroFit)*

3. Consulting services to microfinance institutions in rural areas in Morocco

This project led by PlaNNet Finance Maroc aims to reduce development disparities between urban and rural areas. It also seeks to improve living conditions and to strengthen the economic environment by creating new employment opportunities.

In three years, 30 new rural branches for 7 different MFIs were successfully opened. Moreover, 110 loan officers were recruited and trained and were able to reach 12,000 microentrepreneurs. *(PFAS)*

4. Assistance for the creation of MFIs in the Sultanate of Oman

After a first market study conducted in 2006, PlaNNet Finance selected in 2008 three associations to start microfinance activities for the first time in the country. PlaNNet Finance helped them to develop a feasibility study, which included a definition of their microfinance offer, a business plan, an assessment of their human resources needs and a marketing plan. *(PFAS)*

5. Upgrading MFIs in the Palestinian Territories

The project's main objective is to provide tailored technical assistance to microfinance institutions in the Palestinian Territories, concentrating on programs specifically focusing on the development of microfinance methodologies in conflict situations to help these institutions reach operational and financial self-sustainability.

High quality results were achieved in 5 local institutions including Acad and Asala, with regards to the design and implementation of their operational, financial and human resources departments, as well as their internal control policies and procedures. *(PFAS)*

6. Planet Rating consolidated its leading position in MENA

Like in Sub-Saharan Africa, Planet Rating remains the market leader in MENA with 7 ratings conducted in 2008. Its customer list includes Al Amana, the largest MFI in the region. *(Planet Rating)*

Highlights in Asia

PlaNNet Finance has conducted 30 operations in the region in 2008, among which the following 6 programs.



A metallurgist beneficiary of the SMElink program developed by PlaNNet Finance in Nepal



- 1 PFAS
- 2 Planet Rating
- 3 PFAS
- 4 PFAS
- 5 MicroCred
- 6 PlaNIS

1. Bridging European and Nepalese Markets in Asia

Building on its strong knowledge of small and medium enterprises (SME), PlaNNet Finance launched an innovative program aiming to foster the export capabilities of Nepalese SMEs towards European markets. Funded by the European Commission over a three-year period, the project uses a participative approach, to support and train select local Nepalese SMEs to grow their business and increase their access to European markets. In 2008, 50 businesses were assisted by PFAS in the development of their business plans and introduced to the process of quality management certification. [\(PFAS\)](#)

2. Opening of a new Planet Rating office in Manila, Philippines

In 2008, preparations were made for the opening of the Asia office in Manila Philippines which officially opened in January 2009. This was preceded by the rating of CARD, the largest MFI in the Philippines. [\(Planet Rating\)](#)

3. Raising awareness of Microfinance and New Technologies in India

In October 2008, during the "Microfinance and the New Technologies Summit 2008" PlaNNet Finance and the Nasscom Foundation brought together MFIs and microfinance practitioners, ICT providers, regulatory authorities, donors and public agencies during a two-day conference with the objective of increasing knowledge of ICT solutions and their impact within the microfinance industry. [\(PFAS\)](#)

4. Microfinance and Renewable Energy in China

This project was created to promote the use of microfinance as a way to increase access to renewable energy in rural areas. Thanks to this program, 460,000 farmers living in the poor rural communities of the Tongwei region in China were able to gain access to a financial plan to invest in biogas installations. This enabled them to significantly decrease their commercial energy and kerosene budget. [\(PFAS\)](#)

5. Growth of MicroCred Nanchong

Launched in December 2007 as the first wholly foreign-owned microcredit company of China, MicroCred Nanchong increased its paid-in capital base by nearly 400% during the course of the year, bringing its total equity to more than HSD 55 million (EUR 5,099K). MicroCred China, which previously owned all of MicroCred Nanchong shares, welcomed the following new shareholders: IFC, KfW and AIG taking a 15%, 18% and 18% participation in the capital structure of the company, respectively (MicroCred Holding owns a 49% participation). MicroCred Nanchong ended 2008 with more than 1,000 active clients and a portfolio of close to EUR 2 million. [\(MicroCred\)](#)

6. Assistance to financing MFIs in Cambodia

Through PlaNIS advisory services, responsAbility has financed 5 leading MFIs in Cambodia for a total portfolio of USD 10,200K, including the leading bank in the Cambodian microfinance sector which has more than 200,000 active borrowers. [\(PlaNIS\)](#)

Highlights in Latin America

PlaNNet Finance has conducted 64 operations in the region in 2008, among which the following 6 programs.



