



First Microfinance Foundation Egypt

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FIRST MICROFINANCE FOUNDATION EGYPT

There are more than 400 institutions in Egypt offering microcredit, including five banks and more than 396 non-governmental organisations (NGOs). Of these organisations, only 18 have reached more than 10'000 clients, indicating that the sector remains highly fragmented. The overall penetration rate of the market is estimated at less than 10 percent, largely because providers have focused only on major metropolitan areas such as Cairo, Alexandria and Assiut. The United States Agency for International Development has estimated the demand for microfinance in Egypt is at 20 million households.

During 2012, the First Microfinance Foundation Egypt (FMF-E) sought to maintain steady growth in light of the continued impact of the political situation, while further strengthening the institution and building staff capacity. FMF-E expanded its SME activities and was able to grow its microfinance portfolio back to its pre-crisis 2010 levels. The Aswan branch has the highest share of portfolio (50 percent).

FMF had 19,039 clients in 2012, with an outstanding loan portfolio totalling US\$ 5.615 million and women represent 54 percent of the active borrowers. The trading and commerce sector accounts for 59 percent of the portfolio outstanding while 22 percent is in the livestock sector. Crafts and workshops and services and transport represent four and five percent respectively of the total portfolio while SME loans represent nine percent.

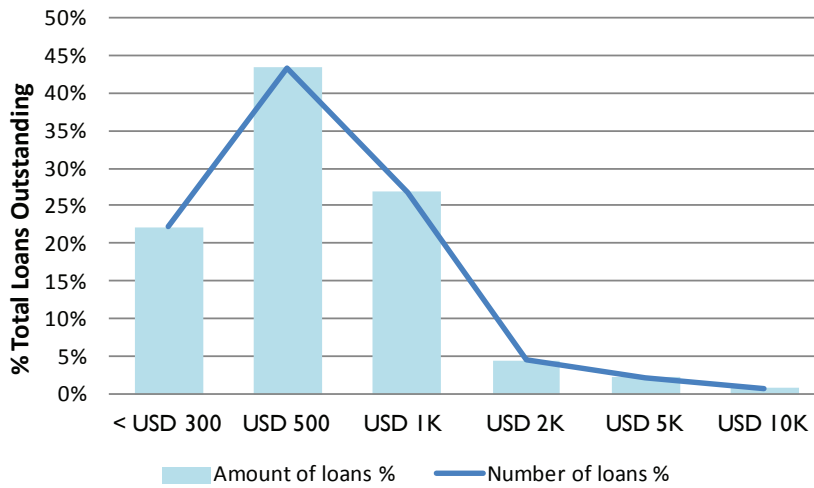
KEY POINTS:

- 31 percent of FMF's customers are in rural areas.
- The SME portfolio is on a rising trend. It now constitutes nine percent of the total outstanding value and increased by 48 percent between 2011 and 2012.
- The majority of loans (66 percent) are for US\$ 500 or less while only 1 percent of loans are for US\$ 10 K or more.
- The Aga Khan Agency for Microfinance is the sole founder of FMF-E

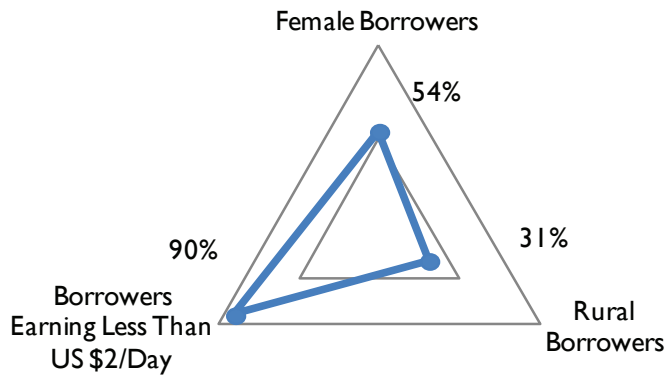
KEY FINANCIAL INDICATORS	2010	2011	2012
MICROFINANCE LOANS DISBURSED: VALUE (US\$ '000)	10'141	6'902	7'842
MICROFINANCE LOANS DISBURSED: NUMBER	19'223	16'425	17'254
MICROFINANCE PORTFOLIO OUTSTANDING: VALUE (US\$ '000)	5'011	4'300	5'089
MICROFINANCE PORTFOLIO OUTSTANDING: NUMBER	17'680	16'939	18'898
AVERAGE MICROFINANCE LOAN SIZE (US\$ UNIT)	283	254	269
PERCENTAGE OF WOMEN BORROWERS	45%	57%	54%
MICROFINANCE PORTFOLIO AT RISK (%) 30 DAYS	2%	4.9%	4.8%
SME DISBURSED: VALUE (US\$ '000)	117	415	582
SME DISBURSED: NUMBER	17	56	98
SME OUTSTANDING: VALUE (US\$ '000)	85	356	526
SME OUTSTANDING: NUMBER	23	64	141
SME PORTFOLIO AT RISK (%)	6.6%	1.3%	5.6%
NUMBER OF STAFF	166	171	190

