GRAMEEN FOUNDATION IS PROVIDING MILLIONS IN FUNDING FOR MICROFINANCE, INNOVATING FOR THE POOR AND STRENGTHENING OUR PARTNERS. TODAY, OUR NETWORK OF PARTNERS IS HELPING MORE THAN 3.6 MILLION WOMEN IMPROVE THE LIVES OF THEIR FAMILIES THROUGH MICROFINANCE.
Let us join hands to give every human being a fair chance to unleash their energy and creativity.

— Professor Muhammad Yunus, Founder and Managing Director of Grameen Bank, Founding Board Member of Grameen Foundation, and Nobel Peace Prize Laureate

GRAMEEN FOUNDATION: A PROUD HERITAGE

Inspired by the work of Grameen Bank in Bangladesh, Grameen Foundation was created to help share the Grameen philosophy and accelerate the impact of microfinance on the world’s poorest people. Although they are independent organizations, Grameen Foundation and Grameen Bank maintain an enduring relationship. Grameen Foundation replicates the success of Grameen Bank internationally by supporting microfinance institutions that embody its vision and values. Professor Yunus is a founding and current member of Grameen Foundation’s board of directors. We congratulate Professor Yunus and Grameen Bank for winning the 2006 Nobel Peace Prize.

Grameen Foundation’s mission is to empower the world’s poorest people to lift themselves out of poverty with dignity through access to financial services and information.
WHEN PROFESSOR MUHAMMED YUNUS AND THE GRAMEEN BANK WERE AWARDED THE 2006 NOBEL PEACE PRIZE, IT THRUST MICROFINANCE INTO A GLOBAL SPOTLIGHT.

This well-deserved recognition has opened doors for all of us working to assist the world’s poorest people. Microfinance has improved women’s social status, given children the chance to attend school, and brought greater income to households that have survived far too long on less than $1 a day.

In 2006, your generous support and the work of our dedicated board of directors, staff, and volunteers propelled our efforts to give more industrious women a chance to defeat absolute poverty. Through creative partnerships, services, and products, we are grateful to be able to support 57 strong microfinance institutions capable of providing loans and financial services to help 5 million poor families by 2008. Moreover, our breakthrough innovations in financing, technology, and social performance measurement are gaining recognition as much needed solutions throughout the microfinance industry.

Behind all of our achievements is the inspiration flowing from the 7 million members of Grameen Bank. I had the honor of attending the Nobel Peace Prize ceremony where I was reminded of microfinance’s unique ability to empower women with confidence and dignity. When Taslima Begum, a Grameen Bank borrower and a member of its Board of Directors, spoke before the world to accept the Peace Prize on behalf of Grameen Bank, I couldn’t hold back the tears. On behalf of poor women everywhere, she pledged to continue to work until the day that every person lives in dignity and justice. Your continued support is helping women like Taslima to dream bigger and realize a greater future for their families and ours.

Thank you,

Susan Davis
Chair
Grameen Foundation supports local microfinance institutions (MFIs) to help them expand their reach in their communities. These 46 microfinance institutions are our partners. They span 21 countries in four continents. GF introduces tools and innovations to our partners and the entire microfinance industry to help them grow, creating a far-reaching global footprint.

### OUR GLOBAL FOOTPRINT

<table>
<thead>
<tr>
<th>REGION/COUNTRY</th>
<th>GF PARTNERS’ CLIENT OUTREACH</th>
<th>FINANCING DELIVERED*</th>
<th>COUNTRIES WE WORK IN</th>
<th>INNOVATIONS IN ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASIA</td>
<td>3,018,250 clients reached, up 75% from 12/31/2005</td>
<td>$6,631,184</td>
<td>Bangladesh, China, East Timor, India, Indonesia, Pakistan, Philippines</td>
<td>Mifos in India and the Philippines, Village Phone Direct in the Philippines</td>
</tr>
<tr>
<td>THE AMERICAS</td>
<td>260,377 clients reached, up 67% from 12/31/2005</td>
<td>$4,340,000</td>
<td>Bolivia, Dominican Republic, Haiti, Honduras, Mexico, Nicaragua, Peru, United States</td>
<td>PPI in Mexico, Haiti, and Bolivia</td>
</tr>
<tr>
<td>MIDDLE EAST AND NORTH AFRICA</td>
<td>164,892 clients reached, up 76% from 12/31/2005</td>
<td>$18,099,000</td>
<td>Egypt, Morocco, Saudi Arabia, Tunisia, Yemen</td>
<td>Mifos in Tunisia, PPI in Morocco</td>
</tr>
<tr>
<td>SUB-SAHARAN AFRICA</td>
<td>95,963 clients reached, up 44% from 12/31/2005</td>
<td>$1,357,704</td>
<td>Cameroon, Nigeria, Rwanda, and Uganda</td>
<td>Mifos in Kenya, Village Phone Cameroon, Rwanda, and Uganda</td>
</tr>
</tbody>
</table>

*Financing delivered includes all grants, loans, and the leveraged value of growth guarantee loans. In the MENA region it also includes the leveraged value of Growth Guarantee Loans provided by the Mohammed Jameel Guarantee Fund.

