

PRESS RELEASE

Bank for Micro-Entrepreneurs “FIDES BANK NAMIBIA Ltd” receives banking license from BANK OF NAMIBIA

Windhoek, February, 3rd 2010

The shareholders of the first Bank for Micro-Entrepreneurs “Fides Bank Namibia Ltd” are pleased to announce that the BANK OF NAMIBIA has resolved to issue the banking license for the new financial institution. Fides Bank Namibia can now launch its operations in accordance with the BANK OF NAMIBIA`s resolve.

FIDES Bank Namibia will open with an initial paid-in capital of NAD 15 million and will operate as a fully licensed commercial bank. Fides Bank Namibia will focus its operations on offering customized and affordable financial services to poorer parts of the Namibian population, which currently do not dispose of adequate access to such services. It will provide savings, credit and transfer services for micro and small entrepreneurs as well as self-employed Namibians in rural and urban areas, most of which will gain access to the formal financial sector for the first time. The new bank thereby intends to fill a major gap in the Namibian banking market: access to reliable financial services for Namibians, which are economically active, generate income and create employment.

The new institution will build on the experience of the microfinance pilot initiative, “Koshi Yomuti”, which FIDES operated with the support of official German Development Cooperation (Technical Cooperation through GTZ) since 2002. Today, the pilot project already serves more than 6 000 clients, of which 91% are women and 98% are not formally employed. So far about 20 000 credits have been provided to micro-entrepreneurs, mainly in rural areas in Northern Namibia. The pilot program thereby pioneered appropriate financial products and services for this largely underserved clientele. With the establishment of Fides Bank Namibia Ltd, even larger client numbers and a further diversified scope of financial services shall

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be offered. FIDES Bank Namibia aims to contribute with reliable and sustainable solutions to a key issue of economic development in Namibia: Improving access to financial services for ordinary Namibians and micro and small enterprises, who are up to now mostly excluded from services of the formal banking system. Initially serving the rural communities in Northern Namibia, the Bank will expand activities to other rural, semi-urban and urban regions throughout Namibia. The establishment of Fides Bank Namibia and its consolidation throughout the initial years of operation is being supported in the framework of bilateral German-Namibian Development Cooperation through KfW, the German Development Bank.

The shareholders of FIDES Bank Namibia are socially responsible investors, who intend to create, beyond financial return, a positive development impact by facilitating the creation of employment and income – in line with the objectives of Vision 2030 and the NDP III. FIDES Bank has subscribed to the Namibian Financial Service Charter and the Black Economic Empowerment Initiatives in Namibia.

The first branch of FIDES Bank has opened its doors to the public and is located in Oshakati, the head office is in the 4-O-Regions where the bank has its roots and already gained recognition through Koshi Yomuti “Banking under the Tree”.

Over the next five years, FIDES Bank Namibia intends to expand its activities to at least seven branches, with a workforce of about 100 people and an active client base of around 23,000 micro- and small entrepreneurs.

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