



Opportunity International

IGNITING TRANSFORMATIONAL CHANGE

Annual Report 2012



Worker at the Opportunity Nicaragua yucca processing plant.

VISION:

A world in which all people have the opportunity to provide for their families and build a fulfilling life.

MISSION:

To empower people to work their way out of chronic poverty, transforming their lives, their children's futures and their communities.

MOTIVATION:

To respond to Jesus Christ's call to love and serve the poor.

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A MESSAGE FROM OUR CEO

Dear Friends,

This has been an incredibly inspiring first year for me since joining the Opportunity International team in September 2012. I have come to know a caring and generous community of partners who faithfully serve the world's most vulnerable people. I have also seen the incredible global reach of Opportunity International that provides services to people in 23 countries and employs approximately 17,000 people. With your partnership, our clients are working their way out of poverty, strengthening their families and building vibrant communities.

It was a privilege to travel to 10 countries this year to meet and talk with many clients, employees and partners. I'll share highlights from three visits that illuminate the great value of our partnerships.

I first traveled to Uganda with Michele Sullivan, President of the Caterpillar Foundation (CAT), to see the work they generously support. In addition to receiving Opportunity loans for their farms, our Ugandan farmers are now able to improve their crop yields thanks to a tailored set of agriculture services, including precise guidance on the most effective use of fertilizer, seeds and other best practices, including a cell phone application to GPS-map their farmland.

Michele and I were so impressed with Thomas Bugembe, a school proprietor in Uganda and a client of our Education Finance Program. He launched his school in 2006 with 37 children and it has grown to 356 children. It was thrilling to visit his school and see so many vibrant, happy children learning and growing, including more than 70 orphans. Thomas provides year-round dormitories and told us, "It is my calling to be their family... so I do not leave them." We asked how he is able to support the school when 20 percent of them don't pay tuition. In his loving and humble manner he explained, "...with God's help we find the resources to make it work."

In Nicaragua, we are creating sustainable community value through a Community Development Project in partnership with David and Donna Allman from Atlanta. While walking the dusty roads of La Laguna, I met Ana, who grew up in extreme poverty. After receiving an Opportunity loan, she was able to start a business with her mother selling food in the village market. Last year, we asked Ana what her community needed most. "Fresh water for our homes and village," she said without hesitation. We agreed to help finance a well and water distribution system for this community initiative but asked that the community provide the first funds for a sustainable project. Ana and her community raised \$3,600 and provided hundreds of hours of labor. They received a loan from Opportunity International to cover the remaining costs. Water is now flowing in La Laguna! Working directly with our clients to meet critical community needs is a joint partnership built on mutual responsibility and commitment.

I was also able to dive more deeply into our programs in China, India, Indonesia and the Philippines—representing half of our 5 million clients—on a trip to Sydney. In addition to generous support from CAT and other U.S. donors over the years, Opportunity Australia has been a strong leader in growing those programs and it was motivating to strategize about how we can do more in this region together.

These varied partnerships and many others will make the difference as we strive together to end poverty. In this 2012 annual report, we take you through our key initiatives as seen through the journey of Betty Mulooki who, like all of our clients, exemplifies the *Power of One* when opportunity is unlocked.

Over the past 15 years, Opportunity International has created 10 million jobs through \$6.8 billion in loans. With the continued commitment of our donors, partners, clients and staff, we see a bold aspiration within reach: creating 20 million jobs by 2020.

Together, let's dream the impossible then fulfill it with unity and faith in our mission. "What is impossible with man is possible with God." (Luke 18:27)



In service together,

A handwritten signature in black ink that reads "Vicki Escarra". The signature is written in a cursive, flowing style.