To learn more about:
- Microfinance Open Source Initiative (Mifos) — See page 15
- Progress out of Poverty Index (PPI) — See page 15
- Village Phone — See page 17

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INNOVATION AND IMPACT: LIFTING PEOPLE OUT OF POVERTY 7
EMPOWERING 3.6 MILLION FAMILIES WORLDWIDE

Grameen Foundation supported its global network of microfinance organizations to help them bring microfinance to 3.6 million people living in poverty.

<table>
<thead>
<tr>
<th>REGION/COUNTRY</th>
<th>PARTNER</th>
<th>BASELINE OUTREACH* 3/31/07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASIA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bangladesh</td>
<td>Integrated Development Foundation (IDF)</td>
<td>43,586</td>
</tr>
<tr>
<td>China</td>
<td>Funding for the Poor Cooperative- Nanhai Branch (PPC)</td>
<td>14,211</td>
</tr>
<tr>
<td>China</td>
<td>Association for Rural Development of Poor Areas in Sichuan (ARDPAS)</td>
<td>1,539</td>
</tr>
<tr>
<td>China</td>
<td>Chhing Zhasoula</td>
<td>3,166</td>
</tr>
<tr>
<td>East Timor</td>
<td>Moris Rasik</td>
<td>4,626</td>
</tr>
<tr>
<td>India</td>
<td>Activists for Social Alternatives (ASA)</td>
<td>68,781</td>
</tr>
<tr>
<td>India</td>
<td>CASHPOR/ Cashpor Financial and Technical Services</td>
<td>27,769</td>
</tr>
<tr>
<td>India</td>
<td>Covenant Centre for Development (CCD)</td>
<td>NA</td>
</tr>
<tr>
<td>India</td>
<td>Evangelical Social Action Forum (ESAF)</td>
<td>1,064</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Mitra Karya East Java (MIJE)</td>
<td>85</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Yayasan Mitra Dhuara (YMID)</td>
<td>789</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Yayasan Karya Bunda Safitha (YBS)</td>
<td>449</td>
</tr>
<tr>
<td>Pakistan</td>
<td>Kashf Foundation</td>
<td>59,389</td>
</tr>
<tr>
<td>Pakistan</td>
<td>Urban Poverty Alleviation Program (UPAP)</td>
<td>8,120</td>
</tr>
<tr>
<td>Philippines</td>
<td>Ahon Sa Mirap Incorporated (ASHI)</td>
<td>10,701</td>
</tr>
<tr>
<td>Philippines</td>
<td>Center for Agricultural and Rural Development (CARD)</td>
<td>79,745</td>
</tr>
<tr>
<td>Philippines</td>
<td>Center for Community Transformation (CCT)</td>
<td>78,066</td>
</tr>
<tr>
<td>Philippines</td>
<td>Negros Women for Tomorrow Foundation (NWTF)</td>
<td>54,863</td>
</tr>
<tr>
<td>Philippines</td>
<td>Tuleg Sa Pag-i-bida Incorporated (TIP)</td>
<td>88,517</td>
</tr>
<tr>
<td><strong>MIDDLE EAST &amp; NORTH AFRICA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Egypt</td>
<td>Al-Tadamun</td>
<td>9,232</td>
</tr>
<tr>
<td>Egypt</td>
<td>Regional Association to Develop Enterprise (RADE)</td>
<td>6,115</td>
</tr>
<tr>
<td>Morocco</td>
<td>Fondation pour le Développement Local et le Partenariat – Micro-crédit (FONDEP)</td>
<td>20,485</td>
</tr>
<tr>
<td>Morocco</td>
<td>Al Karima</td>
<td>3,224</td>
</tr>
<tr>
<td>Tunisia</td>
<td>ENDA Inter-Arabe</td>
<td>25,018</td>
</tr>
<tr>
<td><strong>SUB-SAHARAN AFRICA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nigeria</td>
<td>Lift Above Poverty Organization (LAPO)</td>
<td>24,545</td>
</tr>
<tr>
<td>Nigeria</td>
<td>SHARE</td>
<td>197,943</td>
</tr>
<tr>
<td>Nigeria</td>
<td>Swayam Krishi Sangam (SKS)</td>
<td>9,083</td>
</tr>
<tr>
<td>Nigeria</td>
<td>SHARE</td>
<td>178,000</td>
</tr>
<tr>
<td>Pakistan</td>
<td>Kashf Foundation</td>
<td>3,166</td>
</tr>
<tr>
<td>Pakistan</td>
<td>Urban Poverty Alleviation Program (UPAP)</td>
<td>36,020</td>
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<tr>
<td>Philippines</td>
<td>Ahon Sa Mirap Incorporated (ASHI)</td>
<td>10,701</td>
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<td>Center for Agricultural and Rural Development (CARD)</td>
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<td>Philippines</td>
<td>Tuleg Sa Pag-i-bida Incorporated (TIP)</td>
<td>88,517</td>
</tr>
<tr>
<td><strong>TOTAL ALL PARTNERS</strong></td>
<td></td>
<td><strong>1,010,050</strong></td>
</tr>
</tbody>
</table>

