



advans[™] 

2009-2010 Annual Report

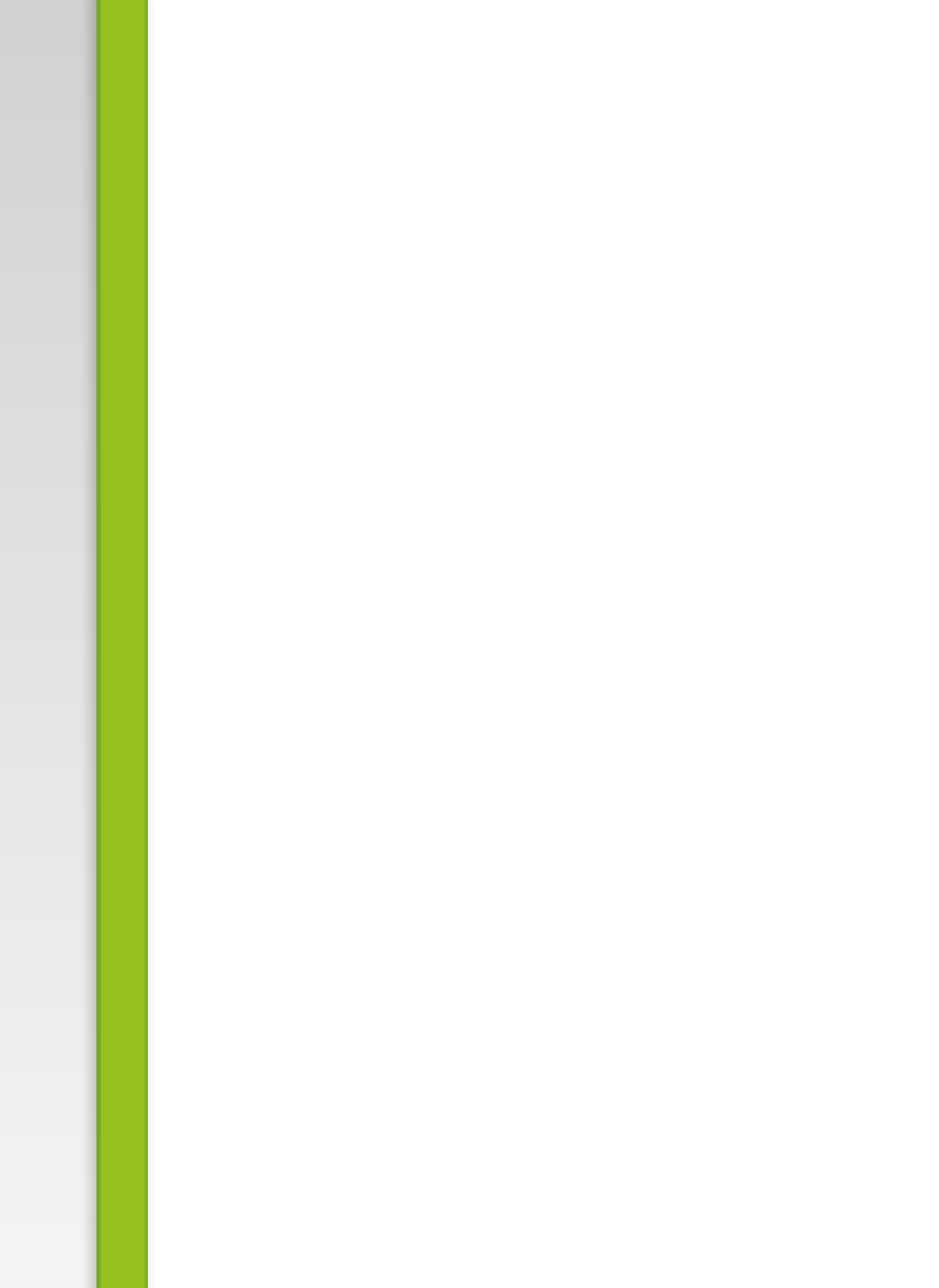




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Advans in brief

Advans SA SICAR (Advans SA) is a venture capital investment company whose mission is to broaden access to financial services for micro, small and medium-sized enterprises (MSMEs) in developing countries and emerging economies. These enterprises, although they play a vital role in their local economy, often lack access to a regular supply of financial services under acceptable conditions.