Planet Rating Latin America team



- 1 Planet Rating
- 2 PFAS
- 3 PFAS
- 4 MicroCred
- 5 PlaNIS
- 6 MicroFund-PlaNIS

1. Development of GIRAFE and Social Performance Ratings in the region

Planet Rating further increased its performance in Latin America and the Caribbean with a total of 34 ratings conducted in 2008, a growth of 42% compared to 2007. GIRAFE Ratings continue to be the main product with 24 ratings conducted in the region, including with reputable MFIs such as Crecer in Bolivia. The majority of the growth was stimulated by the demand for Social Performance Ratings. The MFIs in the region acknowledged

the need for this new product and the region contributed to 67% of all Social Performance Ratings conducted by Planet Rating in 2008. *(Planet Rating)*

2. Downscaling project in Argentina

PlaNNet Finance assisted AIG with the definition of their economic model and the implementation of microfinance's best practices in order to develop financial services for the non-banked segment of the population. This program has been a pilot for the entirety of AIG Group's evolution in the microfinance sector. *(PFAS)*

3. Strengthening microenterprises in Belize

PlaNNet Finance has developed a new line of credit for the Belizean Credit Union TCU, a local financial intermediary. This new credit line, directed towards the creation and development of microenterprises, has enabled, in only 6 months, 200 banana sector workers to diversify their source of income. PlaNNet Finance has also strengthened TCU's procedures and has trained its management and operations teams. *(PFAS)*

4. Expansion of MicroCred Mexico's network

After a year of expansion in 2006 and a year of consolidation in 2007, MicroCred Mexico has been focused on improving the quality and increasing the volume of its activity. Concentrated in the State of Veracruz, MicroCred Mexico started expanding its network of 6 branches with the opening of five new outlets in 2008. By the end of 2008, MicroCred Mexico had reached 7,907 clients for a total portfolio of more than EUR 2.1 million. *(MicroCred)*

5. PlaNIS financing and counselling activities in Mexico, Peru and Brazil

Through PlaNIS, responsAbility has financed 8 MFIs located in Mexico, Peru and Brazil for a total portfolio of USD 9,305,000. *(PlaNIS)*

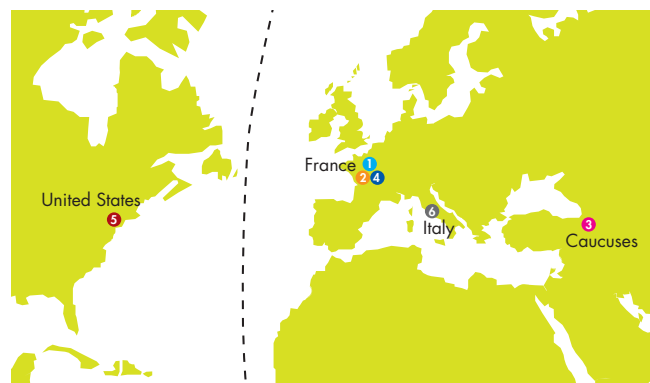
6. Financial support of a MFI in El Salvador

In 2008, MicroFund, PlaNNet Finance's fund managed by PlaNIS, was able to finance a MFI in El Salvador with an amount of USD 50,000. *(MicroFund-PlaNIS)*

Highlights in Europe and Northern America

PlaNNet Finance has conducted 6 technical assistance programs, operations and missions in these two regions in 2008, among which the following programs.

2008 International Microfinance Awards Ceremony, Paris, October 28th 2008



- 1 PF Development Network
- 2 Financités
- 3 Planet Rating
- 4 PF Development Network
- 5 PF Development Network
- 6 PF Development Network

1. Organization of the First International Microfinance Awards

On October 28th PlaNNet Finance celebrated its 10th birthday by hosting the first ever “International Microfinance Awards” – an event which recognizes the achievements of the world’s top microentrepreneurs in the following six categories: *education, health, environment, innovation, new technologies and women.* (PF Development Network)

2. Successful development of Financités micro-venture capital model

Financités continues to follow up on the achievements of its investments which bring much needed capital to very small businesses in sensitive neighborhoods in France. During its first full operational exercise, Financités financed and coached 21 microentrepreneurs. Financités was awarded the Finansol label for the solidarity and the transparency of its structure. Moreover, BNP Paribas joined Financités in December 2008 by investing one million Euros. Finally, feasibility studies were carried out in Guadeloupe, Morocco and the USA in order to develop the concept of venture capital solidarity. (Financités)