*The Baseline Outreach is either the outreach level at the start of GF’s strategic plan on 12/31/2003 or the outreach level at the commencement of the partnership in the case that a partner was added after the start of the strategic plan.

**MFIs who have received the Growth Guarantee Product and no other services from GF. Growth Guarantee Partner’s outreach is a one-time addition to GF’s total outreach and is determined by dividing the total amount of the Growth Guarantee by the average loan size at the time the Growth Guarantee is provided.

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KHALID KABEER  
Pakistan

WORKING FOR THE DAY THERE IS NO NEED FOR MICROFINANCE

Kashf Foundation, a microfinance institution based in Lahore, Pakistan, was founded to bring economic empowerment to women and help reduce the poverty that is crippling the country’s 50 million people who live on less than $1 a day. Khalid Kabeer, the CFO of Kashf Foundation, is part of the outstanding leadership team that has guided the organization’s rapid growth, from 60,000 clients at the end of 2003 to more than 170,000 today. Coming from a corporate accounting background, Khalid wanted to use his expertise to give back to society. In his day-to-day work focusing on everything from financial accounting to treasury management, Khalid is guided by the principal that every person has basic economic needs. He believes that “access to financial services...allows our clients to grow economically and helps them to position themselves better socially.” When asked about his most memorable day on the job, Khalid remarks, “Every day is a memorable day. However, once there is no need for microfinance, that will be a memorable day!”

Continued on next page...
Adequate financing is one of the largest barriers to growth for many microfinance institutions. Grameen Foundation is filling this gap by providing them with grants, loans, and loan guarantees. In 2006, Grameen Foundation leveraged more than $30 million to MFIs that serve the world’s poorest people. This financing is used by MFIs to expand operations and reach more poor clients. From being used to open branches in new areas to delivering new loans to people in need, increased financing is critical to bringing microfinance to its full potential.

**PROVIDING MILLIONS IN FUNDING FOR MICROFINANCE**

Building Bridges to Finance Growth

To overcome the global poverty crisis, microfinance institutions need millions of dollars in financing to expand quickly and meet the demand for credit. The capital markets’ vast resources can provide this much-needed financing. A critical link is needed between capital markets and microfinance institutions. Grameen Foundation’s Growth Guarantee Program is working to be that bridge. The Growth Guarantee Program provides guarantees to MFIs so they can obtain significant loans from local commercial banks. It is estimated that this tremendous influx of capital will enable loans to a combined 150,000 families worldwide. The Growth Guarantee program is made possible thanks to the exceptional generosity of nine high-net-worth individuals who have pooled their assets to provide the guarantees.

Grameen Foundation’s partner Pro Mujer Bolivia is an example of the considerable benefits of the Growth Guarantee Program. It received two guarantees totaling $750,000 that leveraged a combined $1.5 million in local financing. These loans, negotiated with lower than average interest rates, will enable more than 10,000 additional entrepreneurs to receive loans.

**FINANCING WE’VE FACILITATED FOR OUR PARTNERS**

<table>
<thead>
<tr>
<th>Financing Provided to MFIs</th>
<th>Total Leveraged Funding Provided to MFIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,920,000 Asia</td>
<td>$26,864,000 Sub-Saharan Africa</td>
</tr>
<tr>
<td>$14,191,000 Latin America and Caribbean</td>
<td>$25,099,000 Middle East and North Africa</td>
</tr>
</tbody>
</table>

**BUILDING BRIDGES TO FINANCE GROWTH**

In 2007, Grameen Foundation leveraged more than $30 million to MFIs around the world. It is estimated that this tremendous influx of capital will enable loans to a combined 150,000 families worldwide. The Growth Guarantee program is made possible thanks to the exceptional generosity of nine high-net-worth individuals who have pooled their assets to provide the guarantees.