Advans SA's modus operandi is to invest as lead shareholder in the creation of financial institutions targeting MSMEs, commonly known as microfinance institutions (MFIs). In addition to equity and debt funding, Advans SA provides the necessary technical assistance to turn these institutions into sustainable and profitable operations.



Key figures

as at 31 March 2010 (in EUR)

Balance sheet figures for Advans SA SICAR	
Committed Capital	40,100,000
Paid in Capital	17,100,000
Total Investments	14,424,615
Total Assets	17,373,261

Statistics for investee companies	
Number of financial institutions	5
Number of loans outstanding	232,572
Volume of loans outstanding	42,687,000
Number of deposit accounts	12,531
Volume of deposit accounts	3,990,000
Number of staff	1,287



Review of the year (April 2009 – March 2010)

Second capital increase for Advans Cameroun

In June 2009, Advans Cameroun carried out its second capital increase when it successfully raised XAF 1.5 billion (EUR 2.28 million). The capital increase was the opportunity for Advans SA to reinforce its position as a majority shareholder, with 72.6% of the capital, along with IFC and SGBC (Société Generale de Banques du Cameroun), holding respectively 16% and 10% of the capital.

Capital increase for Advans Ghana

In June 2009, Advans Ghana carried out a GHS 2 million (EUR 1 million) capital increase. This operation, which brought the total capital of Advans Ghana to GHS 4.649 million, was fully subscribed by Advans Ghana's initial shareholders and will provide the company with financial resources to continue the development of its operations. With 61.1% of the capital, Advans SA remains the main shareholder of the company. The remaining capital is held by IFC (18.1%), KfW (15.0%) and SG-SSB (the Ghanaian subsidiary of the Société Générale Group) (5.8%).

Advans Banque Congo: launch of operations and capital increase

Advans Banque Congo, Advans SA's third greenfield MFI, received its commercial banking licence in March 2009 and subsequently opened its doors to the public on 24 July 2009. Its initial capital was USD 6.65 million, which was increased to USD 13 million in December 2009, following an increase of the minimum capital requirement for commercial banks. With 50.4% of the capital, Advans SA holds the majority of the shares. KfW, IFC and the African Development Bank (AfDB) are co-investors, holding each 16.5% of the capital.

Advans SA receives the LuxFLAG label

In October 2009, Advans SA SICAR was granted The Luxembourg Fund Labeling Agency (LuxFLAG) label, which rewards investment vehicles actually investing in microfinance. It was the first time this label was granted to a Microfinance Investment Vehicle (MIV) taking the form of a "Société d'Investissement en Capital à Risque" (SICAR).



Incorporation of Advans Côte d'Ivoire

In June 2009, Advans SA incorporated its fourth microfinance institution in Côte d'Ivoire. The XOF 250 million initial capital was entirely subscribed by Advans SA and will be raised via a capital increase, once the licence to operate as "système financier décentralisé" is granted to the institution.

Advans SA increases its committed capital to EUR 40.1 Million

In December 2009, Advans SA SICAR completed its second round of fundraising for an amount of EUR 23 million, increasing its total committed capital to EUR 40.1 million. This additional capital, committed by existing shareholders, will support the development of the Advans network over the coming years.

Advans SA subscribes to Amret capital increase

In March 2010, Amret, the Cambodian affiliate of Advans SA, carried out a small capital increase. Advans SA subscribed to a majority of the newly issued shares, and raised its participation to 31.8%, through the acquisition of 95 shares.