3. Reinforcement of Planet Rating’s presence in Eastern Europe

While Planet Rating remains in a strong position in Eastern Europe, its presence is weaker in Russian speaking countries of Central Asia and the Caucasus, with only 2 out of 10 ratings conducted in 2008. The recruitment of Russian-speaking staff is expected to stimulate development in Russia and the Newly Independent States in 2009. (Planet Rating)

4. Supporting the creation of companies in France

In France, after only 18 months of activity, the “Entreprendre en Banlieue” program (“Suburban Entrepreneurs”), which supports entrepreneurs in sensitive urban neighbourhoods, has created 245 jobs (137 in 2008), by providing support to entrepreneurs in creating their own companies. (PF Development Network)

5. Discover microfinance in the field

PlaNNet Finance US has launched an educational program which enables high school seniors to discover microfinance. In June 2008, students from the Lycée Français de New York travelled to Argentina, Senegal and Madagascar to assist PlaNNet Finance’s local teams in their mission. In Argentina they wrote a manual explaining microfinance to microentrepreneurs. Through this program, PlaNNet Finance hopes to encourage careers in microfinance. (PF Development Network)

6. Partnership development in Italy

In 2008, PlaNNet Finance Italia developed new partnerships. The city of Milan will support the development of projects in developing countries until 2015. Through its partnership with cap Gemini Italia, PlaNNet Finance continues to work on microfinance awareness-raising programs for the Italian public as well as for other Northern countries. A European conference on “Microfinance and social exclusion in Europe” was held in Milan in June 2009, attracting 120 people. PlaNNet Finance Italia also collaborated with the Giordano dell’Amore foundation to create the Italian Microfinance Gateway. (PF Development Network)

GOVERNANCE AND RESOURCES



PlaNet Finance Board of Directors

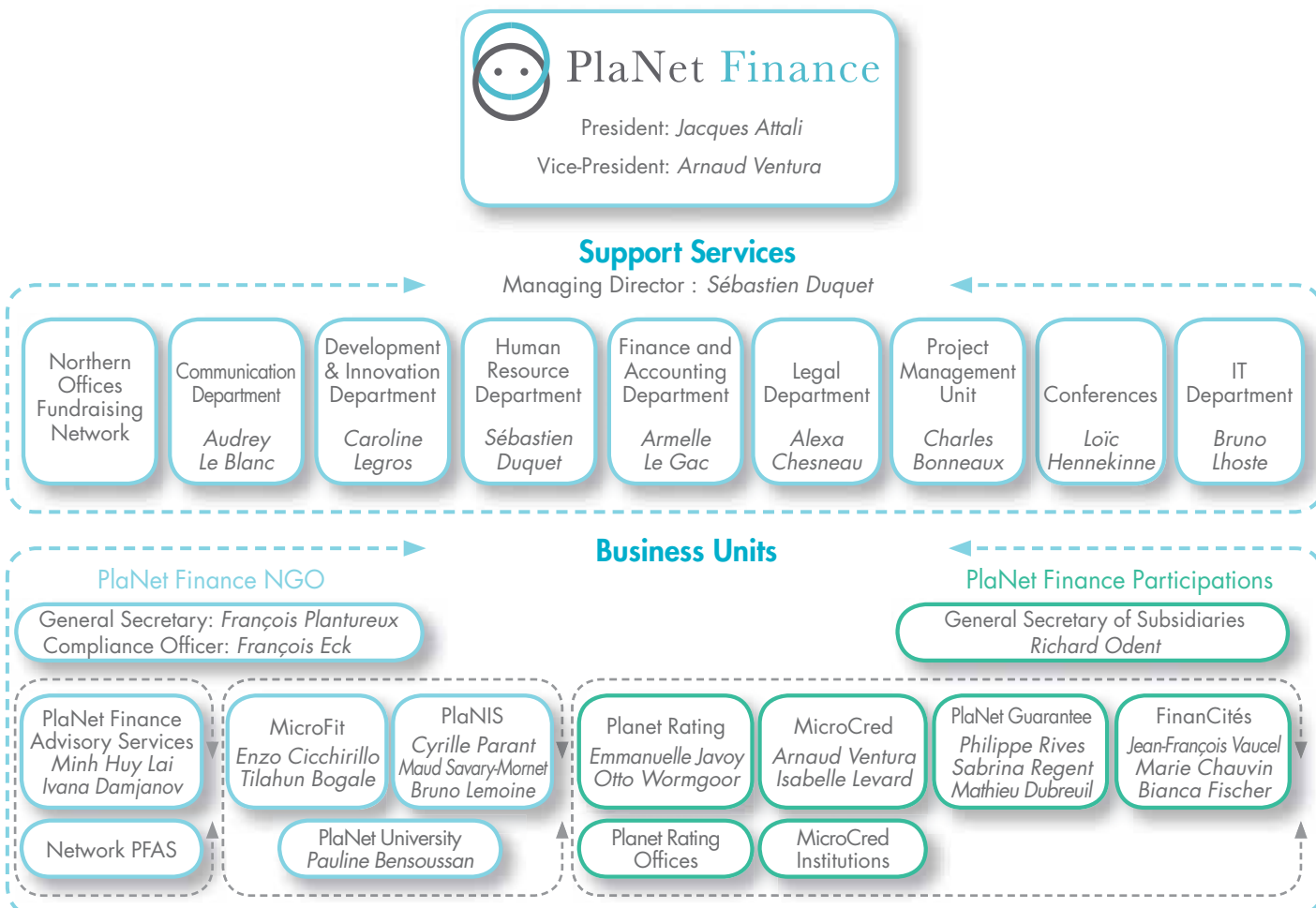
From left to right: Yaron Bruckner, Jean-Michel Darrois, Corinne Evens, Hervé de Carmoy, Fahan Bamba, Robert Sebbag, Jean Saint-Geours, Bertrand Lavayssière, Stéphane Pallez, Henri Lachmann, Jacques Attali, Annie Cordet-Dupouy, Arnaud Ventura, Anne-Claire Taittinger, Patrick Baquin, Raphaël Palti, Bernard Herman, Sébastien Duquet, François-Régis de Vulpian.