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**PROFILE**

**FATIMA BILMUSTAFA**

**MOROCCO**

Creating a New Path

After a divorce from her husband, Fatima was struggling to support herself and her son. She had inherited land from her father, but needed capital to buy livestock and produce to grow on the land. In 2004, Fatima turned to Grameen-Jameel Initiative for the Arab World’s partner Al-Karama for a loan. Now on her third loan of 2,000 Dirham (US$200), Fatima owns cows, chickens, and sheep and grows orange trees on her land. She has seen her profits steadily grow, and has used them to put her son through school.

The Grameen-Jameel Initiative for the Arab World is helping more than 164,000 women living in the Middle East and North Africa create better lives for their families.
BRINGING TOGETHER BANKS AND MFIS

In the Middle East and North Africa, an estimated 75 million people live on less than $2 a day. Arab microfinance institutions urgently need collaborations with commercial banks to provide the millions of dollars required to serve the poor there. The Grameen-Jameel Initiative for the Arab World is helping bring the two parties together. The initiative is a partnership between the Abdul Latif Jameel Group and Grameen Foundation aimed at reducing poverty in the Arab world through microfinance. In November 2006, The Grameen-Jameel Initiative for the Arab World cosponsored and organized the Sanabel Microfinance Investment Seminar, which brought together MFIs and commercial investors so they can understand each other’s needs and challenges. One of the event’s highlights was a competition in which MFIs vied for the title of “2006 Best Microfinance Investment in the Arab Region” by making mock investment pitches to a panel of commercial bankers and investors. Leticia Alonso, financial advisor at Grameen-Jameel Initiative for the Arab World’s partner FONDEP in Morocco, says the seminar “…was one of those rare times when everything is just right: the themes and discussions were highly technical but very practical at the same time…. [I]t was one of the few seminars where you go out longing to start applying all the new ideas you’ve got.”

Financing and support to our partners in the MENA region in 2006 enabled an additional 71,451 clients to gain access to microfinance.

PROFILE

A VISIONARY ENTREPRENEUR

Before the tsunami hit Aceh, Indonesia in 2004, Mrs. Yusnaini had a small stand in front of her house where she sold traditional Indonesian meals. The tsunami claimed the lives of several of Mrs. Yusnaini’s family members and destroyed her home. When she was left to rebuild from scratch, Mrs. Yusnaini turned to Grameen Foundation’s local partner, YAMIDA, to receive a $100 loan. She used the capital to purchase new pots, plates and other materials to rebuild her business. In a short amount of time Mrs. Yusnaini was producing and selling food, and making a profit of $4 a day. Mrs. Yusnaini is proud of her business and says, “I don’t want to only run this stall. I dream of someday owning my own restaurant.”

Since the 2004 tsunami struck Indonesia, Grameen Foundation’s local partners YKBS and YAMIDA have helped 4,291 families rebuild their lives.

“My loan from Al Karama changed my life….”  Al Karama has helped more than 9,000 women in Morocco improve their lives through microfinance.
At the core of Grameen Foundation’s mission is a commitment to developing innovative tools and sharing them with the microfinance industry. Our innovations seek to make the industry more efficient and effective at delivering microfinance and thereby accelerate the growth of microfinance to reach more of the poor.

MEASURING PERFORMANCE TO BETTER SERVE THE POOR
Microfinance institutions are continually challenged to provide financial services that reach the poorest and move clients out of poverty. Grameen Foundation’s Progress out of Poverty Index (PPI) is a unique tool designed to measure the poverty level of clients. It is a generalized system based in part on Grameen Bank’s 10 Point System of poverty assessment that produces information on clients’ well being. This information helps MFIs design better products to meet the needs of the poor.

In July 2005, GF’s partner AlSol, which is currently serving more than 13,000 families in Chiapas, Mexico integrated PPI into their operations and is beginning to see results. Initial data shows trends in poverty based on location and type of business, which can inform how loan officers target the poorest clients. Katia Corroy Castro, AlSol’s executive director, points out that “the largest challenge that we have faced is how to know if we are reaching the poorest populations. The implementation of the PPI has allowed us to identify our clients’ poverty levels.” AlSol uses the tool to assess a client’s poverty level when entering the program, every six months thereafter, and when clients leave. “With this information we want to…redefine our services to offer the most suitable program for our clients.”