Letter from the Chairman of the Board of Directors

During the period covered by this report, developing markets have been gradually recovering from the economic downturn that affected the world economy. This positive trend was also tangible in most of the countries in which Advans institutions operate. Ghana, the Democratic Republic of Congo (DRC) and Cameroon which were diversely affected by trade imbalances, inflationary tensions and lower levels of economic outputs are gradually recovering, although the rate of growth is still lower than the levels registered in the pre-crisis period. In Cambodia, where Advans SA holds a lead participation in Amret, the economy is still experiencing difficulties in resuming growth as a result of poor performances registered in important sectors such as garment and tourism.

In this climate of uncertainty, Advans SA's affiliates performed in line with expectations, and continued their expansion while maintaining capitalization and portfolio quality levels well above local industry standards. This resilience of the Advans network to external shocks stands as proof of the validity of the Advans business model and represents a very encouraging sign for the future, considering the fact that most of Advans SA's investments are still in a start-up phase.



Numerous important milestones have been achieved between April 2009 and March 2010, notably the fundraising successfully completed by Advans SA in December 2009, which raised the total committed capital of the company to EUR 40.1 million. The capital increase was fully subscribed by existing shareholders and by FISEA, an investment company fully owned by Agence Française de Développement (AFD), one of Advans SA's initial promoters. The additional capital will support the development of the Advans network over the coming years and increase Advans SA's ability to offer adapted financial services to micro, small and medium sized enterprises in developing countries, with a special focus on Africa and Asia.

An additional institution was incorporated in July 2009 in the Republic of Côte d'Ivoire. Advans Côte d'Ivoire, the fourth greenfield microfinance institution of the Advans network is still in the process of signing its agreement with the Ministry of Finance to operate in the country and should open its doors to the public in 2011.

Other achievements during the period include the opening of Advans Banque Congo in July 2009, following receipt of the banking licence in DRC. Advans Banque Congo, the first fully-fledged commercial bank of the network, went through its first capital increase exercise in December 2009, when its share capital was raised to USD 13 million. This was following an increase of minimum capital requirements imposed by the Central Bank of Congo. Along with other co-shareholders, Advans SA subscribed to nearly USD 3.2 million, retaining its majority stake.

With a view to sustaining the growth of their portfolios, strengthening their capital base and complying with statutory capital requirements, Advans Cameroun and Advans Ghana also completed capital increases during the reporting period. Advans SA participated in both transactions.

Shortly after the end of the financial year, Advans Bank Tanzania received its provisional licence and was incorporated in Dar es Salaam. Operations are planned to start in December 2010. The Advans network is forecast to pursue its organic growth as additional projects are already at advanced stages of development and should reach maturity during the next financial year.

Meanwhile, new countries will be identified where to set up additional greenfield operations and the management will approach existing microfinance institutions willing to join a network such as Advans and in need of a strong partner to sustain their expansion.

Matthias Adler

Chairman of the Board of Directors.

Shareholders and Management

Advans SA is a regulated venture capital investment company ("Société d'Investissement en Capital à Risque" or "SICAR"), based in Luxembourg and incorporated in 2005. As such it is licenced and supervised by the CSSF (Commission de Supervision du Secteur Financier, Financial Sector Supervision Commission).

Committed capital

Total committed capital amounts to EUR 40.1 million which is split as follows:

Advans SA's committed capital

Shareholder	Committed capital (EUR)	%
EIB	9 500 000	23,69%
CDC	7 500 000	18,70%
FMO	7 500 000	18,70%
IFC	6 600 000	16,46%
FISEA	3 000 000	7,48%
KfW	3 000 000	7,48%
AFD	2 000 000	4,99%
LFP	700 000	1,75%
Horus	300 000	0,75%
Total	40 100 000	100,00%

Horus Development Finance (Horus) and La Fayette Participations (LFP)



Horus Development Finance (Horus) is a consulting firm and technical assistance provider working in the microfinance and SME finance sector, in emerging and developing countries.

