



Bridge Launches with \$24 Million in Funding – Bringing Social Investment to Strengthen Rural Finance in the Philippines

Financial Services Veterans Are First To Announce Investment Plans Following Approval Of New Legislation

Manila, Philippines, 6th March 2013 – Bridge, a financial services company with a new approach to strengthening provincial banking and a commitment to social impact, fully focused on the Philippines, today announced its launch with a \$24 million investment from Accion, Bamboo Finance, DEG, FMO and Bridge's founding principal and chairman, Paul Kocourek. Bridge will provide both deep capability building services and capital to Rural and Thrift banks focused on low income populations, micro and small businesses. Bridge expects to make its first investments by June 2013 and invest all \$24 million within 2 years.

Bridge founders Paul Kocourek and Gus Poston bring over 50 years of experience and banking expertise including previous positions as the Managing Partner of Booz & Co.'s Asia Pacific and Global Financial Services practices, and senior positions in major commercial and microfinance banks in the USA, Europe and Asia.

"The opportunity and need in provincial areas of the Philippines is enormous. Rural finance is the missing component of inclusive banking," said Paul Kocourek. "82% of provincial Filipinos do not have bank accounts; only 6% of business growth in small provincial businesses is funded by bank loans. This lack of access to finance means slower job creation, greater risk for the poor and increasing inequality," he continued. "Bridge will help remove this barrier to development and accelerate growth."

"Provincial banks are often owned by the same family groups for generations and are the only formal institution offering financial services to their local community. We have already identified many effective banks that wish to expand their products and reach but lack the funds and skills to grow," said Gus Poston, Bridge's second founding principal. "Bridge will offer a combination of services and capital to support these banks, providing support in product design, risk management, growth planning, etc. These services will be provided by a team of Filipino and international experts working with the banks every day. Our vision is to build a long-term network of dynamic and dedicated provincial focused banks."

Bridge will make use of newly passed legislation allowing foreign investment into Rural Banks. "We congratulate the RBAP for its leadership in supporting the amendment to the Rural Banking Act. We believe socially motivated foreign investment will significantly improve stability and growth in the Rural Banking sector, ultimately creating more growth and social progress in rural areas," the Principals added.

Bridge's investors are Accion, a global nonprofit dedicated to financial inclusion; FMO, of the Netherlands and DEG of Germany, two of Europe's biggest development finance institutions; Bamboo Finance, a global private equity firm with expertise in microfinance and impact investing; and Paul Kocourek. These investors share the goal of creating enduring social and environmental impact and strong returns. They will provide funding as well as management services and technical assistance to Bridge and its investee banks.

"Half of the Philippines' 95 million residents people live on less than \$2 a day, making job creation and financial inclusion a high priority," said Michael Schlein, president and CEO of Accion. "Through our investment in Bridge, we can help these banks significantly expand their reach, diversify the products they can offer and help their clients improve their lives."

About Bridge

Bridge will establish a network of innovative, dynamic, mission-driven provincial banks, initially all located in rural Philippines. Bridge's aim is to create jobs and opportunity by extending high-quality financial services to businesses, farmers and individuals in areas currently poorly served. Bridge grows already successful banks in a socially and environmentally sensitive

manner by providing Capital, Capability Building and Central Services. Bridge was founded in 2013 and its operations are in Manila.

www.bridge.sg

About Accion

Accion is a global nonprofit dedicated to building a financially inclusive world, with access to economic opportunity for all, by giving people the financial tools they need to improve their lives. A world pioneer in microfinance, Accion has helped build 63 microfinance institutions in 31 countries reaching millions of clients on four continents. The Accion U.S. Network is the largest microfinance network in the country and, since inception, has served hundreds of thousands of clients with loans and support.

www.accion.org

About Bamboo Finance

Bamboo Finance is a global private equity firm with \$250 Million AUM representing a portfolio of 46 investments in 31 countries with offices in Luxembourg, Geneva, Bogota and Singapore. Bamboo Finance invests in companies that expand access, accelerate inclusion and improve the quality and affordability of goods and services for low income markets in developing economies.

www.bamboofinance.com

About DEG

DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH, based in Germany, is one of the largest European development finance institutions. DEG is a subsidiary of KfW. For more than 50 years, DEG has been financing and structuring the investments of private companies in developing and emerging market countries. DEG's aim is to establish and expand private enterprise structures in developing and emerging countries, and thus create the basis for sustainable economic growth and a lasting improvement in the living conditions of the local population.

www.deginvest.de

About FMO

FMO (the Netherlands Development Finance Company) is the Dutch development bank. FMO supports sustainable private-sector growth in developing and emerging markets by investing in ambitious entrepreneurs. FMO believes a strong private sector leads to economic and social development, empowering people to employ their skills and improve their quality of life. FMO focuses on three sectors that have high development impact: financial institutions, energy, and agribusiness, food & water. With an investment portfolio of EUR 6.2 billion, FMO is one of the largest European bilateral private-sector development banks.

www.fmo.nl

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