



First Microfinance Institution Syria

2 0 1 2 R E P O R T



FIRST MICROFINANCE INSTITUTION SYRIA

In 2012, despite the worsening political unrest, the First Microfinance Institution Syria (FMFI-S) continued to pursue its objectives of providing a broad range of financial services to the poor and the underserved in rural and urban areas of Syria.

Starting in July 2012, with the deterioration of the security, Aleppo and Damascus branches were closed sporadically. FMFI-S suspended disbursement of new loans in Aleppo and limited disbursements in Damascus since then.

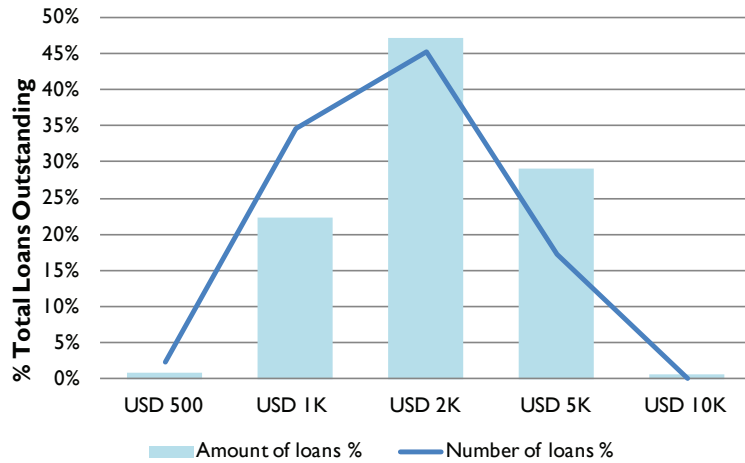
The devaluation of the Syrian Pound against the US dollar impacted the 2012 indicators negatively: the total outstanding portfolio and the total disbursements decreased respectively by 49 percent and 52 percent in dollar value but they decreased by 30 percent and 35 percent in the value of the local currency.

KEY POINTS:

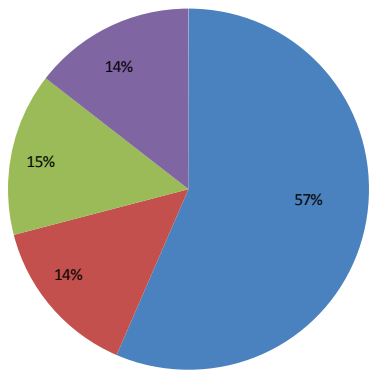
- FMFI benefited from the geographical diversification of its eight branches and five outlets and was able to continue its activities in the coastal area and in the south where the situation was relatively stable.
- 59 percent of FMFI-S's customers are in rural areas and 25 percent are women.
- Deposits increased by 17 percent in 2012; the entity's strategy is to fully cover its portfolio with individual savings and deposits by the end of 2013.

KEY FINANCIAL INDICATORS	2010	2011	2012
MICROFINANCE LOANS DISBURSED:VALUE (US\$ '000)	29'849	34'445	16'693
MICROFINANCE LOANS DISBURSED: NUMBER	17'550	20'271	15'570
MICROFINANCE PORTFOLIO OUTSTANDING:VALUE (US\$ '000)	21'292	23'090	11'808
MICROFINANCE PORTFOLIO OUTSTANDING: NUMBER	20'004	26'577	23'697
AVERAGE MICROFINANCE LOAN SIZE (US\$ UNIT)	1'064	869	498
PERCENTAGE OF WOMEN BORROWERS	21%	22%	25%
MICROFINANCE PORTFOLIO AT RISK (%) 30 DAYS	1.5%	1.7%	3.6%
SME DISBURSED:VALUE (US\$ '000)	NA	526	10
SME DISBURSED: NUMBER	NA	58	2
SME OUTSTANDING:VALUE (US\$ '000)	NA	322	70
SME OUTSTANDING: NUMBER	NA	58	36
SME PORTFOLIO AT RISK (%)	NA	0.00%	0.00%
NUMBER OF INDIVIDUAL SAVERS	2'822	12'264	18'197
VALUE OF INDIVIDUAL DEPOSITS (US\$ '000)	3'577	8'955	10'481
NUMBER OF STAFF	220	257	225