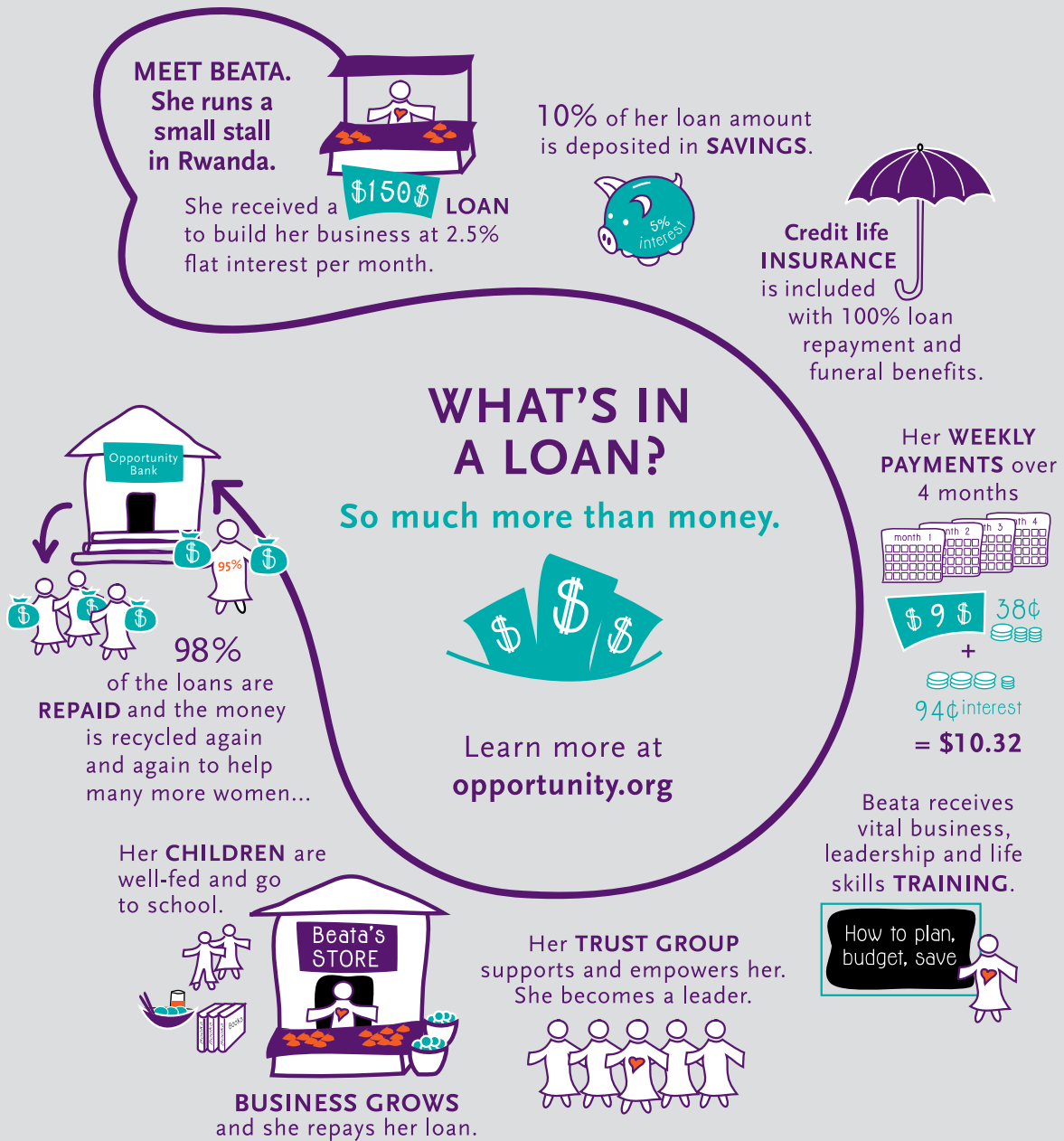
Vicki Escarra
Chief Executive Officer

THE OPPORTUNITY LOAN CYCLE

Opportunity International helps clients break free of the cycle of poverty and move into a sustainable cycle of success.

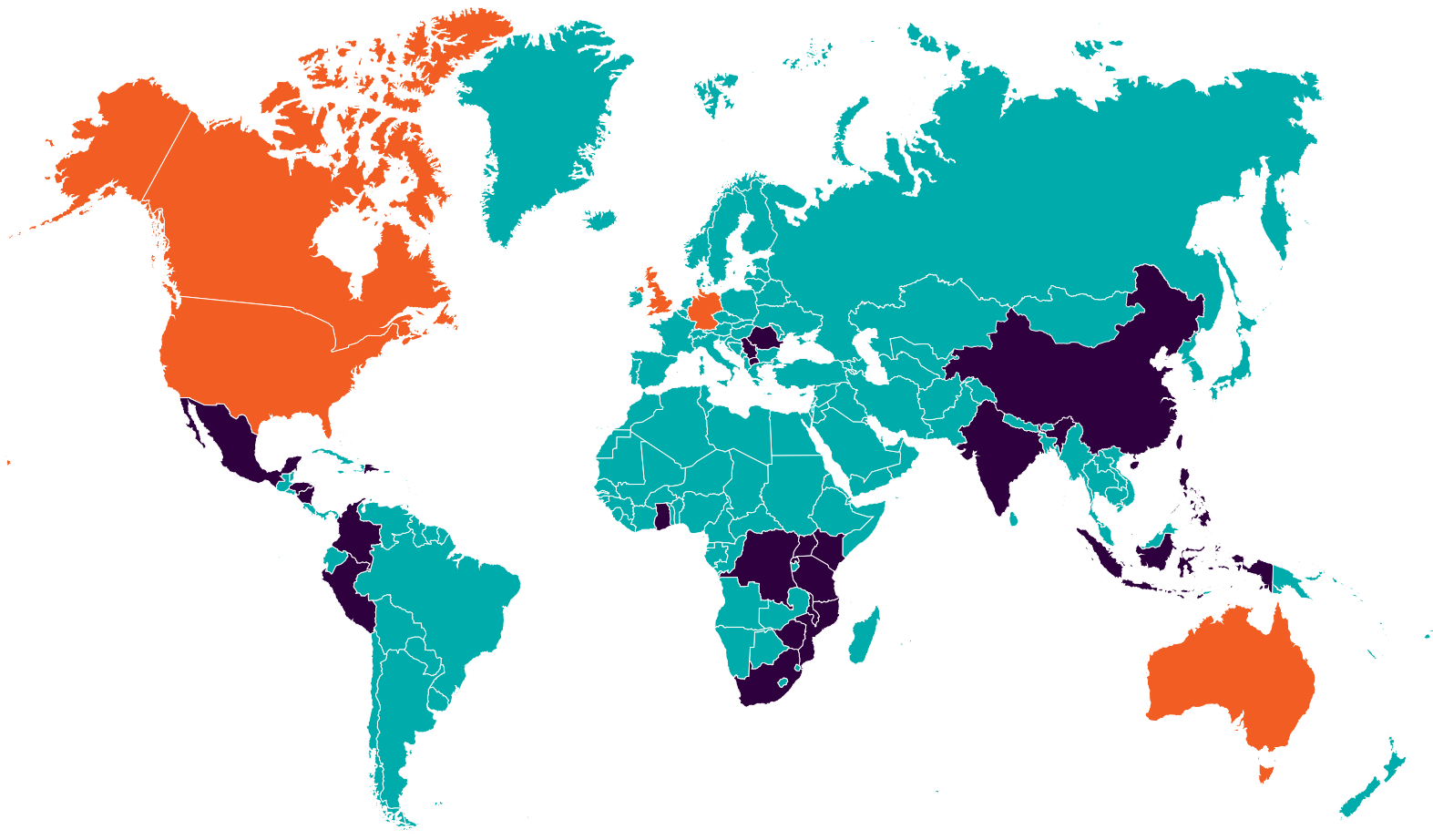
We provide more than loans. From a foundation of faith-based values, we provide holistic, transformative products and services that empower

