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Gates Foundation Provides \$15.4 Million to Opportunity International to Help Build Microfinance Banks in Five African Nations

Gates Foundation Contributions Will Help Millions in Africa Work Their Way Out of Poverty

OAK BROOK, Ill. - Feb. 20, 2007 - Opportunity International, one of the world's largest microfinance organizations, today announced it has received a \$5.4 million grant and a \$10 million loan from the Bill & Melinda Gates Foundation. The \$15.4 million of capital will fund start-up microfinance banks to serve the poor in Rwanda, Uganda, Kenya and the Democratic Republic of the Congo (DRC), as well as expansion of its banking operations in Ghana.

Opportunity International operates banks or financial institutions in 28 countries and is the world's largest microfinance bank organization serving the very poor.

"We thank the Bill & Melinda Gates Foundation for providing its second significant grant to Opportunity International, which will enable us to more quickly provide critical financial services to the poorest of the working poor in Africa," said Christopher A. Crane, president and CEO of Opportunity

International. "We are working toward the day when all poor Africans who need a loan to grow their business, a safe place to deposit their savings or an insurance policy to protect their family's health and assets have access from an organization that is dedicated to their needs and well being."

The \$5.4 million grant is the second to Opportunity International from the Bill & Melinda Gates Foundation. In November 2005, the foundation gave \$2.2 million over three years to fund rural banks in Malawi and Mozambique.

The new grant is made in combination with a \$10 million loan for program related investment (PRI), which will be repaid over 10 years at 1 percent interest.

Opportunity International will use the low-cost PRI loan during the second or third year of operations at its new banks, a time when it is typically difficult for microfinance banks to attract enough customer savings or commercial debt to generate growth. PRI funds used as intermediate loans strengthen the bank's balance sheet, making it more attractive to external commercial lenders, while also greatly increasing the amount of loan money available to poor entrepreneurs.

"Expanding access to basic banking and insurance services is a critical tool to give poor people the resources and opportunities to help lift themselves and their families out of poverty," said Sylvia Mathews, President of the Global Development Program for the Bill & Melinda Gates Foundation. "Opportunity International is one of the most capable and

innovative organizations working on these issues worldwide and we are very pleased to be able to help them expand and scale up their operations across Africa."

Opportunity International is rapidly opening and scaling up formal financial institutions in Ghana, Malawi, Mozambique and South Africa. Innovations include biometric fingerprint identification technology, smart cards, mobile ATMs, savings accounts, low-cost money transfers and life and crop insurance. New banks will open in Rwanda in March, Kenya and Uganda later in 2007, and DRC in 2008. In Ghana, Opportunity International will expand operations by opening branches in rural areas of the country, where few such services exist for the poor today.

"Our vision is to open a trans-African chain of microfinance banks because of the sheer numbers of poor families and the deep vulnerability they face due to the HIV/AIDS pandemic, struggling economies and other factors," Crane said. "Our commitment is to serve the poorest of the working poor and our goal is to give these families the opportunity to work their way out of poverty."

Gates Gift to Enhance "\$1 Billion for 100 Million People" Campaign The Gates Foundation grant and loan are the latest in a series of high-profile contributions to Opportunity International as it executes a new campaign to mobilize \$1 billion over the next six years to benefit 100 million poor people by 2015. Opportunity International has recently received corporate gifts from the Caterpillar Foundation (\$1.2 million) and Lenovo Corporation (\$1 million in computer hardware). John and Jacque Weberg, long-time supporters of Opportunity International, announced plans in 2006 to give \$5 million annually for the next 10 years, the largest individual gift ever to a microfinance organization.