Horus was created in 1994 initially to advise major donors, international financial institutions and governments, as well as provide technical assistance for non-governmental organisations and other entities operating savings and credit activities. After becoming one of the leading consulting firms in microfinance, Horus gradually started managing capacity-building projects and microfinance institutions.

Horus is not only a shareholder, but also the sponsor and manager of Advans SA.

La Fayette Participations (LFP) is an investment company created by the Horus group for the purpose of subscribing to shares in microfinance institutions and microfinance banks. In creating LFP, Horus aimed at combining its technical expertise with shareholder status.

Netherlands Development Finance Company (FMO)



The Netherlands Development Finance Company (FMO) is the international development bank of the Netherlands. FMO is a public-private bank founded by the Dutch government and business community in 1970. The Dutch State holds 51% of its shares while the large Dutch banks retain 42%. The remaining 7% is held by employers' associations, trade unions and some 100 Dutch companies and individual investors. FMO invests risk capital in companies and financial institutions in developing countries. With an investment portfolio of EUR 4.6 billion at the end of 2009, FMO is one of the largest bilateral private sector development banks worldwide. Thanks in part to its relationship with the Dutch government, FMO is able to take risks which commercial financiers are not - or not yet - prepared to take.

FMO's mission: to create flourishing enterprises, which can serve as engines of sustainable growth in their countries.

Agence Française de Développement (AFD)



AFD is a public development finance institution that has worked to fight poverty and support economic growth in developing countries and the French Overseas Communities for almost 70 years. AFD carries out the French government's development aid policies.

Through offices in more than fifty countries and nine French Overseas Communities, AFD provides financing and support for projects that improve people's living conditions, promote economic growth and protect the planet: schooling, maternal healthcare, help for farmers and small business,

water supply, preservation of tropical forests, and fighting climate change, among other concerns.

In 2009, AFD committed more than EUR 6.2 billion to financing aid activities in developing and emerging countries and the French Overseas Communities.

FISEA



FISEA is an investment fund that takes equity participations in businesses, banks, microfinance institutions and investment funds operating in Sub-Saharan Africa. It is one of the key mechanisms of the French Initiative for Growth and Employment in Africa launched by the French President in February 2008. FISEA's capital endowment was provided by Agence Française de Développement (AFD). Project appraisal and management of FISEA has been entrusted to Proparco, AFD's private sector investment arm.

FISEA aims to be complementary to traditional private funds and focuses on investments that carry a higher risk in unstable or post-crisis regions. It makes small investments in sectors that are traditionally neglected. The fund has a EUR 50 million annual investment target over a five-year period.

European Investment Bank (EIB)



The European Investment Bank (EIB), created by the Treaty of Rome in 1958, is the European Union's long-term financing institution. The EIB contributes towards the integration, balanced development and economic and social cohesion of the Member Countries. Outside the Union the EIB implements the financial components of agreements concluded under European development aid and cooperation policies.

In 2009, the European Investment Bank (EIB) lent a total of EUR 79 billion in support of the objectives of the European Union.

The EIB Group has a longstanding record in microfinance. Since 2000, it has supported Microfinance Institutions (MFIs), fund providers and other industry stakeholders in addressing specific market failures and promoting financing solutions for Micro, Small and Medium Enterprises (MSMEs) and low income self-employed.

As at the end of 2009, EIB group has committed EUR 651 million to over 30 microfinance projects or intermediaries, including EUR 19 million in grants for technical assistance. Operations are financed from the EIB's own resources or under the European Union's mandates and use a combination of financial and non-financial instruments.

The EIB Group's microfinance activities are deployed in three geographic regions: Sub-Saharan African, Caribbean and Pacific countries (ACP region), Mediterranean partner countries and Europe.

International Finance Corporation (IFC)



IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in developing countries. IFC creates opportunities for people to escape poverty and improve their lives. It does so by providing financing to help businesses employ more people and supply essential services, by mobilizing capital from others, and by delivering advisory services to ensure sustainable development. In a time of global economic uncertainty, IFC's new investments climbed to a record USD 18 billion in fiscal 2010.