our clients to create lasting change for their families and their communities. Supported by partners like you, this model brings us closer to our vision of a world in which all people have the opportunity to provide for themselves and their families.



5 MILLION CLIENTS ACCESS OPPORTUNITY'S LIFE-CHANGING PRODUCTS

93 PERCENT OF LOANS ARE MADE TO WOMEN



OUR NETWORK

Opportunity International is a global leader in providing a full spectrum of financial services and training to individuals and communities in some of the most hard-to-reach areas of the developing world. Established 42 years ago, Opportunity now operates financial institutions in urban and rural areas of 23 developing countries.

AFRICA

Democratic Republic of the Congo
 Ghana
 Kenya
 Malawi
 Mozambique
 Rwanda
 South Africa
 Tanzania
 Uganda
 Zimbabwe

LATIN AMERICA

Colombia
 Dominican Republic
 Honduras
 Mexico
 Nicaragua
 Peru

EUROPE

Macedonia
 Romania
 Serbia

ASIA

China
 India
 Indonesia
 Philippines

SUPPORTING MEMBERS

United States
 United Kingdom
 Australia
 Germany
 Canada

IGNITING TRANSFORMATIONAL CHANGE

Entrepreneurs have the power to change everything. As an Opportunity International partner, you are giving hardworking people the chance to realize their dreams. You are helping to connect loan officers to entrepreneurs with plans for the future. When Opportunity clients see the possibilities laid out before them, their creativity and drive are unleashed. They begin to transform their communities. They are changing the rules, habits and expectations and building sustainable, flourishing businesses. Their neighbors are taking notice, admiring their progress and getting involved.

Thanks to your support of clients like Betty, she becomes unstoppable. By providing capital, services and training to clients around the world, Opportunity empowers people to work their way out of poverty and improve their lives.

We support farmers—developing innovative agricultural finance tools and technical know-how that allow farmers to improve crop yields and generate profits.

We believe in women—empowering women to build their businesses, because they reinvest 90 percent of their earnings into their families, deepening the impact of our investment.

We invest in education—providing schools with financing to increase capacity and offering parents loans to keep their children in school.

We develop leaders—supporting and cultivating our local staff with professional development and training to help them better serve our clients.

We harness technology—building innovative tools that extend our reach to the most remote communities, secure our clients' hard-earned capital and increase operational efficiency.

In 2012, Opportunity disbursed 60,000 agriculture loans—a 287 percent increase in one year.





Meet Betty Mulooki

SUCCESSFUL SUGARCANE FARMER

Betty Mulooki always had the drive to work hard for her family, but now that she's an Opportunity International client, she's unstoppable.

"Other banks didn't see my potential to do more, but Opportunity did," Betty says.

Betty lives in Uganda and has always been a farmer, but when a sugarcane factory opened in her village in 2012, things started to

change for her family. She began growing four acres of sugarcane and joined the local growers' association. Soon after, she connected with Opportunity Uganda and received a loan to expand her plot and better support her existing land. "This loan is a blessing, and it has given me what I needed to grow," she says. "My life has changed because of my farm. I am not the same person I used to be."