Cover picture: The Aswan branch of FMF-E has the highest share of its portfolio (50 percent). Photo: AKDN / Kathy Bartlett.

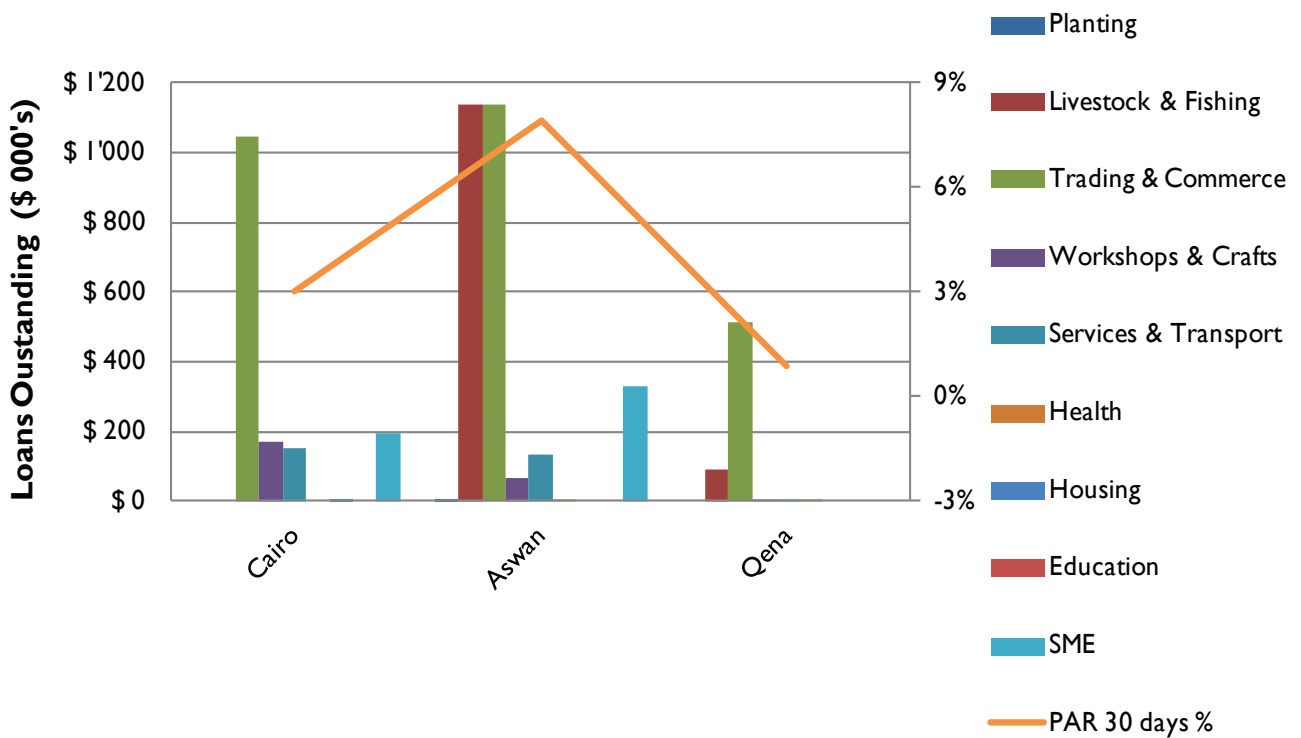
% LOANS OUTSTANDING BY SIZE CATEGORY



CUSTOMER CHARACTERISTICS



PAR AND SECTORAL BREAKDOWN PER REGION





Aga Khan Agency for Microfinance

The First Microfinance Foundation Egypt 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 increase their incomes, become self-reliant and gain the skills needed to graduate into the mainstream financial markets.

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