KfW Bank of Development (KfW)



KfW Entwicklungsbank is part of the KfW Bankengruppe which is a promotional bank under the ownership of the Federal Republic of Germany (80%) and the Länder (federal states; 20%). It offers support to encourage sustainable improvement in economic, social, ecological living and business conditions. In 2009, KfW Bankengruppe total financing volume amounted to EUR 63.9 billion.

KfW Entwicklungsbank is a competent and strategic advisor on current development issues. On behalf of the German Federal Government, KfW Entwicklungsbank finances reforms, infrastructure and financial systems for socially and ecologically compatible economic growth. It is a worldwide financing partner and also employs funds of its own for development projects.

CDC Group plc (CDC)



CDC Group plc (CDC) is the UK's Development Finance Institution and is owned by the UK government's Department for International Development. Established in 1948, CDC's mission is to foster growth in sustainable businesses, helping to raise living standards in developing countries. CDC's target is to make more than 75% of new investments in low income countries and to invest more than 50% of its funds in Sub-Saharan Africa.

Management of the Company

Horus Development Finance (Horus) manages the assets of Advans SA under the supervision of the Board of Directors and the Investment Committee. Its responsibilities include the identification, evaluation and negotiation of potential investment and divestment opportunities and the review, monitoring and supervision of the investment portfolio.

In order to perform its management duties, Horus has brought together a team of professionals, experienced in microfinance and private equity:

- Claude Falgon, President and CEO of Horus
- Steven Duchatelle, Head of Investment Unit
- Amanda Hannan, Investment Officer
- Alberto Didoni, Investment Officer
- Emmanuel Aris, Operations Officer

Board of Directors

Advans SA's Board of Directors is primarily responsible for the overall management of Advans in accordance with its statutes and Luxembourg law. It is composed of qualified senior professionals with a long and solid experience in financial services. As at 31 March 2010 its members were the following:

- Dr. Matthias Adler, Chairman of the Board, Principal Economist, financial and private sector development, Europe, KfW;
- Marie-Laure Garnier, Investment Officer, financial and private sector development, AFD;
- Hywel Rees-Jones, Managing Director Alternative Investments, CDC Group;
- Claude Falgon, Chairman and Chief Executive Officer, Horus Development Finance;
- Wolfgang Bertelsmeier, Financial Advisor;
- Edvardas Bumsteinas, Investment Officer ACP Region, EIB.

Investment Committee

The Investment Committee, appointed by the Board, reviews investment proposals prepared by the Manager and makes recommendations to the Board. At 31 March 2010, the Investment Committee was chaired by Mr. Henk Nijland, Manager of Massif and Capacity Development for Africa at FMO.

Group Audit

Since May 2009, a group audit unit is in place at the holding level to support the development of strong internal audit units within each Advans affiliate. It reports directly to the Board of Directors on a quarterly basis. Its mission is to contribute to the development, support and supervision of the internal audit departments of the affiliates and to ensure the consistency and efficiency of the internal audit function within the Advans network.





Investment strategy

Advans SA's investment strategy primarily consists in setting up greenfield MFIs in frontier countries. Advans SA can also invest in existing MFIs in need of a lead shareholder. For all its investments, Advans SA targets challenging environments where (i) the supply of financial services is insufficient and inadequate; (ii) the financial sector, whilst enjoying some degree of competition, is far from reaching maturity or (iii) the private sector economy has suffered and is recovering from a distressed social and political situation.

Advans SA's investments are subject to its risk management policy including geographical risk diversification ratios.

Advans SA invests as lead shareholder, along with co-shareholders which bring strategic and operational benefits as well as financial support. Shareholders have common objectives: economic and social development as well as a fair return on investment. Advans SA sees its involvement in MFIs as a long-term commitment and remains lead or majority shareholder at least until the MFI is profitable and sustainable.

As lead shareholder, Advans SA combines financial and technical resources to bring best practices in corporate governance and operation management to the institutions in its network.