MIFOS: TECHNOLOGY THAT EMPOWERS MICROFINANCE
Microfinance institutions lack access to affordable, flexible, and scalable management information systems (MIS). An effective MIS allows a microfinance institution to automate processes, make faster and more efficient decisions, and improve its capacity to report out to external stakeholders, including donors. Today, approximately 40 percent of all MFIs have manual or Excel based systems and another 40 percent build expensive custom-build systems. The Microfinance Open Source initiative (Mifos) delivers a world-class MIS and a shared platform for industry innovation. Its open source framework allows free and open access to modify the software so that MFIs can engage local IT resources to implement Mifos and provide ongoing support at local affordable rates.
In May 2006 GF began testing Mifos with its partner Grameen Koota, which currently serves more than 100,000 clients in Bangalore, India. Grameen Koota is in the process of implementing Mifos throughout its branch network in India. As of March 2007, it was also being implemented at MFIs in Tunisia and Kenya.

VILLAGE PHONE: CHANGING LIVES, CONNECTING THE WORLD

Surrounded by the rhythm of dancers and the beating of drums, local leaders, reporters, GF staff and microfinance borrowers gathered last June to celebrate the launch of Village Phone Rwanda. In a country where daily life has been marked by conflict and extreme poverty, increased access to communication channels and new business opportunities are causes for much celebration. The launch marked a year of expansion for the Village Phone program, which is based on Grameen Bank’s pioneering work in Bangladesh. Village Phone provides microfinance clients with cell phones and materials to start a pay phone business. Microfinance clients collect fees for calls made on the phone. An independent third party evaluation of Grameen Foundation’s first Village Phone replication in Uganda found that the average Village Phone Operator earns three times the average national income in Uganda.

The impact of this program goes far beyond the Village Phone operator and her family. Entire communities gain a valuable communication link that improves businesses, village infrastructure, and personal relationships.

Grameen Foundation is working to globalize this innovative tool by launching new pilot programs and establishing Village Phone Direct, a program by which organizations can independently establish Village Phone. In total, GF’s Village Phone partners have collectively placed over 8,000 cell phone businesses into the hands of entrepreneurs.

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With a $250 loan I purchased this phone to operate out of my grocery store. People from my village pay to use it everyday.”

CONTRIBUTING TO TECHNOLOGY THAT MATTERS

A dedicated team of more than 20 volunteers were integral to GF’s project called Microfinance Open Source (Mifos). They provided valuable support in nearly every phase of the project from software development to marketing and business development. Throughout the end of 2006, Van Mittal-Henkle, a former Amazon.com employee, led conversations around technical changes and provided support in improving the software’s code. “I see Mifos as an opportunity to build software that really matters. It has been extremely satisfying contributing to the Mifos effort since it is a project that will have a positive impact on the lives of so many people.”

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VAN MITTAL-HENKLY
GLOBAL

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STRENGTHENING OUR PARTNERS

Whether providing just microloans, or additional services like health education, microfinance institutions are in the business of empowering poor people. Microfinance institutions, like all organizations, face the daily challenges of running efficient operations, from human resources to financial management. The difficulties are compounded by the realities of working in extremely poor areas. Grameen Foundation’s customized services for its partners cover their diverse needs with the goal of establishing robust microfinance institutions that operate at full potential. Once that goal is achieved, the microfinance clients reap the benefits of increased loan availability and targeted products that improve their likelihood of escaping poverty.

BUILDING UP HUMAN POTENTIAL

In Mexico, where more than 43 million people live below the national poverty line, GF’s training and support to its three local partners is focused on transforming small institutions into MFIs capable of rapid growth. In April and May 2006, Grameen Foundation provided scholarships for 12 loan officers to be trained on keeping their microfinance clients on track with loan payments. This six-week interactive course provided an opportunity for partners to build their staff’s knowledge and exchange experiences with peer organizations. José Gerardo Cruz Gómez, a loan officer who participated from GF’s partner, AlSol, has seen his overdue loans decrease from $12,000 pesos (US$1,110) to $2,000 pesos (US$185). This type of cost reduction can provide more financing for new loans.

BUILDING A BETTER FUTURE FOR HER FAMILY

Just four years ago, Baohua Zhu and her family struggled to live on her husband’s income, which he made by traveling two hours each way to do odd jobs in Beijing. When Baohua heard about our partner microfinance institution Funding the Poor Cooperative (FPC) in 2004, she realized she could start her own business and provide a better life for her two children. Baohua joined a group with four other women to take out loans to sell produce. The first year Baohua used her loan of 1,000 Renminbi (US$130) to build a greenhouse. Since then, she has seen her business flourish. She grows a variety of produce—tomatoes, squash, peanuts and eggplant—to ensure her business thrives year round. Last year, she earned 10,000 Renminbi (US$1,300) in profit. Baohua is proud that she has earned enough from her business to repay her loan on time, expand her business so her husband no longer has to leave the village, and save for her son’s upcoming college fees.