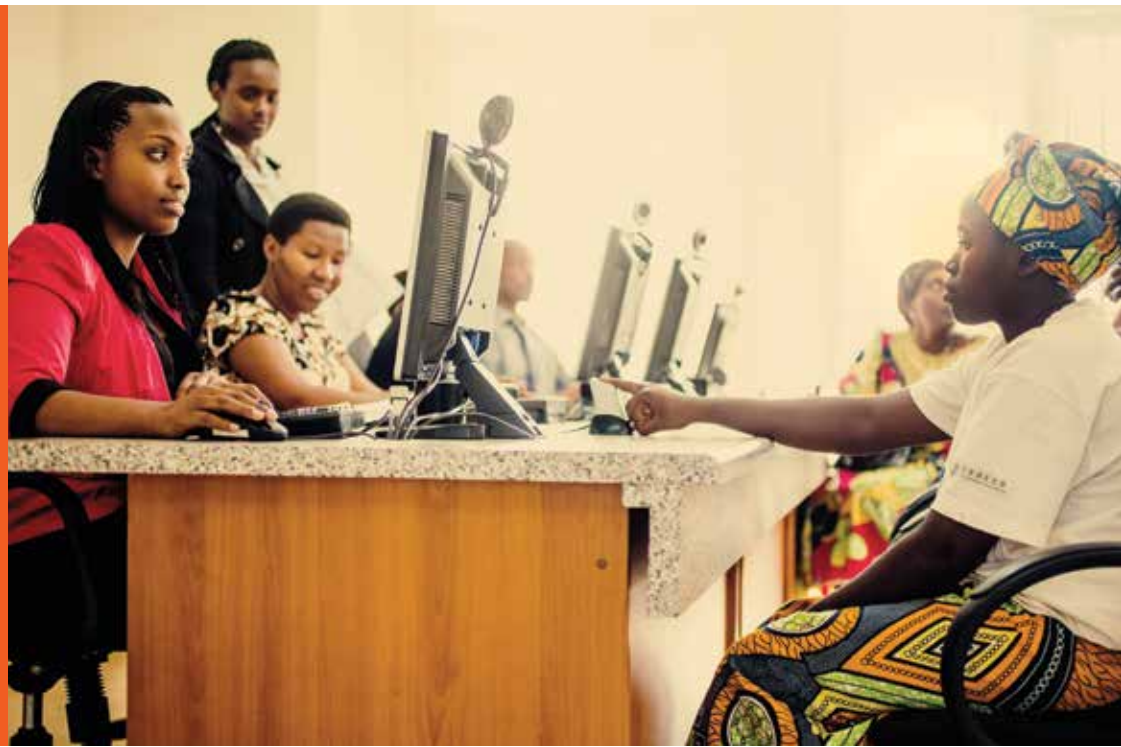
Opportunity supports smallholder farmers like Betty with agricultural finance tools and training to equip them to move from subsistence to commercial farming. Helping farmers increase their yields and productivity and raise household incomes is crucial to ending hunger and malnutrition in rural areas. We provide financial services specifically tailored to the needs of farm families, working with partners throughout the value chain.

Read about another Opportunity client and farmer Myrna from the Philippines at opportunity.org/report.

IN 2012:

93 PERCENT
OF OPPORTUNITY LOANS
WERE MADE TO WOMEN

\$178 = AVERAGE FIRST
TRUST GROUP LOAN



A client in Rwanda accesses her bank account using her fingerprints.

AN ENTREPRENEUR WITH OPPORTUNITIES

“WHAT HAS ENABLED HER (BETTY) TO TAKE ON THE CHALLENGE WITH JOY AND LOVE IS HER FAITH IN THE LORD AS HER PROVIDER AND STRENGTH IN TIME OF TROUBLE.”

MARGARET NAMAZZI,
TRANSFORMATION OFFICER
OPPORTUNITY UGANDA

“Our mother is the first woman who planted a field like this in our village!” say Betty’s proud children, who have watched her farm grow.

With her husband unable to work due to an injury, Betty must support her three children—Becky, Travor and Davis. She is determined to keep her farm profitable, feed her family and ensure her children’s future success. She feels secure thanks to services like credit-life insurance because she knows that if

something happens to her, her family will not be burdened with debt.

Betty beams as she describes how Opportunity Uganda has improved her standing in the community. She says people in the village admire her accomplishments. “My neighbors come up to me and ask, ‘How did you manage to do this?’ I tell them all of it was possible because of the bank,” Betty says. She dreams of expanding her farm and her home and diversifying her crops.

Opportunity believes in inclusiveness—in the power of women like Betty to create sustainable change for their families and their communities. When women have an income, children are healthier and better educated. To foster more entrepreneurs, Opportunity facilitates Trust Groups, close-knit circles of men and women who elect leaders and receive financial training. Trust Groups have a multiplier effect: members support each other, believe in themselves and create thriving, lasting businesses.

Read about Opportunity client Maria Fanny Martinez and her seamstress shop in Colombia at opportunity.org/report.



Students at the Ridgeway Primary School in Uganda.

**AT THE END OF 2012,
OPPORTUNITY HAD:**

**634 SCHOOL IMPROVEMENT
LOANS, VALUED AT
\$4 MILLION**

**6,500 SCHOOL FEE LOANS,
VALUED AT \$1.6 MILLION**

A DREAM FOR HER FAMILY

As a girl, Betty wasn't able to complete her education. Today, she is working hard so her three high school-aged kids will have the chance to attend a university. Becky dreams of studying mass communications. Trevor wants to be a lawyer. And Davis aspires to a career in journalism. Betty believes that Opportunity International's support of her growing business will help her children achieve their goals.

"I have big dreams for my family and my community," Betty says. "Sending my children to school is my greatest wish."

Becky cheerfully echoes her mother: "When you study, you will get good jobs. You can see the future as a good thing."



Betty Mulooki with her children.

Education empowers people like Betty and her children to transform their lives. Through financial products and services, Opportunity makes it possible for young people in poor communities to attend and stay in school and often advance to vocational schools and universities. We help school owners improve and expand schools, and we provide loans for parents to pay school fees. Our model fuels results: school owners borrowing from Opportunity achieve 25 percent enrollment growth and 63 percent more income, and employ 36 percent more teachers.