Organization and Management Staff

As of December 2008, PlaNet Finance employed more than 700 professionals, 68 of whom were based in the head office in Paris.

The management team of each business unit is based in the head office as well as the support functions (Communications, Development, Accounting, Legal counsel and IT).

Below is the list of the key managers of each unit:



Fundraising and Development Network

PlaNet Finance has established an international fundraising network to help develop its technical assistance activities. This network also administers a variety of awareness-raising programs in microfinance, including conferences, training and workshops, in cooperation with a variety of governmental and institutional actors, as well as with the general public, who participate in conferences and trainings.

The activities of the fundraising network are coordinated by the Communications and Development Departments at the headquarters' level. They not only facilitate the preparation of program proposals, conferences, trainings and workshops, they also provide them with industry monitoring. The Development Department also coordinates all projects undertaken by PlaNet Finance Group with public and private donors.

Development Network's Key Staff

Justino Alarcon, PlaNet Finance Luxembourg
 Eliane Augariels, PlaNet Finance Portugal
 Delphine Bazalgette, PlaNet Finance Deutschland (Germany)
 Ron Bevacqua, PlaNet Finance Japan
 Faiza Borges, PlaNet Finance Italia
 Claire Cabanel-Rey, PlaNet Finance United Arab Emirates
 Jean-Philippe Coté, PlaNet Finance Canada

Francisco Escamillia, PlaNet Finance España (Spain)
 Cornell Jackson, PlaNet Finance United Kingdom
 Gérard Pedraglio, PlaNet Finance France
 Christian Sinobas, PlaNet Finance Suisse (Switzerland)
 Daniel Sorrosal, PlaNet Finance Belgique (Belgium)
 Sophie Romana, PlaNet Finance US

Governance

Governance of the different departments and the association's subsidiaries

PlaNet Finance's entities have their own respective governance systems. Strategies of development and validation of decisions are given by each entity's Supervisory Board or Steering Committee. At the operational level, each entity's Board of Directors (except for MicroFit's) specifies its priorities and prepares monthly reports on its activity.

FinanCités and MicroCred also have an Investment Committee (regrouping their main respective shareholders), which participates in financial decisions.

Governance at the group level

Board of Directors

The Board of Directors gathers every 3 months, under the presidency of Jacques Attali, in order to define the organization's strategies and to discuss its projects. In 2008, a discussion was led on the rewriting of the mode of governance to increase its effectiveness.

