

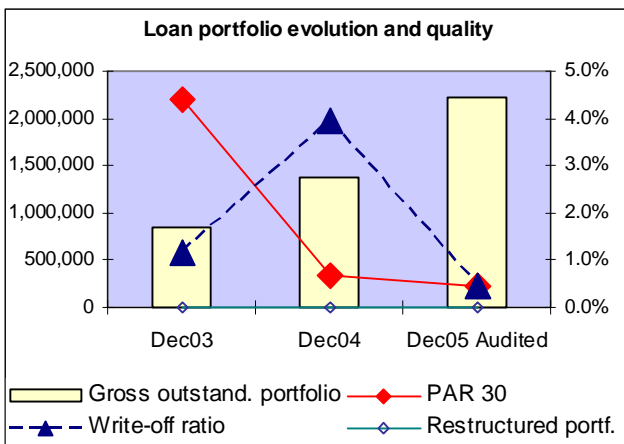
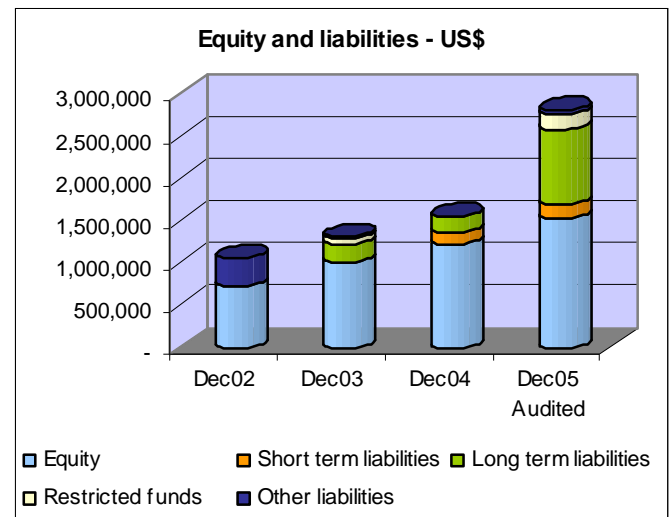
VisionFund CREDO Foundation – Georgia

Final Rating		BB+
First rating	Validity: 1 year if no relevant changes in operations or within the operation context will happen. The final rating grade does not consider the political and economic context.	
Previous rating: ---		

VisionFund CREDO Foundation started its micro-lending operations in 1997 under the former denomination of “Georgia’s Entrepreneurs’ Fund” (GEF), founded by World Vision International. CREDO registered as local foundation in January 2005 and is owned by VisionFund International, a US-based private not-for-profit company wholly owned by World Vision International. CREDO is a microlending institution providing both urban and rural entrepreneurs with short and medium-term loans for working capital and fixed assets. It operates through five branches in Tbilisi, South and West Georgia. Primarily financed by grants and soft loans from its founder, it has recently started to leverage its equity with debt.

Number	Dec03	Dec04	Dec05
Active borrowers	1,652	1,555	2,093
Active loans	892	1,351	1,972
Branches (hubs)	4	4	5
Total staff	35	40	51
Loan officers	13	16	17

Legal Form	Local Foundation
Inception year	1997
Area of intervention	Urban and rural
Credit methodology	Individual and group



Financial Indicators	Dec03	Dec04	Dec05 audited*
PAR 30	4.4%	0.7%	0.5%
Write-off ratio	1.2%	3.9%	0.4%
Restructured loans	0.0%	0.0%	0.0%
ROE	-8.9%	-0.6%	2.1%
AROE	-14.6%	-6.3%	-3.4%
Oper. Self-sufficiency (OSS)	81.5%	98.6%	105.3%
Fin. Self-sufficiency (FSS)	74.4%	87.3%	95.5%
Staff productivity (borrow.)	47	39	41
LO productivity (borrow.)	127	97	123
Operating expense ratio	56.7%	39.8%	33.4%
Funding expense ratio	1.0%	0.8%	2.8%
Provision expense ratio	3.2%	2.4%	0.8%
Portfolio yield	48.6%	40.0%	36.9%
Risk coverage ratio	71.3%	100.2%	101.9%
Cost of funds ratio	4.9%	3.6%	7.1%
Debt/Equity ratio	0.3	0.3	0.8

US\$	Dec05 Audited
Average disbursed loan size	1,430
Gross outstanding portfolio	2,210,084
Total assets	2,809,076

*Annualized indicators calculated over the period April-December

CONTACTS

MicrofinanzaRating srl
 Corso Sempione, 65
 20149 Milan – Italy
 Tel: +39-02-3656.5019
 info@microfinanzarating.com
 www.microfinanzarating.com

VisionFund CREDO Foundation
 Leonidze Street, 1
 Tbilisi - Georgia
 Tel: +995-32-998.384
 Fax: +995-32-932.976
gdekorte@credo.ge