Read about Opportunity client and school owner Evans Ssenabulya in Uganda at opportunity.org/report.

AT THE END OF 2012:

OPPORTUNITY HAD **17,000**
GLOBAL EMPLOYEES, **9,400** OF
WHOM ARE LOAN OFFICERS



Opportunity client Prathiba (right) with her loan officer Josephine Annai Magal (left).

A TRANSFORMATIVE PARTNERSHIP

When Betty received her first loan from Opportunity, she says it “put her on the world map.” She learned how to invest her money, access credit and plan for the future. The most important person she met was Nicholas Katenta, her loan officer.

Nicholas joined Opportunity Uganda to help support people like Betty as they build their farms and businesses. He gets to know his clients and cares about their crops and their families. “It makes me proud working for a vision-focused bank,” Nicholas says. “The bank has helped me develop my career and my life in general.”



Betty Mulooki works closely with her loan officer to expand her farm.

Opportunity identifies and cultivates leaders with targeted learning opportunities and training events. Our staff is local—99 percent are nationals—and our institutions are community banks permanently embedded in areas where our clients live and work. This local connection means staff become much more than financial advisors to Opportunity clients. They are mentors and friends.

Read about Opportunity client Deepa and her loan officer Valamarthi in India at opportunity.org/report.



Mobile banks provide Opportunity clients in remote locations with access to financial services.

IN 2012, OPPORTUNITY:

Deployed hundreds of new client service points to reach rural communities around the globe, including **365 access points** at our African banks.

Launched a mobile money plan based on input from **50,000 clients** currently using cell-phone banking.

Provided rural loan officers in Ghana and Uganda tablets to capture farmer data instantly.

POWERED BY TECHNOLOGY

Betty is excited about using technology to make her farm more efficient and profitable. Opportunity was able to use GPS mapping to determine the size of her land, which allows her to use the right amount of seed and fertilizer. "I'm interacting with people and accessing services that had never been open to me before," she says.

And with new tools like cell-phone banking, she will be able to deposit more frequently into her savings account. These tools help her plan her next steps. "My dream is to see our community transformed by agriculture," Betty says. She would like to see more of her neighbors joining in, cultivating sugarcane and other crops for commercial purposes.

Opportunity invests in technology to give more people—including those in the most remote places—access to financial services. Our economical, secure solutions for delivering loans, deposit services, transfers, remittances, payroll systems and emergency cash transfers help us reach more individuals at lower costs.



Opportunity International enables clients to securely conduct their banking by cell phone without leaving their businesses or incurring travel expenses.

Read how Opportunity client Patrick uses technology on his farm in Uganda at opportunity.org/report.

“Based on our experience with microfinance in sub-Saharan Africa, we have seen the innate potential of people living in poverty. Opportunity International focuses on developing sustainable solutions that can unlock that potential to create jobs, generate profits, provide for families and ultimately overcome poverty. That strong and core belief in the power of the entrepreneurial poor is one of the reasons we at The MasterCard Foundation are proud to partner with Opportunity as we work together to promote financial inclusion and prosperity.”

*— Reeta Roy
President and CEO,
The MasterCard Foundation*



OUR PARTNERS

Betty's transformation to successful farmer and entrepreneur was possible because of her motivation, Opportunity's dedicated staff and our generous supporters. Supportive donors are vital partners in creating the prosperous cycle of growth and possibility that is the hallmark of Opportunity International.

This support is helping to power opportunity for millions of clients around the world, giving farmers and entrepreneurs the chance to start businesses, reinvest profits, save money and create jobs in their communities.



Thousands of farmers now have the chance to move beyond subsistence farming into commercially active agri-business across Africa thanks to support from the **John Deere Foundation**. Our partnership helped Opportunity reach smallholder farmers who also received training in modern farming techniques and gained access to new markets for their crops.



Read more about Opportunity clients like the ones pictured above at opportunity.org/report.



Credit Suisse helped Opportunity banks in underserved regions reach millions by funding expanded professional development opportunities for bank staff and the deployment of innovative banking technologies such as the electronic wallet. This support helps us build staff skills and use cutting-edge technology to reach more clients at a lower cost.



A valued partner for 20 years, the **Caterpillar Foundation** has helped millions of Opportunity clients around the world open savings accounts and small business loans and receive vital financial training. By 2017, our partnership will impact more than 18.3 million lives.



Opportunity continued our partnership with **The MasterCard Foundation** and the **Bill & Melinda Gates Foundation** to extend financial services to rural areas in five sub-Saharan African countries. Since 2009, the project has disbursed 125,000 agricultural loans totaling \$29 million.

2012 BY THE NUMBERS

5 MILLION
individuals served

2.8 MILLION
active loan clients

98% loan repayment rate

1.1 MILLION
savings clients

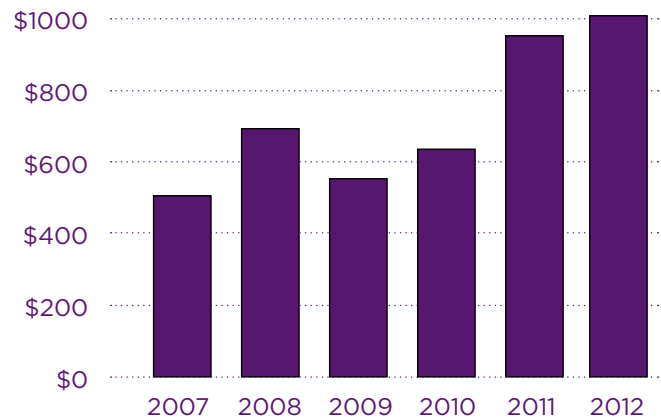
\$110 average savings balance



Maria Jose Lopez operates a hammock weaving business in Nicaragua.