Audit Committee

The role of the Audit Committee is to ensure that PlaNet Finance complies with its existing norms, policies and procedures by conducting regular external and internal audits. The audit committee verifies both annual and biannual accounts directly with the external auditors.

The following internal audits were performed during 2008: audit of legal compliance (ongoing), fiscal audit, as well as an audit of PlaNet Finance México.

Members:

- Bertrand Lavayssière, President (2009)
- Bernard Herman
- Stéphane Pallez
- Philippe Peuch-Lestrade

Ethics Committee

The Ethics Committee is a consultative body consisting of administrators appointed by PlaNet Finance's Board of Directors. The primary objective of the committee is to ensure that the ethics charter is respected and to verify that the norms are implemented within the organization, in order to ensure a clear knowledge and strict respect of it by all, from the headquarters to the subsidiaries, affiliated offices, microfinance institutions and its partners. Each subsidiary also has its own specific charter, an annex of the central charter.

In 2008, consultation with the Audit Committee has intensified, with an aim to coordinate the actions of both committees and to check that the articles of the charter will be respected.

Members:

- Aldo Cardoso, President
- Jean Saint-Geours
- Jacques Stern

Compliance Officer:

- François Eck

All administrators of PlaNet Finance participate on a voluntary basis.

Ethics Charter Extracts

Article 2

PlaNet Finance undertakes to work only with [...] institutions that respect human rights, human dignity and total financial transparency.

Article 5

PlaNet Finance undertakes to develop the financial activity of microfinance institutions with the aim of allowing the poorest members of society to break free from the cycle of dependence.

Article 6

PlaNet Finance undertakes to promote only those microfinance institutions whose interest rates do not fall within levels of usury.

Article 10

PlaNet Finance will monitor closely the adherence to the ethics charter of its direct partners and associates.

For further information:
www.planetfinancegroup.org

Board of Directors

PRESIDENT

Jacques ATTALI

TREASURER

Philippe PEUCH LESTRADE

MEMBERS

Pierre Albouy
 Faham Bamba
 Michèle Barzach
 Emmanuel Noël Bissai
 Yaron Bruckner
 Aldo Cardoso
 Hervé de Carmoy
 Patrick Combes
 Annie Cordet-Dupouy
 José Cordoba Montoya
 Jean-Philippe Courtois
 Jean-Michel Darrois
 Rachida Dati
 Corinne Evens
 Patrick Gounelle
 Bernard Herman
 Fred Hessabi
 Bernard Kouchner
 Henri Lachmann
 Bertrand Lavayssière
 Jean-Marc Maury
 Caroline Mille-Langlois
 Stéphane Pallez
 Raphaël Palti
 Jean Saint-Geours
 Luc-François Salvador
 Robert Sebbag
 Amaury-Daniel de Seze
 Jacques Stern
 Anne-Claire Taittinger
 François-Régis de Vulpian

President, PlaNet Finance

Associate, Ernst & Young

Managing Director, Rothschild
 CEO, Afrique Emergence & Investments
 President of the Board of Directors, Fondation Glaxo Wellcome France
 CEO, Renaprov Finance
 Chairman of the Supervisory Board, Eastbridge Group
 Director of several companies
 Chairman of the Supervisory Board, Etam
 Chairman, Viel et Compagnie
 Manager, Sabaudia Consulting
 Managing Director, Anesco
 President, Microsoft International ; Senior Vice President, Microsoft Corporation
 Lawyer, Cabinet Darrois-Villey-Brochier-Maillet
 French Justice Minister
 Founding President, Fondation Evens
 President, Ernst & Young
 Independent director
 CEO, BDNA Corporation
 Minister of Foreign and European Affairs
 Chairman of the Supervisory Board, Schneider Electric
 Managing Director, Global Financial Services, Capgemini France
 Economic Development and Social Economy Director, Caisse des Dépôts
 Senior Vice President, Communications and Brand, Orange (France Télécom)
 Deputy CFO, France Télécom
 Founder and President, Altavia
 Auditor General
 Chairman and CEO, Sogeti Group
 Access to Medication Director, sanofi-aventis
 President of the Board of Directors, Carrefour
 Honorary President, Bull
 Board member, Carrefour and Club Méditerranée ; Vice President, Women's Forum
 Former Financial Managing Director, Etam

