



FINANCIAL SYSTEMS DEVELOPMENT SERVICES AG

PRESS RELEASE:

THE PROSPECTIVE FIDES BANK NAMIBIA LTD RECEIVES THE PROVISIONAL BANKING LICENSE FROM BANK OF NAMIBIA

Windhoek, Namibia, August, 4th 2009

Financial Systems Development Services AG (FIDES) and swiss microfinance holding sa (SMH) are pleased to announce that the prospective FIDES Bank Namibia Ltd has received the provisional banking license of BANK OF NAMIBIA. The prospective bank has now six months to set up its operations.

The prospective FIDES Bank Namibia Ltd will open with an initial paid-in capital of NAD 15 million and be a full commercial bank. It will concentrate on savings, credit and transfer services for small entrepreneurs and self-employed in rural and urban area, whereas consumer lending and payroll deduction will not be its focus.

The new bank intends thus fill a main gap in the Namibian banking market: reliable financial services for those of the citizen who are economically actives, but who do not have a fixed salary.

The new institution is building on the pilot initiative that has been implemented during the last years by FIDES with the support of the German Development Cooperation (GTZ). With more than 20 000 credits allocated to micro-entrepreneurs, mainly in rural areas in Northern Namibia, the pilot program enabled the development and implementation of appropriate financial products and services for this clientele largely underserved up to now. The upcoming Bank will aim to contribute with reliable and sustainable solutions to the key issue of facilitating economic development in Namibia by creating access to financial services for people who are up to now excluded from the formal banking system and to create an offer of financial services for Small and Medium Enterprises. It will target in a first step the rural communities of Northern Namibia and gradually reach out to other rural, urban and semi-urban clients throughout Namibia.

The shareholders of FIDES Bank Namibia Ltd are socially responsible investors, who intend to create, beyond financial return, development impact by facilitating the creation of employment and income. They include Swiss Microfinance Holding, the investment holding of FIDES Group with 35.98%, KfW, the German Development Bank, with 24.9%, Investisseur & Partenaire (I&P), a French finance company specialized in investing in financial institutions in Africa with 22.45%, Volksvermogen NV, a Belgian-based social investment company with 16.67 %.

In five years, FIDES Bank Namibia Ltd is projected to have expanded to 7 branches, with a workforce of about 100 people, an active client base of around 23,000 micro and small entrepreneurs, and total assets of NAD 207 million.

For further information, please do not hesitate to contact:

Thomas Lenzian, FIDES project manager in charge of the creation of the bank at thomas.lenzian@fidesgroup.org or telephone: +264 81 405 45 16.