



News Release
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Like minded Foundations co-invest in entrepreneurs in Africa to generate financial and social returns.

Basel, London, Nairobi, New York, Palo Alto, Pretoria – **20 February 2007** – Deutsche Bank Foundation Americas, Skoll Foundation and Syngenta Foundation for Sustainable Agriculture have joined Shell Foundation to support growth – oriented Small and Medium Enterprises in Eastern Africa, by co-investing US\$9.25m in the GroFin East Africa Fund (GEAF), a US\$43m facility branded as Aspire. Aspire is managed by GroFin, a specialist business development and finance company providing business support and appropriate finance to viable entrepreneur-owned businesses in Kenya, Rwanda, Tanzania and Uganda. Beyond their substantial financial commitment, the Foundations will also make available to the Fund their networks and relevant industry –specific skills and resources. By supporting a business approach that delivers attractive financial returns, the Foundations hope to create a platform for future growth and scale-up.

The Facility started its investment activities in 2006 and has to date invested more than \$7m in 21 enterprises, facilitating employment for nearly 600 people. An additional 70 enterprises will benefit from investments by the Facility over the next two years. The majority of start-up and growth businesses in East Africa cannot access risk capital due to the lack of skills, collateral and track record. The GroFin business development assistance and finance process was specifically developed to address the business support and capital needs of small- and medium-sized enterprises (SMEs). The integrated approach reduces the risk of the transaction, significantly increases the business success rate, develops the local skills base and increases financial and development returns.

The Foundations recognise that SMEs with growth and profit potential serve as key drivers of economic growth, but have been underserved by the commercial market in addressing their finance and business development needs. It is expected that the SMEs that will benefit from GroFin's assistance will generate wealth as well as employment opportunities in the communities in which they operate.

Other investors include public development finance institutions from Belgium (BIO), Finland (Finnfund), the Netherlands (FMO), Switzerland (SIFEM) and the United Kingdom (CDC) as well as Triodos Bank and GroFin. A further distinctive feature of GroFin is that resources are systematically leveraged from local commercial banks (Dfcu, CBA, Eurafrikan Bank and BCR), which co-invest with the Fund on the same risk and reward basis.



Throughout the world, **Deutsche Bank** seeks opportunities to play a positive role in addressing local needs by making available financial resources, the talents of its personnel and the leadership of its management. Through its role as global financial services provider, Deutsche Bank seeks to create economic opportunities for those least advantaged and is a leader in the provision of capital to microfinance institutions throughout the developing world. Investment in GEAF: US\$0.75m
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"We are excited by the potential of the Aspire Fund to fuel the growth of a new class of business owners in East Africa. This innovative partnership of the corporate sector, philanthropies and development finance institutions holds great promises for achieving a sustainable approach to poverty alleviation."

Gary Hattem, President
Deutsche Bank Americas Foundation
New York City

"There is no shortage of entrepreneurial talent in Africa. But lack of business skills and access to local capital typically frustrates the start-up or growth of small and medium sized enterprises. The Aspire facility is designed to overcome these barriers in ways that both support local economic growth and deliver financial returns essential to its long term scale up and replication across Africa."

Chris West, Deputy Director
Shell Foundation
London

Shell Foundation has a long term strategic partnership with GroFin that involves the joint development, refinement and promotion of the business model for the Aspire funds. Shell Foundation is an independent, UK-registered charity, established in 2000 to develop and take to scale sustainable solutions to social problems arising from the links between energy and poverty, energy and the environment and the impact of globalisation on vulnerable communities. Through a business-based approach, it works with strategic partners to deliver self-financing solutions with measurable social benefits that can be scaled up to achieve large-scale impact. Investment in GEAF: US\$4.5m
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The Syngenta Foundation for Sustainable Agriculture is committed to promoting opportunities and choice for poor rural communities and fostering wealth in rural environments. It is increasing its focus on the drivers of rural economic growth and on improving rural-urban market connections. The Foundation aims to overcome market failures in innovation, climate change, rural finance as well as in small and medium enterprise finance and business development. Investment in GEAF: US\$1.5m
www.syngentafoundation.org

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"We believe that rural poverty can only be reduced if wealth is created both in rural and urban areas. This requires a dynamic SME sector, which the Aspire Fund is directly helping develop in Eastern Africa. Those, whose livelihoods depend on the realised growth opportunities, will experience the most tangible returns from the Facility."

Nikolaus Schultze, Head of Strategy
Syngenta Foundation for
Sustainable Agriculture
Basel



The Skoll Foundation was created by Jeff Skoll in 1999 to pursue his vision of a world where all people, regardless of geography, background or economic status, enjoy and employ the full range of their talents and abilities. The Skoll Foundation's mission is to advance systemic change to benefit communities around the world by investing in, connecting and celebrating social entrepreneurs.

www.skollfoundation.org
Investment in GEAF: US\$2.5m

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"African SMEs too often struggle to find the capital they need because banks see them as too risky an investment. By integrating funding with business development assistance we are offering a viable solution to this problem - giving SMEs hope and delivering returns to investors.

We are open for business and actively looking for SMEs to assist with our unique offering of business development assistance and finance."

Kenneth Onyando, Regional Investment Manager
GroFin
Nairobi