PRESIDENT

Abdou DIOUF

PRESIDENT

Muhammad YUNUS

MEMBERS

Yusuf bin Alawi bin Abdullah
 Léo Apotheker
 Edouard Balladur
 Boutros Boutros-Ghali
 Thierry Breton
 Michel David-Weill
 Viscount Etienne Davignon
 Jean-François Dehecq
 Jacques Delors
 Jean-Pierre Denis
 Paul Hermelin
 Robert Hormats
 Dr Ishrat Husain
 Bill Joy
 Georges Yong Boon Yo
 Christophe Lambert
 Maurice Lévy
 Julio Maria Sanguinetti
 Pedro Moreira Salles
 Kimanathi Mutua
 Indra Nooyi
 Shimon Peres
 Samuel Pizar
 Massimo Ponzellini
 Didier Quillot
 Michel Rocard
 Felix G. Rohatyn
 Augustin de Romanet
 Shashi Tharoor
 Georges Yong Boon Yeo

**Former President of the Republic of Senegal
 Secretary-General, International Organization of French-Speaking Nations**

**Founder and President, Grameen Bank
 Nobel Peace Prize Laureate 2006**

Foreign Minister, Sultanate of Oman
 Co-CEO, SAP, Walldorf
 Former Prime Minister of the French Republic ; MP ; Founder and President of "Notre Europe"
 President of the National Council for Human Rights of Egypt
 Former French Minister of Finance, Senior Lecturer at Harvard University
 President of the Advisory Board, Eurazeo
 Minister of State, Belgium ; Vice-Chairman, Suez Tractebel
 CEO, sanofi-aventis
 Former President, European Commission
 Former CEO, OSEO-BDPME
 CEO, Capgemini Ernst & Young
 Vice Chairman, Goldman Sachs International
 Former Governor, State Bank, Karachi, Pakistan
 Partner, Kleiner Perkins Caufield & Byers
 Minister of Foreign Affairs of the Republic of Singapore
 CEO, Blue Advertainment
 Chairman of the Board of Directors, Publicis Group
 Former President of the Republic of Uruguay
 President, Unibanco
 Managing Director, K-REP Bank Ltd
 CEO, PepsiCo
 President of the State of Israel; Nobel Peace Prize Laureate
 Barrister in Paris, New York and London
 Chairman, Impreglio
 President of the Management Board, Lagardère Active Media
 Former Prime Minister of the French Republic
 Former US Ambassador in France ; President, Rohatyn Associates
 Managing Director, Caisse des Dépôts et Consignations
 Former Vice Secretary-General for Communications and Public Information, United Nations
 Minister of Foreign Affairs, Republic of Singapore

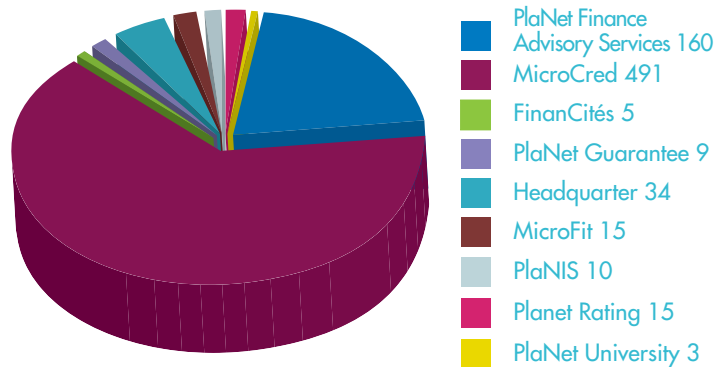
International Advisory Board

Human Resources

In order to support the development of the microfinance sector and the outreach of its activities, PlaNet Finance has proportionally increased its staff, growing from 532 people in 2007 to 731 in 2008. Empowered by a high internal mobility rate and by on-going training programs, the group's competency management holds a great stake in the future.

Staff evolution by category and activity

By the end of 2008, PlaNet Finance and its different entities' staff totaled 740 people. The staff was divided between 665 permanent employees, 24 interns and 18 volunteers. MicroCred counted for 68% of all staff, 98% of whom were in the field due to the great number of loan officers in charge of supporting the institution's microentrepreneur clients.