Grameen Foundation established a partnership with Funding the Poor Cooperative in 2001. Through financing and technical support, we have helped FPC expand to reach more than 15,000 clients like Baohua.

EXPLAINING HER BUSINESS, GAINING NEW SKILLS

Three years ago, Raquel Arias realized her business needed help. Her traditional snacks were a local favorite around lunch time, but her profits were limited. Raquel turned to Pro Mujer Bolivia to take out a 1,200 Bolivianos (US$150) loan to buy a refrigerator. With her expanded business, she now offers ice cream and other frozen items for her customers. Her average daily income nearly doubled compared to before the loan. Raquel also takes advantage of Pro Mujer Bolivia’s social services to promote education. When asked what she likes most about being a member of Pro Mujer Bolivia, Raquel responds, “I like the training classes. I can share what I learn with my children.” Raquel is proud of her investment and uses her increased income to support her five children.

Pro Mujer Bolivia has benefited from financial and technical support as a Grameen Foundation partner since 2005. Like Raquel, more than 13,000 additional clients benefited from Pro Mujer Bolivia’s financial and social services since the beginning of 2006.

LAYING THE GROUNDWORK TO SERVE CHINA’S POOREST

As China’s vast urban centers are experiencing economic growth, the rural poor are increasingly left behind. Across China’s more than 220 million people are struggling to survive on less than $1 per day. To curb this trend, Grameen Foundation launched its expansion in China in 2006. We held a three-day training with our partners, Funding the Poor Cooperative, Chifeng Zhaowuda, and ARDPAS, to create action plans to make their business processes more efficient. These types of cost savings can be passed on to the borrower. We also worked with our partners to identify their technology needs and develop a comprehensive IT strategy. Having a strong technology system is critical in transforming small microfinance organizations with limited capacity into large institutions capable of reaching millions of clients. These action plans are a major step in our partners’ efforts to collectively double their outreach and extend microfinance to 35,000 poor families.
Your contributions in 2006 broke new records in fundraising and enabled us to grow our reach to an additional one million families this year. We remain indebted to our loyal supporters and welcome the outpouring of new donors who joined our growing family. With each donation, Grameen Foundation is strengthening our partners and investing in innovations, so that poor people worldwide gain access to credit. On behalf of the 3.6 million clients whose lives are changed through our efforts, our global network of partners, our staff and board of directors, thank you for the invaluable role you play in lifting the poorest out of poverty through microfinance.

“...the reason I choose to support Grameen Foundation is because I’m sure that my small amount of dollars goes as far as it can possibly go in actually helping another person or family on this planet.”
—Sharyn and Vince Cerniglia
Jensen Beach, FL

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—Sharyn and Vince Cerniglia
Jensen Beach, FL

$1,000,000 (+)
John and Ann Doerr
Omidyar Network

$500,000 to $999,999
Bill & Melinda Gates Foundation
Blue Sky Foundation
The Chiapas Project
Fund for the Poor, Inc.
Janet McKinley and George Miller

$250,000 to $499,999
Anonymous (1)
Abdul Latif Jameel Group
Cisco Systems Foundation
Deutsche Bank Americas Foundation
Nokia

$100,000 to $249,999
Anonymous (1)
Lucy and Henry Billingsley
Citi Group Foundation
Goldman Sachs and Company
Google, Inc.

$50,000 to $99,999
Anonymous (2)
Hunt Consolidated, Inc.
Rock Paper Scissors Foundation
Russel Investment Group
Dr. Deep and Ruchi Singh
USAID
John C. Whitehead

$25,000 to $49,999
Anonymous (1)
Consultative Group to Assist the Poor (CGAP)

$10,000 to $24,999
Anonymous (5)
Anthony R. Abraham Foundation
Bochowski Family Foundation
Bridgeway Charitable Foundation
Michael Chastain
Jonathan Chen

This $80 million dollar goal is in support of our strategic plan to:
1) Reach 5 million new borrowers by 2008.
2) Ensure half of them cross the line out of poverty.
3) Create three innovations that will benefit the microfinance industry.
LIFTING PEOPLE OUT OF POVERTY

PROFILE

Mifos, Omidyar Network’s investment has spurred broad support from funders and volunteers, critical for the industry if it is to expand its reach.” Beyond providing critical funding for the progress of Mifos, which is a software solution that aims to overcome the microfinance industry’s information management challenges. “Omidyar Network is committed to advancing technologies that will benefit and transform the entire microfinance industry,” says Crystal Buchbinder.