TOTAL VALUE OF LOANS MADE

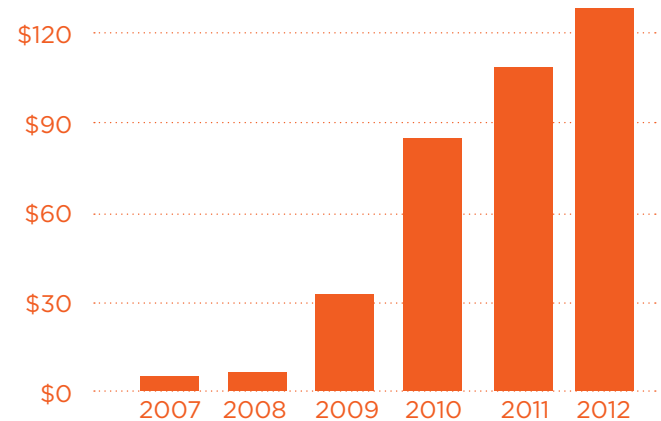
in millions (for the year)



1. The large increase in 2011 is mostly due to the addition of Dia Vikas (India) to our global numbers.
2. The large drop in 2009 is mostly due to the sale of our Montenegro bank.

TOTAL CLIENT SAVINGS

in millions (for the year)



These figures represent voluntary savings and do not include compulsory savings.

EXPENDITURES

in millions (for the year)



OPPORTUNITY INTERNATIONAL—U.S.

\$s in thousands (unaudited)	For the year ended	For the year ended	Change	
	Dec. 31, 2012	Dec. 31, 2011	AMOUNT	PERCENT
REVENUE				
Private cash contributions and pledges	\$ 34,868	\$ 26,873	\$ 7,995	29.8%
Government grants	748	975	(227)	(23.3%)
Other income	4,709	2,146	2,563	119.4%
TOTAL REVENUE	\$ 40,325	\$ 29,994	\$ 10,331	34.4%
EXPENDITURES				
Program Activities				
Equity investments in Opportunity banks	\$ 22,126	\$ 11,815	\$ 10,331	87.3%
Grants for member organizations	4,901	7,725	(2,824)	(36.6%)
Business development and training services	4,302	4,205	97	2.3%
Network support services	1,278	1,567	(289)	(18.4%)
Microinsurance services	7,047	6,610	437	6.6%
Other program expenditures	5,708	7,056	(1,348)	(19.1%)
Total program activities	\$ 45,362	\$ 38,978	\$ 6,384	16.4%
Fundraising and G&A Activities				
Fundraising and G&A	9,879	9,882	(3)	0%
TOTAL EXPENDITURES	\$ 55,241	\$ 48,860	\$ 12,765	26.1%
THIRD-PARTY INVESTMENTS				
Equity and debt raised for Implementing Members	\$ 13,670	\$ 29,661	\$ (15,991)	(53.9%)
TOTAL FUNDS RAISED	\$ 53,995	\$ 59,655	\$ (5,660)	(9.5%)

Complete audited financial statements by KPMG are available upon request

Opportunity International raises funds from many sources, some traditional and some unique for nonprofits. From traditional sources, Opportunity International receives charitable gifts and government grants, which it sends to its Implementing Members in the form of grants, loans and equity investments. A portion of these funds is also used for fundraising and G&A activities. In addition to these sources of funds, Opportunity raises equity and debt from third parties for its Implementing Members that are directly invested in these organizations, shown in third-party investments above.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENTS

REVENUE

Opportunity International-U.S. revenue increased \$10.3 million, or 34 percent, during 2012. Private cash contributions and pledges were 29 percent higher, primarily due to the strength of corporate giving. Individual donations were slightly reduced from prior year levels. Government grants revenue declined by \$0.2 million reflecting the continued softness in this market. Other income increased by \$2.6 million primarily as a result of greater MicroEnsure subsidiary revenue and a gain on hedging contracts related to our investment in Colombia.

PROGRAM ACTIVITIES

Equity investments in Opportunity banks:

Equity investments rose by 87 percent to \$22.1 million in 2012. The amount includes an \$8 million investment in Colombia to establish a bank in the country where Opportunity International made its first loan over 40 years ago. Investments were also made in most other countries due to continuing needs in the field and the availability of funding from donor contributions.

Grants to member organizations: This expenditure declined by 37 percent in 2012, reflecting lower funding for MFIs other than Africa.

Business development and training services:

The Opportunity International-U.S. expenditures for these services provided to Implementing Members by Opportunity International Network personnel were essentially even with 2011 funding levels. These services include: (i) recruitment and training of personnel of Implementing Members, (ii) development of client training modules, (iii) performance and governance monitoring and (iv) technology improvements.

Network support services: Expenditures for Network support decreased by \$0.3 million, or 18 percent. These services include building and managing Opportunity banks and overseeing the range of technical services provided to them in the Opportunity International Network. Also included are general management and governance of the Network and the cost of administrative services.