In addition to equity, Advans SA can provide loans and guarantees, offered on a commercial basis, to investee MFIs if these cannot access local or international financial markets under acceptable conditions.



The Advans network

The Advans network is currently active in 4 countries: Cambodia, Cameroon, Democratic Republic of Congo and Ghana. A fifth investment has been made in Côte d'Ivoire and is awaiting its licence to start operations. A sixth investment was made after the end of this financial year in Tanzania, where operations should start by the end of 2010. Over the next three years, Advans SA plans to establish 6 to 7 new MFIs, in Africa, Asia and the Middle-East.



Amret, Cambodia



Context

For the Cambodian economy, 2009 was a difficult year with GDP contracting by 2.75%. Several sectors were hit by the consequences of the international economic crisis, including fishing and garment industry. The country's economy is expected to rebound in 2010 although uncertainties remain important.

The Cambodian microfinance industry has experienced some harsh consequences of the economic downturn. The level of portfolio at risk increased among actors of the sector, as a consequence of cross-indebtedness. Amret resisted well to this trend, focusing on its core clientele. The first few months of 2010 have seen the activity picking up but competition levels remain high and the industry is experiencing a downward trend on interest rates.

Key facts and figures as at the end of March 2010

Start of operations: 1991

991 employees

46 branches

212,918 loans for a total amount of EUR 39,028,230

Advans SA's shareholding: 31.8%

Overview

Amret's microcredit activity was created in 1991 as a NGO project. Started as a village-banking operation it evolved after 1995 towards an individual approach in order to reach sustainability more rapidly. In 2000, Amret transformed into a private limited company but continued to operate exclusively in rural areas. In 2007 Amret extended its operations to urban areas. In January 2009, Amret received its microfinance deposit-taking institution licence from the National Bank of Cambodia: a first step towards its objective of gradually transforming into a micro-bank offering a comprehensive range of financial services to low-income population and Cambodian MSMEs. Amret is the leading Cambodian MFI in terms of outreach.

In order to tackle the consequences of the sluggish economic context, Amret's management reinforced internal procedures of risk management to maintain its sustainability and reduce risk exposure. The Portfolio at Risk, which peaked at 3.71% of the outstanding portfolio in December 2009, has been driven down by a string of corrective actions, recovery campaign and a more stringent disbursement policy. Meanwhile, the deposit collection activity, which started early in 2009 is growing at a sustained pace, with close to USD 9 million on Amret's saving accounts. This contributes to reducing the cost of funding of the institution.

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Advans Cameroun



Context

In 2009, Cameroon registered a GDP growth rate of 2%, down from 2.9% in 2008 (IMF). The country's economy suffered from lower revenues from its main exports (crude oil, timber, cocoa, cotton), but resisted well to the global economic downturn, with consumer prices and current account deficit under control. A slight improvement is expected for 2010, with a projected growth rate of 2.6%.

Over the long-run however, Cameroon will have to cope with the depletion of its oil resources, which currently account for 60% of its exports. Moreover, with an annual demographic growth rate at around 2.3%, the country needs a robust economy to achieve significant increases of its per capita income.

MSMEs, which employ around 4.5 million people, including 1.4 million in urban areas, play a very important role in the transformation of the local economy. Their access to adapted financial services, in particular productive loans, is therefore critical for the performance of the entire economy.

Key facts and figures as at the end of March 2010

Start of operations: May 2007

155 employees

6 branches

5,980 loans outstanding for a total amount of EUR 4,478,181

6,907 deposits for a total amount of EUR 1,949,487

Advans SA's shareholding: 72.6%

Overview

Advans Cameroun started operations in May 2007 as the first greenfield microfinance institution of the Advans network. As such, it pioneers the Advans model and benefits from the uppermost attention of its main shareholder and sponsor, Advans SA.

As at 31 March 2010, Advans Cameroun had six branches: three in Yaounde and three in Douala, including a branch entirely dedicated to small and medium-sized enterprises.

