



professional
services for
microfinance
investors &
fund managers

corporate

New Company

The year 2005 is the United Nations Year of Micro-credit, for us 2005 is also a time of professional renewal and opportunities - we are today a team of nine experienced microfinance professionals who believe in entrepreneurship and pursuing vocational aspirations. This year we have joined our strength to launch a new company, Symbiotics SA Information, Consulting & Services, with the aim of offering an innovative professional services firm to microfinance investors and fund managers.

New Business Model

Symbiotics refers in ancient Greek to 'the art of living together', or for more recent political thinkers 'the art of associating men for the purpose of establishing, cultivat-

ing, and conserving social life among them'. The company's business model is embedded in intermediation services and in an effort to bring horizontal linkages to the growing and diverse range of expertise needed in the microfinance investment arena.

New Staff

Information, Consulting & Services: "Information" as in microfinance market information, research, analysis and monitoring solutions, with experience from Bertrand

Dufresne, Vincent Dufresne and John Staehli who have started working together in this field in 2000; "Consulting" as in structured finance and new investment product development, with experience from Roland Dominicé and Philipp Jung, who have worked previously on pioneering microfinance asset backed securities and micro-credit securitizations; "Services" as in microfinance investments brokerage, valuation and servicing, with expertise from Cedric Lombard, Yvan

Renaud, François Rossier and Fabio Sofia who have successfully closed and monitored over two hundred cumulated microfinance transactions in over twenty emerging economies. Growing client demand will be fulfilled by hiring two new staff within the coming months.

New Shareholders

From an initial team of four founders early this year, the company has later on integrated its entire staff to the shareholding structure and, just this week, October 5th, successfully integrated eleven new key shareholders to strengthen its start-up investments. The launch phase will be completed with a fourth round in a few weeks and the creation of an independent board of directors.



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Directory

Symbiotics' first information tool is a directory system, freely available on the web (www.symics.com/en/symdirectory/index.asp). The directory totals about fourteen hundred entries, for profit, non profit, governmental and multilateral actors of microfinance, of

which 850 microfinance institutions and over 40 investment vehicles.

Investment Advisory Reports

Symbiotics' second information tool provides the information, research and analysis necessary to fund manag-

ers in their investment decisions. Each report contains audited accounts, business plans, shadow ratings, qualitative analysis as well as governance, financial, operational and clientele data. The investment analyst team has already evaluated and is tracking over 60 microfinance institutions,

ready for investment, and have produced over 30 investment advisory reports.

Client Interface

"my.symics.com", Symbiotics' client interface, has been successfully launched with access to the full directory, the investment advisory reports,

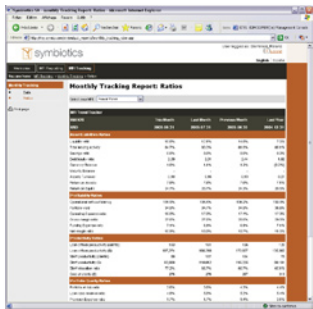
the list of all available transactions and investment proposals, and the monthly tracker reports, monitoring each ongoing investment.

Investment Benchmark

Symbiotics decided to launch a microfinance investment fund benchmark: SYMIX or Symbiotics Microfinance Index. This benchmark is a weighted average of all publicly listed

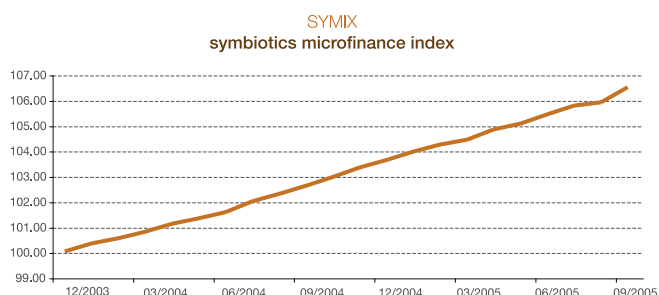
microfinance mutual funds. Historical information goes back 2005 and 2004 and will compound the development of listed funds. The current track record indicates an annualized yield and volatility of respec-

tively 3.59% and 1.38%. This tool is meant to help microfinance fund managers benchmark their own fund's risk return profile.



Clients can currently monitor microfinance institutions on a monthly basis through "my.symics.com"

The Symbiotics Microfinance Index (SYMIX) is currently at 106.48, yielding 3.59% per annum and 1.38% volatility



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Microfinance Loan Obligations (MFLOs)

Microfinance fund managers, most notably the ones registering public mutual funds, are interested in buying more sophisticated investment products. They are looking for transparency, higher legal security, risk management solutions, market returns, lower intermediation costs and larger investment volumes. Symbiotics believes that such

objectives can be achieved by applying traditional structured finance know-how tailored to microfinance debt investments. Microfinance loan obligations (or MFLOs) offer the expected volumes and economies of scale to reduce costs from the average 300 basis points charged today for investment fund intermediation to about 100 basis points, allowing for higher returns and/or lower debt interest. Such

volume also offers for in-depth legal analysis and credit risk ratings of both each borrower to the structure and the investment structure itself, or its various notes. This in turn creates greater transparency, offering to the fund manager a capacity to benchmark microfinance investment opportunities to the market and price return expectations adequately. Following this client demand, Symbiotics has teamed up with market

arrangers on three such transactions. MFLO1 and MFLO2 intend to refinance microfinance institutions, respectively in South America and Eastern Europe, MFLO3 intends to sell micro-credit assets in a synthetic securitization.

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Nueva Vision - responsAbility

Symbiotics' core business is to act as a broker to microfinance investors and fund managers. Its investment analysts' team has focused in its first few months on Bolivia, Bosnia, Ecuador, Kosovo, Mexico and Peru. It now has an excel-

lent coverage on those countries and has started to close some transactions. Notably, Symbiotics facilitated an investment for responsAbility Social Investment Services AG in its first transaction with them this summer for USD 500,000 to a micro-bank in Arequipa, Peru. The borrower, Nueva

Vision, has achieved remarkable improvements in the past few years, increasing its staff productivity by 40% and cutting in half its portfolio at risk down to 3.5% percent; most notably, its operating expense was reduced by 30% while still managing to increase the return on equity. Symbiotics

believes in pushing the search for microfinance programs beyond the usual suspects, offering true market coverage for its clients and picking the rights fruits, in line with their guidelines and expectations.

your guide
to the right
investments in
microfinance