Microinsurance services: The objective of this effort is to provide life, property, health and agricultural insurance to people living in poverty. The cost of these activities is generally funded by grants and program income from partners and clients. Expenditures for this activity increased by 7 percent during 2012.

Other program expenditures: These expenditures include the cost of managing our bank investments and the Loan Guarantee Fund. They also include grants management activities, general community education and communication. These expenditures fell by 19 percent in 2012, primarily due to lower levels of the investment management costs.

FUNDRAISING AND GENERAL & ADMINISTRATIVE (G&A) ACTIVITIES

The ratio of fundraising and G&A expense to total revenue decreased from 33 percent in 2011 to 25 percent in 2012 as a result of revenue growth. The ratio calculated as a percentage of funds raised (which includes equity and debt raised for the Implementing Members) increased from 17 percent in 2011 to 19 percent in 2012 as a result of reduced equity and debt raised for Implementing Members.

FINANCIALS

OPPORTUNITY INTERNATIONAL SUPPORTING MEMBERS

Supporting Members raise funds for our microfinance institutions.

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2012 2011

\$s in thousands (unaudited)	U.S.	Outside U.S.	Total	Total
REVENUE				
Private cash contributions and pledges	\$ 34,868	\$ 17,482	\$ 52,350	\$ 47,850
Government grants	748	4,271	5,019	3,602
Other income	4,709	3,271	7,980	5,033
TOTAL REVENUE	40,325	25,024	65,349	56,485
EXPENDITURES				
Program Activities				
Equity investments in Opportunity banks	22,126	9,207	31,333	27,846
Grants to member organizations	4,901	9,493	14,394	13,339
Program development activities	18,335	6,976	25,311	26,685
Total program services	45,362	25,676	71,038	67,870
Fundraising and G&A Activities				
Fundraising	7,152	2,602	9,754	9,901
G&A	2,727	1,699	4,426	4,532
Total fundraising and G&A	9,879	4,301	14,180	14,433
TOTAL EXPENDITURES	55,241	29,977	85,218	82,303
NET DEFICIT	\$ (14,916)	\$ (4,953)	\$ (19,869)	\$ (25,818)

BALANCE SHEET

FOR THE YEAR ENDED DECEMBER 31, 2012 2011

\$s in thousands (unaudited)	U.S.	Outside U.S.	Total	Total
ASSETS				
Current				
Cash and cash equivalents	\$ 2,756	\$ 7,285	\$ 10,041	\$ 13,095
Restricted cash and cash equivalents	5,116	8,035	13,151	24,578
Current receivables	15,538	8,923	24,461	22,047
Other current assets	3,876	236	4,112	1,939
Total current assets	27,286	24,479	51,765	61,659
Long-Term				
Long-term receivables	3,335	10,143	13,478	16,136
Capital in Opportunity banks	99,820	28,745	128,565	99,979
Investments - other	24,707	30	24,737	28,727
Net property and equipment	1,164	754	1,918	1,354
Total long-term assets	129,026	39,672	168,698	146,196
TOTAL ASSETS	\$ 156,312	\$ 64,151	\$ 220,463	\$ 207,855
LIABILITIES				
Current				
Current portion of long-term debt	\$ 4,479	—	\$ 4,479	\$ 2,003
Accounts payable and other current liabilities	15,775	1,193	16,968	16,738
Total current liabilities	20,254	1,193	21,447	18,741
Long-term				
Total long-term debt and other liabilities	13,611	278	13,889	16,594
TOTAL LIABILITIES	33,865	1,471	35,336	35,335
NET ASSETS				
Unrestricted net assets	94,187	6,622	100,809	85,448
Restricted net assets	28,260	56,058	84,318	87,072
Total net assets	122,447	62,680	185,127	172,520
TOTAL LIABILITIES AND NET ASSETS	\$ 156,312	\$ 64,151	\$ 220,463	\$ 207,855

NOTES TO FINANCIALS

FINANCIAL STATEMENT PRESENTATION

The financial information included in these statements was compiled from the financial statements of independent organizations. The Supporting Members' statements reflect the revenue and expenditures and balance sheet of the combination of the five independent members in developed countries (Australia, Canada, Germany, United Kingdom and United States), without regard to ownership positions in certain Implementing Members. The Implementing Members' statements represent a combination of the revenue and expenditures and balance sheets of the 46 Implementing Members, also without regard to ownership status. The statements are unaudited. Audited statements of the partners are available upon request.

EQUITY OWNERSHIP IN AFFILIATES

Opportunity International-U.S. receives donations and grants for investment in 15 microfinance institutions. The investments provide start-up costs and funds for the revolving loan programs.

OPPORTUNITY INTERNATIONAL IMPLEMENTING MEMBERS

Implementing Members are microfinance institutions that serve our clients.