Advans Cameroun carried out its second capital increase in June 2009, reaching an important milestone of its expansion plan. In this opportunity, Advans SA reinforced its position as majority shareholder increasing its holding to 72.6%.

Advans Cameroun is expected to break-even in 2010.

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Advans Ghana



Context

In 2009, Ghana has been affected by the global economic downturn, but not as sharply as other emerging markets. Unlike other commodities, gold and cocoa, Ghana's two main exports, have not seen their price plummeting during the global recession. After several years of outstanding growth, Ghana's GDP increased by 4.7% in 2009, down from 7.9% in 2008. Inflation reached a peak of 20.7% in June 2009 and then dropped to 16% at the end of 2009, as a consequence of the tight monetary policy conducted by the Bank of Ghana. Unemployment remains a critical issue in Ghana, as the economy fails to generate sufficient job creations to employ a growing active population.

MSMEs have been affected by this difficult business environment and struggle to maintain profitability. But a strong MSME sector, supported with appropriate financial services, will enhance the country's resilience to external shocks and its ability to generate sustainable economic growth and socio-economic progress.

Key facts and figures as at the end of March 2010

Start of operations: October 2008

118 employees

3 branches

2,222 loans outstanding for a total amount of EUR 924,207

3,058 deposits for a total amount of EUR 137,861

Advans SA's shareholding: 61.1 %

Overview

Advans Ghana received its definitive licence to operate as a Savings and Loans company in August 2008 and started operations in October of the same year, in Accra, the country's capital. A second branch was opened in March 2009, and a third in May 2009. Offering individual and group loans to micro and small enterprises, Advans Ghana rapidly developed its loan portfolio, reaching GHS 1.6 million (EUR 767,000) at year end, in line with the projected levels. Meanwhile, the portfolio quality remained very satisfactory, in spite of a difficult environment and widespread cross indebtedness, with a portfolio at risk after 30 days at 2.8% of the outstanding portfolio as at 31 March 2010, far inferior to the average level registered among Savings and Loans companies in Ghana.

With a range of savings and deposit products, the deposit base increased significantly in 2009. Complementary services (cheques, money transfer, provision of account information by SMS, biometric SmartCards) were introduced during the first quarter of 2010 and contributed to the acceleration of this positive trend.

In June 2009, Advans Ghana carried out a GHS 2 million (EUR 1 million) capital increase to support the development of its operations. The additional capital, exclusively raised from initial shareholders, will contribute to the strengthening of the capital base of the company, in view of an anticipated increase of the minimum capital requirements for Savings and Loans companies in Ghana in 2011.

Advans Ghana's ambition is to offer a comprehensive range of financial services (credit, deposits and payment services) to MSMEs in Ghana, developing its network first in major cities before extending its operations to rural areas.

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Advans Banque Congo



Context

In 2009, the Democratic Republic of Congo (DRC) suffered from the consequences of negative factors which have affected the country from 2008 onwards: global financial crisis, food and livelihood crisis, drop of the price of commodities and an insurrection movement, which reignited in the eastern part of the country.

In this context, the GDP decreased by 5.9% over the first semester of 2009. The country's GDP started recovering during the second semester, ending 2009 with a 2.9% increase over the year. This performance did not however match the demographic growth registered in 2009 and as a consequence, the GDP per capita contracted by 0.2%.

The Congolese Franc depreciated by 40% against the dollar over 2009, seriously affecting the purchasing power of Congolese households.

Perspectives for 2010 appear more promising, as prices of raw materials entered an upward trend, which should ease the commercial imbalance of the country. Adding to the positive outlook, DRC recently benefited from the cancellation of 90% of its debt stock as it reached the completion point of the Heavily Indebted Poor Countries (HIPC) Initiative. The newly established macroeconomic policy is expected to lead to a stable currency and curb inflation bringing it to single digit levels.