The Osa Foundation

Jeanette and Christopher Phelps
Philip and Helen Brecher Charitable Fund
Ann and Jerry Rathe
Vincent Connery
Crystal Springs Foundation
The Darby Foundation
Jennifer Drogula and David Wohltadter
Robert and Lore Eichfeld
The Future Pfeiffer Family Philanthropic Fund
Jo Ghibilisco
Robert and Ellen Gordan
Eric Grossman
Carol Gundby
Easter Hewlett
Peter and Susan Hornbostel
Dorothy Joos
Robert and Jean Kane
Mary and Chris Kidd
Elizabeth and Douglas Kinney
Bridget and Christopher Liddell
Timothy Lutz
Mesa Design Group
Microsoft
The Oak Tree Philanthropic Foundation
The Osa Foundation

The Alan L. Blum Family Fund
Amar Mehta
Lane and May Armano
Dario Arnotti
Lee Ang
Michael Angelo
Atta Levanan Foundation for Justice
Manda Day Memorial Fund
David Barrad
BD
BEA Systems
Gary Beansen
Shaker Family Charitable Foundation
Joel Spiegel and Karen Van Deusen
Carolyn Surgeon
Tom Tapp
Thorman Boyle Foundation
Greenberg Traurig
Barbara Webb
Scott and Alice Williams
Daniel Wright
Steven Young

$5,000 to $9,999
Anonymous (3)
April Fund
Todd and Kay Armstrong
David and Leigh Bangs
The Baebab Fund
William Benac, Jr.
Chayyim Benedek
Best Buy
Joel Black
Peter Blachin and Donna Lou Willard Brown
Christopher Buchbinder
The Capital Group Companies
Charitable Foundation
Charles & Peggy Norris Family Fund
Vincent Connery
Crystal Springs Foundation
The Darby Foundation
Jennifer Drogula and David Wohltadter
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The Osa Foundation

The Catherine H. Bowen Charitable Trust
Wayne and Karen Chamblee
Alberto Cherubini
Juliana Chisholm
Ann-Lee Chou
Christian Streible, Inc.
Emily Chew
Church of The Incarnation
Martin and Lien Cibulka
Richard Clappritt
Dimitri and Myrto Cocconi
Scott Buckle and Charlotte Cole
Serena and Thomas Connelly
Barbara Cook
Jack and Laurie Corkey
Joseph and Deborah Cowal
Peter Cowhey and Margaret McKeown
Brenda Cresswell Lottia
Lotty Crisford
Gilles Daham
Kim DeBryer
Andrew Desmond
Susan Donnelly
Alan and Kristin Dunn
Edward Foss Wilson Charitable Trust
Daniel Ettinger
James Elam
Milli Ersatzecion
Mark Engasser
Patricia Engel
The Episcopal Church of the Epiphany
Lars Erickson

LEADING INVESTMENT IN INNOVATIVE TECHNOLOGY

Grameen Foundation’s Mifos open source initiative received a tremendous boost in 2006 with $1.5 million in funding from Omidyar Network. This investment has been central to the development and launch of Mifos, which is a software solution that will overcome the microfinance industry’s information management challenges. “Omidyar Network is committed to advancing technologies that will benefit and transform the entire microfinance industry,” says Crystal Buchbinder, investment manager at Omidyar Network. “Since 2004, we have supported Grameen Foundation’s efforts to promote the evolution of microfinance, and are particularly pleased to support the Mifos initiative. With its open source platform and strong focus on building local IT expertise, Mifos offers the industry a strong, sustainable technology platform, which is critical for the industry if it is to expand its reach.” Beyond providing critical funding for the progress of Mifos, Omidyar Network’s investment has spurred broad support from funders and volunteers, including Cisco Systems, Goldman Sachs, and the Rockdale Foundation.

2007 GRAMEEN FOUNDATION ANNUAL REPORT

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INNOVATION AND IMPACT: LIFTING PEOPLE OUT OF POVERTY

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2007 GRAMEEN FOUNDATION ANNUAL REPORT
A NEW LOOK INSPIRES ACTION

When Farhang Mehregani, a Citigroup employee living in London, was challenged by a friend to shave his full head of hair on a bet, he didn’t shy away. In fact, he was inspired to get other friends and colleagues involved in the challenge and he donated the proceeds to Grameen Foundation. “Many people want to be more active and make more charitable contributions, but sometimes need encouragement,” Farhang says. After realizing To raise awareness and funds for GF, try out one of our event ideas available in our free, downloadable “Friendraising” toolkit at www.grameenfoundation.org/get_involved.