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2012 2011

\$s in thousands (unaudited)	Africa	Asia	Eastern Europe	Latin America	Total	Total
INCOME & EXPENSES						
Financial income	\$ 65,632	\$ 128,859	\$ 20,429	\$ 10,238	\$ 225,158	\$ 214,222
Financial expenses	10,832	28,145	6,686	847	46,510	43,162
Gross financial margin	54,800	100,714	13,743	9,391	178,648	171,060
Provision for loan losses	5,184	7,343	(16)	814	13,325	18,915
Net financial margin	49,616	93,371	13,759	8,577	165,323	152,145
Operating expenses	55,373	82,690	13,278	10,897	162,238	161,093
Net income from operations	(5,757)	10,681	481	(2,320)	3,085	(8,948)
Other income	1,358	67	(16)	—	1,409	882
Net income before taxes	(4,399)	10,748	465	(2,320)	4,494	(8,066)
Provision for income taxes	972	946	—	20	1,938	\$(62)
NET INCOME (LOSS)	\$ (5,371)	\$ 9,802	\$ 465	\$ (2,340)	\$ 2,556	\$ (8,004)

BALANCE SHEET

FOR THE YEAR ENDED DECEMBER 31, 2012 2011

\$s in thousands (unaudited)	Africa	Asia	Eastern Europe	Latin America	Total	Total
ASSETS						
Current						
Cash and cash equivalents	\$ 30,669	\$ 59,959	\$ 19,584	\$ 3,682	\$ 113,894	\$ 103,196
Interest bearing deposits and investments	12,083	13,266	8,283	4,032	37,664	20,682
Net loan portfolio	114,780	310,833	99,913	22,596	548,122	498,628
Other current assets	16,472	17,531	5,520	3,315	42,838	40,882
Total current assets	174,004	401,589	133,300	33,625	742,518	663,388
Long-term						
Fixed and other long-term assets	34,607	48,097	6,147	3,082	91,933	92,777
Total Assets	\$ 208,611	\$ 449,686	\$ 139,447	\$ 36,707	\$ 834,451	\$ 756,165
LIABILITIES & NET ASSETS/EQUITY						
Current						
Short-term debt	\$ 4,900	\$ 31,801	\$ 6,169	\$ 5,451	\$ 48,321	\$ 38,325
Client savings deposits	78,905	62,179	61,866	6,182	209,132	185,237
Other current liabilities	9,663	17,649	1,961	597	29,870	43,873
Total current liabilities	93,468	111,629	69,996	12,230	287,323	267,435
Long-term						
Total liabilities and long-term debt	53,579	232,902	42,777	4,274	333,532	303,344
TOTAL LIABILITIES	\$ 147,047	\$ 344,531	\$ 112,773	\$ 16,504	\$ 620,855	\$ 570,779
NET ASSETS/EQUITY						
Total net assets/equity	61,564	105,155	26,674	20,203	213,596	185,386
TOTAL LIABILITIES AND NET ASSETS / EQUITY	\$ 208,611	\$ 449,686	\$ 139,447	\$ 36,707	\$ 834,451	\$ 756,165

Revenue: Implementing Members' revenue increased by 5 percent to \$225 million in 2012 reflecting gains in Africa and Asia partially offset by reductions in Eastern Europe and Latin America.

Net income: Implementing Members' recorded net income for 2012, reversing losses realized in the previous two years. The gains resulted primarily from the improved quality of their portfolios, which meant smaller provisions for loan losses.

Loan portfolio: The net loan portfolio increased by 10 percent at the end of 2012 to \$548 million.

Customer deposits: Deposits increased 13 percent to end the year at \$209 million.

A MESSAGE FROM THE U.S. CHAIRMAN OF THE BOARD

Dear Friends,

2012 was a pivotal year for Opportunity International. Our new CEO Vicki Escarra joined us and immediately instilled a sense of boldness, urgency and focus. Together, by the grace of God, we are renewed. As Chairman of our U.S. Board, I feel gratified each day with the camaraderie and courage of our deliberations and decisions.

We are building on the strength and faith of a committed community of donors. We are confident in our mission and in dynamic growth by 2020 from the vantage point of a 42-year legacy. We are grateful for the lessons learned from our clients. We may unlock opportunity, but they fulfill their God-given potential, lift themselves, their families and their communities from chronic poverty and are unstoppable in the face of incredible challenges.

Likewise, I believe Opportunity is unstoppable as our Board and our management team partner and move forward with a bold set of strategic initiatives. We will strengthen our global reach and impact for decades to come. We see a path forward with a unified vision, coordinated and dynamic fundraising, increased visibility for our cause and—most important—measurably increasing impact for our clients.

We are truly blessed in this mission and in the full richness of our partnerships.



Sincerely,

A handwritten signature in black ink, appearing to read 'Mark A. Thompson', written in a cursive style.

Mark A. Thompson
U.S. Chairman of the Board



Betty Mulooki at work in her sugarcane fields.

BOARD OF DIRECTORS

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Steve Lavey

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Jim Pedersen

SVP & General Counsel

David Simms

Head of Strategy & Network Relations

Steve Williams

Head of Audit

Opportunity has a proven track record in partnering with leading organizations and individuals in an array of sectors to provide our clients with the best possible services. For a full list of our partners, visit the online Annual Report at opportunity.org/report.

Similarly, our Governors and Ambassadors Council partner with us to unlock unlimited human potential through their generous support. For a list of Governors and Ambassadors, visit the online Annual Report at opportunity.org/report where you can learn even more through videos and additional images of our clients.

STRATEGIC PARTNERS

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UPS

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Around the world, Opportunity International empowers clients like Idalmis and her family in Albornoz, Colombia, to transform their lives. Read more online at opportunity.org/report.



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