Key facts and figures as at the end of March 2010

Start of operations: July 2009

111 employees

1 branch

614 loans outstanding for a total amount of EUR 854,836

2367 deposits for a total amount of EUR 591,319

Advans SA's shareholding: 50.4 %

Overview

Advans Banque Congo received its temporary banking licence in October 2008. The Presidential decree that allowed the bank to start operations was signed in March 2009. Operations started on 24 July 2009 in Kinshasa, in premises located near the largest market of the city. The second branch will open in April 2010 and a third and fourth branches are planned later in the year.

Advans Banque Congo offers a range of financial products adapted to the needs of MSMEs, with a strong focus on credit: productive loans, for both working capital and investment needs; various savings products in both USD and Congolese Franc (CDF); foreign exchange and national and international money transfers. The bank is actively working on the introduction of SME loans and SMS banking, which should be launched in 2010.

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Financial statements

Advans SA's financial performance reflects that of an equity investment company gradually building up its portfolio of start-up microbanks and microfinance institutions (MFIs):

- Advans SA posted a profit for the 2nd consecutive year, with a net result of EUR 988,590 against EUR 41,045 last year. Profits are mainly due to unrealised capital gains on its participations. These capital gains reflect in large part exchange rate fluctuations and an increase in the underlying value of Amret.
- Cash revenues, which amounts to EUR 262,523 consist of (i) interest earned on cash balances; (ii) fees and interest related to guarantees and loans provided to Advans Cameroun; (iii) repayment by Advans Banque Congo of part of the upfront costs of preparation of the project; (iv) dividends paid by Amret and (v) payment for group internal audit services.
- Other operating expenses increased by 47% from last year and are mainly composed of:
 - Manager's fees covering the preparatory work for new investments and the monitoring of existing investments;
 - Pre-incorporation expenses amortised over a 5-year period;
 - Transfer agent and depository bank fees, due as a SICAR;
 - Auditor and tax consultancy fees;
 - Legal consulting fees in preparing the legal documentation for investments;
 - Internal Audit fees.



Balance sheet for the financial year ended 31 March 2010 (in EUR)

	31 March 2010	31 March 2009
	Total EUR	Total EUR
ASSETS		
Fixed Assets		
<i>Formation expenses</i>	11,102	55,512
<i>Financial assets</i>	14,424,615	7,268,478
<i>Total fixed assets</i>	14,435,717	7,323,990
Currents assets		
<i>Amounts owed by affiliated undertakings becoming due and payable within one year</i>	26,007	-
<i>Debtors becoming due and payable within one year</i>	-	22,709
<i>Prepayments and accrued income</i>	1,000	1,000
<i>Cash at bank</i>	2,910,537	2,508,755
<i>Total current assets</i>	2,937,544	2,532,464
Total assets	17,373,261	9,856,454
LIABILITIES		
<i>Other creditors becoming due and payable within one year</i>	-147,876	-166,658
Net assets	17,225,385	9,689,796
EQUITY		
<i>Paid-up share capital</i>	17,100,000	10,553,000
<i>Share premium account</i>	142,000	142,000
<i>Retained earnings</i>	-1,005,205	-1,346,249
<i>Profit/(loss) for the financial year</i>	988,590	341,045
Total shareholders' equity	17,225,385	9,689,796

Profit and loss account for the financial year ended 31 March 2010 (in EUR)

	Year ended 31 March 2010	Year ended 31 March 2009
	Total EUR	Total EUR
INCOME		
<i>Interest income</i>	10,514	81,823
<i>Interest income from affiliated companies</i>	7,031	-
<i>Dividend income</i>	94,428	9,961
<i>Other operating income</i>	168,741	100,216
<i>Net changes in fair value on financial fixed assets</i>	1,858,937	940,228
Total net income	2,139,651	1,132,228
EXPENSES		
<i>Operating expenses</i>	1,074,107	729,505
<i>Depreciation on formation expenses</i>	44,409	51,811
<i>Net changes in fair value on current assets</i>	-	9,727
<i>Taxes</i>	32,545	140
Total expenses	1,151,061	791,183
NET PROFIT	988,590	341,045



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