% LOANS OUTSTANDING BY SIZE CATEGORY

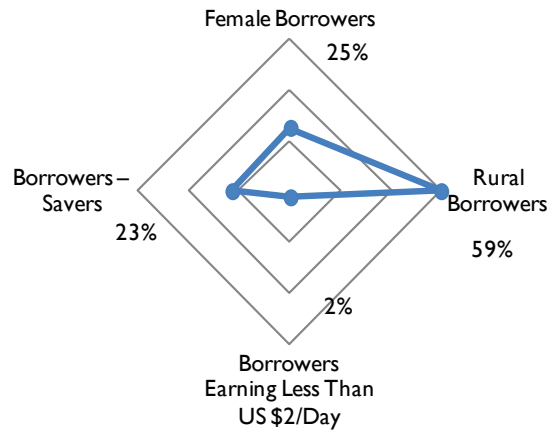


SHAREHOLDING STRUCTURE OF THE FIRST MICROFINANCE INSTITUTION SYRIA

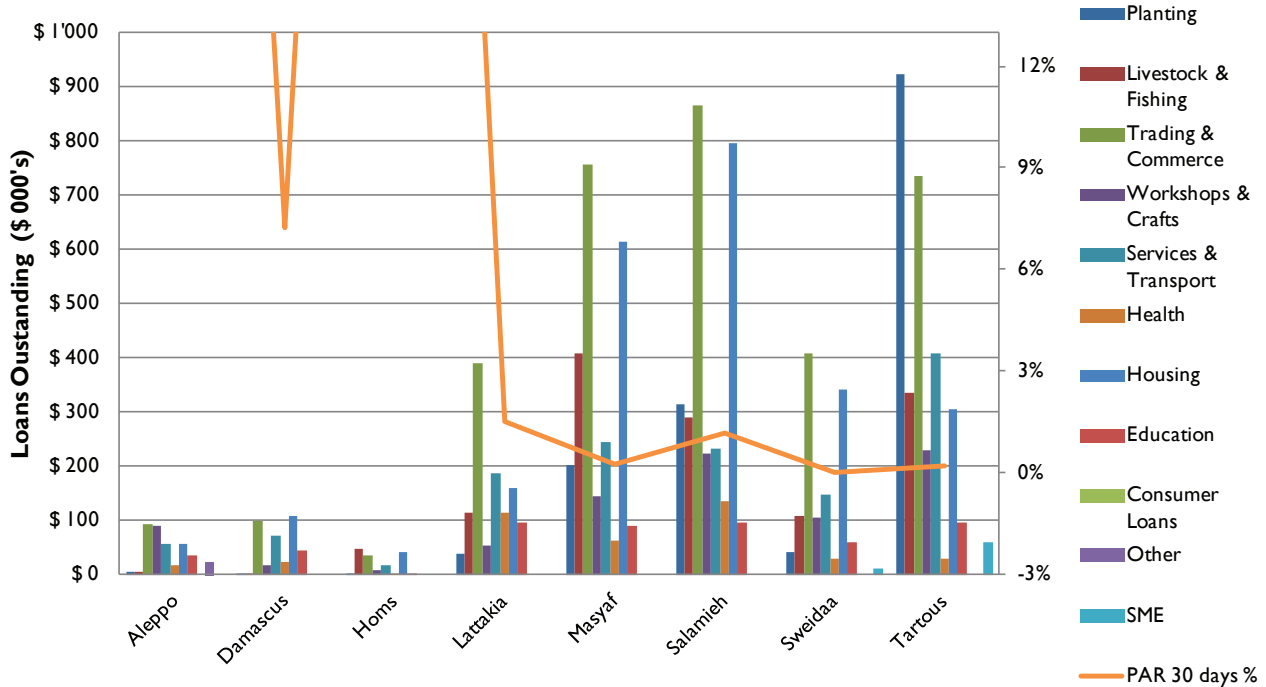


- Aga Khan Agency for Microfinance
- KfW
- International Finance Corporation
- European Investment Bank

CUSTOMER CHARACTERISTICS



PAR AND SECTORAL BREAKDOWN PER REGION





Aga Khan Agency for Microfinance

The First Microfinance Institution Syria is a part of the Aga Khan Agency for Microfinance (AKAM). The underlying objectives of AKAM are to reduce poverty, diminish the vulnerability of poor populations and alleviate economic and social exclusion. AKAM's ultimate aim is to improve the quality of life by helping people raise incomes, become self-reliant and gain the skills needed to graduate into the mainstream financial markets.

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