PROFILE

FARHANG MEHREGANI
ENGLAND

2007 GRAMEEN FOUNDATION ANNUAL REPORT
SPREADING THE MESSAGE

"I do believe with all my heart that the concept of giving or even lending to people in deep poverty is a step in the right direction...And from what I have learned to date, this...idea which won...the Nobel Peace Prize for Professor Yunus and the Grameen Bank...is enough for me to ‘plant a seed’ to further it."

—Virginia Munroe, San Antonio, TX

So far Virginia, 81 years old, has sent over 500 letters and emails to friends asking that they send money to Grameen Foundation for ‘the women who need small loans’ to have a better life.

Ziv T deadliest Fund, Inc.

$500 to $999
Anonymous (6)
Katharine Abraham and Graham Horvick
Judy Albers
Judith Albrecht
Lyshbeth Anderson
Babson Capital Management
John Baker
Kenneth Baker
Bank of America
John Barnes
Jean Barolet
Carla Barrow
Stephen Bates
Thomas Berleth
Stuart Bevan
Judith and Michael Bohan
Amy Rollenbach
Samuel Book
William and Lucy Boss
Dave and Mindy Bostick
Kenneth Bowles
Elisabeth Brady
Anna Maria Brandinelli
James Bransom
Larkin Breed
Virginia Breen
Gail Griswold and Bill Jr. Brice
Cathy Brodus
Scott Brydow and Andrea Gallagher
Farah Bellamy
Micheline Burger
Mireille Buser
Margaret Byer
Robert Byrom
BZ Web Corporation
Constance Callahan
Gordon Campbell
William and Tere Canida
Elin Carlson
Laura Carns
Anthony Carter
Merle and Luz Cassidy
Courtney Cavness
Allison Chenai
Carol Chambers
Victoria Chang
Joanna Chapin
Daniel Chawod
Daniel Chaves
Daniel Chorn
Sree Chittramani
Raymond and Adeline Chiu
Susan and Ronald Choy
Patricia Clifford
Neal and Florence Cohen
Robert Conway
Richard Cook
Margaret Cronce
Linda Crow
Burt Cummings
Nancy Cundill
Bill Cunliffe
Janet Cunningham
Da Lee Corporation
Gabrielle Daly
Bill and Emily Danne
Maria Luisa de Castasac
Matthew and Beth Deob
Thierry Deegan and Patricia Conford
Jeffrey and Arita Degen
Mireille Delorme-Church
Jennifer DeMeo
Paul Demers
Joyce Denooyer
Linda Depper
Eloy Diaz
Thomas Dickson
Ben and Christine Diehl
Dennis Dillon
Doug and Susan DuBois
Shannon Duff
Karen Eastman
Electronic Arts Inc.

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For a more complete list of our donors, visit www.grameenfoundation.org/who_we_are/
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Ying Wang
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Reed Oppenheimer, 1997-1998

This list is current as of June 1, 2007
For full biographical sketches of the Board of Directors, visit www.grameenfoundation.org/boardmembers.
Affiliations listed for informational purposes only.
TURNING EXPERTISE INTO IMPACT

Rosanna’s contributions to Grameen Foundation go far beyond her position as treasurer on the Board of Directors. Rosanna fuses her passion for Latin America and expertise in capital markets into impact for the poorest in the region and beyond. She is doing just that as a member of our Latin America and the Caribbean Advisory Council and the Capital Markets Advisory Council. In 2006, Rosanna played a pivotal role in planning Grameen Foundation’s Peru Roadshow, which took place in February of 2007 and established high-level relationships with prominent government and banking officials. Rosanna’s volunteer support helped pave the way for $600,000 in local financing to Pro Mujer Peru, through GF’s Growth Guarantee Program. When asked what motivates Rosanna’s enthusiasm towards advancing GF’s mission, she responds, “I am impressed by microfinance and Grameen Foundation’s strategic approach and vision. I get ten times more in return from being a volunteer than what I put in.”
I’ll also be forwarding a photo of Robert Knapp, our CFO, to go along with his letter.
What You Can Do

Support Us. Grameen Foundation carries out its work because of individuals like you who make it possible. You can help us address extreme poverty at its root with your gift today. Gifts are fully tax-deductible to the extent allowed by law.

Stay informed. Receive free e-updates on microfinance’s transformation of communities, innovative projects we’ve launched, and more.

For more information on how to get involved, visit www.grameenfoundation.org/give

[Insert graphs showing outlays, where our money comes from, sources of contributions, where our money goes, statement of financial position, statement of financial activities]
With small loans, women around the world have opened food stalls, raised livestock, cultivated land and more.

*With your help, they are making inroads against poverty and creating healthier, brighter lives for their families.*