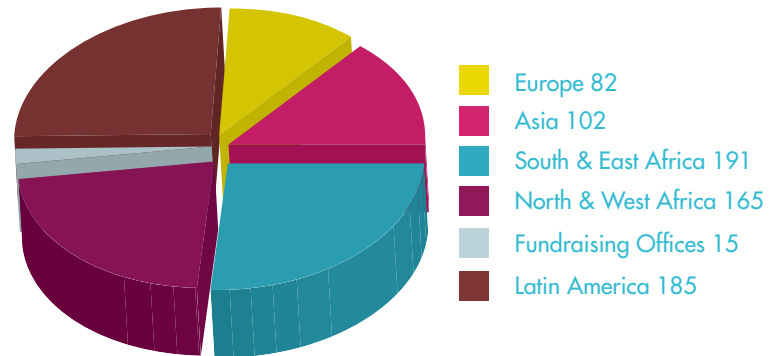


Geographic distribution

In 2008, 76% of PlaNet Finance's staff worked outside of Europe, in close contact with the players of the microfinance sector and their clients.

Only 12% of the staff is today based at the Paris headquarters, where the different entities' management teams and PlaNet Finance's support functions are established: communication, development, IT, legal, secretariat and human resources.

The majority of the staff is located in Africa and Latin America.



Training and career evolution

On-going staff training has allowed for the group to keep up with evolutions in the sector and for each member to grow within the organization. Internal training sessions were offered on a regular basis by PlaNet University and PlaNet Finance's international experts, or by external actors. They are open to all staff members and sometimes to the public as well. In 2008, PlaNet Finance's offices and PlaNet University conducted 2,000 man-days of training, encouraging functional and geographic mobility among their staff. Microfinance Transparency, a high-level internal training taught by Chuck Waterfield, was among the most rewarding, as it welcomed 40 people from around the world. Moreover, a strategic seminar was organized in December 2008 to allow all the international executives to meet, share their experiences and discuss the organization's general strategy. Each entity also followed 2 days of training more specific to their specialty.



Microfinance general information and program implementation training on December 1st, 2008

Financial Report

The financial information published hereunder is intended to reflect the global activities of the PlaNet Finance Group by business unit. Because PlaNet Finance does not publish its consolidated accounts, this information has for only purpose to provide readers with an idea of the size of PlaNet Finance's different entities' activities. This information is not audited.

Group revenues

2008 was marked by a significant growth in PlaNet Finance's group activities. Last year, all activities had a double digit growth rate. PlaNet Finance Advisory Services (PFAS), MicroCred, PlaNIS and MicroFit's activities development were particularly significant. The total amount of revenue for all the different entities is of EUR 16,834K with an increase of EUR 6,131K compared to 2007.

Philippe Peuch Lestrade, Treasurer, PlaNet Finance

| ENTITY | GROSS REVENUES 2008 (K EUR) | GROSS REVENUES 2007 (K EUR) |
|-----------------------|-----------------------------|-----------------------------|
| PFAS (A) | 7,910 | 7,362 |
| Planet Rating SAS (B) | 790 | 618 |
| PlaNIS (C) | 858 | 454 |
| MicroCred (D) | 7,079 | 2,146 |
| PlaNet Guarantee (E) | 16 | 0 |
| FinanCités SAS (F) | 27 | 0 |
| MicroFit (G) | 154 | 123 |

(A) PFAS' increase in activities in 2008 was particularly significant in Africa and France.

(B) Rating activities in microfinance is a mature activity, which has a lower growth rate than the rest of the group's entities. However, the development of social performance rating activities was particularly significant.

(C) Growth in activity particularly tied to the launch of FX Hedge Fund Microfix and to the development of activities with responsAbility.

(D) MicroCred's revenues have increased by 330%.

(E) The microinsurance activities of the PlaNet Finance Group, notably its technical assistance in microinsurance, were still held by PFAS in 2008.

(F) FinanCités streams its revenues from capital, gains realized upon exiting investments and interests received on current account advances. As FinanCités is still in its investing period, interests account for most of its current revenues.

(G) 2008 is the launching year of MicroFit. The revenues for 2008 are tied to the on-going implementation of the software in 16 microfinance institutions.

Equity of the different activities

| ENTITY | EQUITY (K EUR) AS OF 12.31.2008 |
|------------------------------------------|---------------------------------|
| PlaNet Finance (PlaNIS, MicroFit & PFAS) | 635 |
| Planet Rating | 484 |
| MicroCred | 15,058 |
| FinanCités | 2,433 |
| PlaNet Guarantee | (186)* |

* an increase in on-going capital of EUR 2.5 million will enable to fix the losses.

