

PRIDE Tanzania	TANZANIA
<i>Non Governmental Organisation</i>	<i>Report as of December 2004</i>

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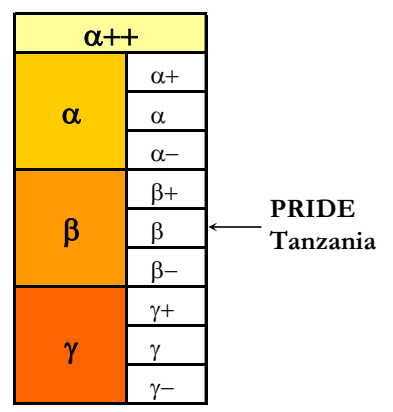
Synopsis

PRIDE Tanzania commenced operations as a non-profit organization in 1994. With a gross portfolio of \$11 million equivalent, 28 branch offices and 62,000 borrowers as of December 2004, the company is now the largest micro lender in the country. Using a modified Grameen approach, PRIDE makes loans in amounts equivalent to \$180 on average, whilst maintaining excellent portfolio quality. However, recent liquidity constraints have hindered growth.

The company first broke even in 2001 and has been increasingly efficient (and profitable) since then. PRIDE is currently in the process of transforming into a supervised microfinance company.

PERFORMANCE RATING **β**

Date of visit	June 2005
Date of previous rating	n.a.
Previous rating	n.a.



Highlights

The rating accorded takes into account information obtained after MicroRate's on site visit in June 2005. This pertained to two credit lines totalling roughly \$1.4 million, which according to management, will be used mainly to boost liquidity.

POSITIVE

- High profitability.
- Excellent portfolio quality.
- Experienced management and organization.
- Strong market position, national coverage.

NEGATIVE

- Scarce liquidity, limited access to funds.
- Lack of sufficient reserves for client savings.
- Low client retention rate.
- Limited product offering.

Main Performance Indicators		
	Dec '03	Dec '04
Gross Portfolio ('000's)	\$9,061	\$11,023
Number of active borrowers	60,587	61,918
ROE	32.9%	24.2%
Portfolio Yield	56.8%	54.2%
Portfolio at Risk	0.1%	0.3%
Operating Expense Ratio	43.7%	43.4%
Average Loan Size	\$150	\$178
Borrowers per staff	253	243

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