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The Microcredit Sector of the Federation of Bosnia and Herzegovina in 2015

As of 31.12.2015, 12 MCOs in the Federation owned the Agency's operating licence, of which there were 11 MCFs and 1 MCC. The balance sheet total of MCFs amounted to KM 423.3 million as of 31.12.2015, KM 402.9 million or 95.2% of which related to MCFs and KM 20.4 million or 4.8% to one MCC. The balance sheet total at the end of 2015 was down by KM 29 million or 6% compared to 31.12.2014. The fact that bankruptcy proceedings of one MCF's assets were initiated, due to which its financial indicators were not included in the analysis of the microcredit system of the FB&H, most significantly impacted the drop in assets at the level of the microcredit sector of the FB&H.

Total gross loans of MCOs, as the most important assets item, amounted to KM 355.4 million as of 31.12.2015 and accounted for 84% of total assets of MCOs. They decreased by 7% compared to the end of the previous year, while net loans amounted to KM 352 million and are down by 1% compared to 31.12.2014. Microlending is mainly focused on loans to agriculture (34%) and service activities (22%) and largely refers to long-term loans to natural persons. The average weighted effective interest rates on total loans in the microcredit sector amounted to 24.70% and recorded a significant decrease compared to the previous year.

The main source of funding of MCOs are loan commitments, which amounted to KM 208.4 million or 49% of total liabilities as of 31.12.2015, down by 21% compared to 31.12.2014. As of 31.12.2015, total capital of MCOs amounted to KM 193.3 million or 46% of total liabilities of MCOs, up by KM 32.2 million or 20% compared to the end of 2014. The increase in capital of MCOs was mainly influenced by the fact that the financial indicators of one MCF, against which bankruptcy proceedings have been initiated and the capital of which was negative in previous reporting periods, were not included in the financial indicators of the microcredit system in the FB&H.

Core capital and other reserves of MCFs amounted to KM 5.9 million, i.e. 3% of the total capital of MCFs. The core capital of one MCC amounts to KM 600 thousand and its profit to KM 331 thousand.

A positive financial result in the amount of KM 16 309 thousand has been recorded at the level of the microcredit sector in the Federation of B&H, up by KM 46 648 thousand compared to the same period of the previous year.

FBA PUBLIC RELATIONS OFFICE