



PRESS RELEASE

Amret increases capital and Advans becomes Amret's lead shareholder

Phnom Penh, 22nd July 2008 - Amret is pleased to announce the approval of its capital increase of KHR 14.2 billion (i.e. EUR 2.25 million) by the National Bank of Cambodia. This capital increase allowed Amret to welcome 3 new shareholders of international dimension: PROPARCO, FMO and Oikocredit, which all have a long term view in their investment in Amret. The shareholding structure following the capital increase is as follows: Advans S.A. SICAR (Advans) 31.3%; LFP 4,0% ; GRET: 19,8% ; PROPARCO: 17,7% ; FMO : 12,6 % ; Oikocredit : 12,6% and Botta, Amret's staff investment association : 2,0%.

Through this capital increase, Advans increases its stake to 31.3 % directly and to 35.3% with LFP a related party, and becomes Amret's lead shareholder. The objective of Advans is to support Amret through its on-going transformation from a microcredit institution offering a single product to a single market (group lending in rural villages) to a financial institution providing diversified products and services to different markets: individual and group credit in riels and in US dollars, offered through village associations and full-fledged urban branches ; deposits in riels and US dollars; in-house transfers and later on cash management services, etc. In the short run Amret will apply for a Deposit Taking MFI licence as soon as is legally feasible to develop its deposit activity.

For this new development phase Amret can now count on strong shareholders capable of financing its growth, funding the required investment to sustain its transformation, and bringing the necessary technical skills to help Amret's management and staff handle increasingly complex operations.

About Amret: Amret is a leading microfinance institution in Cambodia, which provides adapted loan products to the rural Cambodian population: low income people as well as micro, small and medium enterprises. At the same time, Amret aims at achieving a high level of financial and social performance. Created in 1991, as a project from the GRET, Amret is as at June 2008, a leading MFI in Cambodia with over 180,000 active borrowers and a portfolio of EUR 23 million. Employing around 700 people, Amret's network composed of 43 branches in 14 administrative provinces (out of 24), in the south and centre of Cambodia.

About Advans: Advans is headquartered in Luxembourg and was created in August 2005, with a committed capital of EUR 14.1 million. Advans' mission is to build a network of microfinance institutions in developing and emerging countries to cater to the financial needs of micro, small, and medium enterprises, which have limited or no access to formal banking services. Advans is managed by Horus Development Finance, its initial shareholder alongside several development financial institutions: Agence Française de Développement, European Investment Bank, the Netherlands Development Finance Company (FMO), IFC, and KfW Development Bank.

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