Key Impact Figures

Data as of December 2008

PLANET FINANCE ADVISORY SERVICES

- 228 MFIs supported which provided access to funding to 4.2 million microentrepreneurs
- 18 offices worldwide
- 16,050 man-days of technical assistance
- 113 technical assistance and capacity building projects in 45 countries among which:
 - 4 health related projects
 - 8 environmental oriented projects
 - 6 training programs targeting women
 - 20 education related projects
 - 12 Mobile Banking & MIS related projects
 - 5 rural microfinance related projects
 - 20 upscaling projects

PLANET RATING

- 84 different MFIs rated that support 3.9 million microentrepreneurs
- 66 GIRAFE Ratings
- 88 Interactive Assessments
- 1 Portfolio Audit
- 12 Social Performance Ratings

PLANIS

- 56 MFIs financed which were able to finance in return 1.97 million microentrepreneurs
- Outstanding portfolio as of December 2008: over USD 114 million
- Investments in 20 countries

MicroFund managed by PlaNIS

- Minimum loan disbursed: USD 21,142 and maximum loan disbursed: USD 111,625
- Average loan amount: USD 58,106
- Average annual interest rate on loans disbursed: 7.40%

International Funds advised by PlaNIS

- Minimum loan disbursed: USD 200,000 and maximum loan disbursed: USD 4,000,000
- Average loan amount: USD 1,020,000
- Average annual interest rate on loans disbursed: 10.05%

MICROCRED

- Number of financial institutions: 4
- Number of loans disbursed within the year: 26,929
- Number of loans outstanding (active clients): 20,582
- Outstanding portfolio: EUR 10.9M
- Number of savers: 5,443 (in Senegal only)
- Outstanding savings portfolio: EUR 520K (in Senegal only)
- PAR > 30: 2.34%

PLANET GUARANTEE

- 10 MFIs accompanied in the implementation of a credit life microinsurance in 6 countries
- 2 microinsurance products developed
- 3 R&D projects in 11 countries
- 70,000 microentrepreneurs insured

FINANCITES

- 21 financial agreement signed totalling EUR 1 million
- Number of created jobs: 14
- Number of coaches: 13
- Average equity investment: EUR 47,500
- Shareholders' loans: EUR 364K (45%)
- Equity participations: EUR 445K (55%)

MICROFIT

- 12 MIS licences sold to MFIs financing close to 200 thousand microentrepreneurs
- One ongoing Credit Bureau project
- MicroFit MIS is one of the best ranking in the world by CGAP

PLANET UNIVERSITY

- 235 training modules
- 650 hours of training provided
- 550 trainees
- 15 partner universities worldwide
- 3 doctorate scholarships granted

Contacts

HEADQUARTERS

President: Jacques Attali
Vice President: Arnaud Ventura
Managing Director: Sébastien Duquet

13 rue Dieumegard
93 400 Saint-Ouen – Paris
FRANCE

Tel: + 33 (0)1 49 21 26 26
Fax: + 33 (0)1 49 21 26 27
contact@planetfinance.org
www.planetfinancegroup.org

BUSINESS UNITS

PlaNNet Finance Advisory Services

Executive Director : Minh Huy Lai
Tel: + 33 (0)1 49 21 26 26
contact@planetfinance.org
www.planetfinance-as.org

Planet Rating

Managing Director : Emmanuelle Javoy
Tel: + 33(0) 1 49 21 26 30
rating@planetrating.com
www.planetrating.com

PlaNIS

Executive Director : Cyrille Parant
Tel: + 33(0)1 49 21 26 19
contact@planis.org
www.planis.org

MicroCred

President & CEO : Arnaud Ventura
Deputy CEO: Isabelle Levard
Tel: + 33(0)1 49 21 26 26
contact@microcred.org
www.microcredgroup.com

PlaNNet Guarantee

President of the Board: Philippe Rives
Tel: + 33(0)1 49 21 26 12
contact@planetguarantee.com
www.planetguarantee.com

FinanCités

Managing Director: Jean-François Vaucel
Tel: + 33(0)1 49 21 26 29
contact@financites.fr
www.financites.fr

MicroFit

Executive Director: Enzo Cicchirillo
Tel: + 33(0)1 49 21 26 26
contact.microfit@planetfinance.org
www.micro-fit.com

PlaNNet University

Executive Director: Pauline Bensoussan
Tel: + 33(0)1 49 21 26 14
planetuniversity@planetfinance.org
www.formation-microfinance.com



PlaNNet Finance

13 rue Dieumegard
93400 Saint-Ouen Paris - FRANCE

www.planetfinancegroup.org