



# Annual Benchmark Report

Promoting financial inclusion  
through data and insight

**Papua New Guinea FY 2016**

## Acknowledgement

MIX would like to thank the Centre for Excellence in Financial Inclusion (CEFI) for supporting the data collection from financial service providers in Papua New Guinea (PNG). CEFI assisted in collecting annual data from the financial service providers (FSPs) operating in the microfinance sector. Without their strong support and dedication to building greater transparency in the industry, MIX would not be able to provide access to this data or analysis. MIX's collaboration with CEFI not only facilitates data collection, but also makes it possible to standardize the data and provide analytical tools that present in-depth analysis of the financial and operating trends in the industry.

MIX is privileged to take this opportunity to showcase the result of this collaboration in the form of the second Annual Benchmark Report for the microfinance sector in PNG. This report presents the financial and operating data of those institutions for which CEFI has helped to facilitate the annual data collection for Fiscal Year (FY) 2016.

MIX is also grateful to all the FSPs, broadly recognized as partner financial institutions (PFIs) in the sector that have provided comprehensive data in a timely manner. Without the strong support and dedication of the institutions, MIX would not be able to contribute to build transparency in the industry. We are grateful for their continued efforts in this regard.



Disclaimer: This publication is available for use in research and analysis. Data and content may only be used for non-commercial purposes. If the material is published or distributed, it should be attributed to MIX with the appropriate citation.

MIX has taken due care and caution in preparing this report, it has obtained the information from the institutions. Thus MIX relies on the information submitted and does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors in transmission.

# Table of Contents

<b>1. Introduction</b>	<b>3</b>
<b>2. About MIX</b>	<b>3</b>
<b>3. Data &amp; Methodology</b>	<b>4</b>
<b>4. Key Findings</b>	<b>4</b>
<b>5. Benchmark Indicator Reference</b>	<b>5</b>
<b>6. Benchmark Indicators</b>	<b>6 - 50</b>
<b>a. Institutional Characteristics</b>	
Assets	
Equity	
Offices	
Personnel	
<b>b. Financing Structure</b>	
Gross loan portfolio / assets	
Capital /asset ratio	
Deposits to assets	
Loan to deposit	
<b>c. Outreach</b>	
Number of active borrowers	
Gross Loan Portfolio	
Average loan balance (ALB) per borrower	
Number of deposit accounts	
Deposits	
Average deposit account balance	
<b>d. Financial Performance</b>	
Return on assets	
Return on equity	
Operational self sufficiency	
<b>e. Revenue &amp; Expenses</b>	
Financial revenue / assets	
Profit Margin	
Yield on gross portfolio (nominal)	
Total expenses / assets	
Financial expense / assets	
Operating expense / Loan portfolio	
<b>f. Productivity &amp; Efficiency</b>	
Cost per borrower	
Borrowers per staff member	
Deposit accounts per staff member	
Cost per deposit account	
<b>g. Risk &amp; Liquidity</b>	
Portfolio at risk > 30 days	
Portfolio at risk > 90 days	
Risk coverage	
<b>7. Financial &amp; Operational Information of FSPs</b>	<b>51 - 54</b>
<b>8. Glossary</b>	<b>55</b>

## Introduction

**The Annual Benchmark Report** is one of the primary benchmarking products created by MIX that offers a unique opportunity to analyze **the performance of individual financial service providers (FSPs) and peer groups, and to conduct country comparisons**. As part of our continued efforts to collect and publish high quality data that strengthens the microfinance sector, builds transparency and further enhances financial inclusion in Papua New Guinea, we at MIX have created the “Annual Benchmark Report” for FY 2016.

This report includes **key financial and operational indicators** that provide a country overview, indicator level performance and institutional details. The indicators include a range of performance variables pertaining to outreach, institutional characteristics, financing structure, financial performance, revenue, expenses, efficiency, productivity, risk and liquidity. **The numbers are presented at the aggregate level, peer-group level and individual FSPs level**. The report also compares the FY 2016 performance against the previous fiscal year and provides the growth or decline rate for each of the indicators.

The publication of global industry benchmarks and customized benchmarking services create comparative performance results that the industry and its retail institutions can contextualize FSP performance within relevant peer groups. These benchmarks allow institutions to view relative trends and drivers in their own performance from a comparative perspective.

The benchmarks support the transparency necessary for improved institutional performance and greater access to capital markets for growth. The first section of each of the following pages captures the **overall performance of the FSPs in the country**. Each following section then explores the relative diversified peer comparison by the **legal types in the country and scale of the FSP**.

## About MIX

MIX envisions a world where appropriate and accessible financial services are available to everyone, everywhere. We deliver strategically important data, insights, and market intelligence to key decision makers in the financial inclusion industry. Our online platforms – MIX Market and FINclusion Lab – enable coordinated investment, effective policy, and positive social outcomes for the financially underserved. Incorporated in 2002, MIX is a nonprofit based in Washington, D.C., with regional offices in Africa, Asia, Europe, and Latin America.

MIX Market provides access to the data, analysis, and tools that deliver key insights into the financial inclusion sector. Whether you are a financial service provider, investor, or policymaker, the MIX Market platform can help you assess financial, operational, and social performance.

We provide data, analysis, and market insight that enables coordination and transparency.

The last 5 years we had over  
**750,000**  
annual website visits

Our MIX Market platform provides instant access to financial and social performance information

covering approximately  
**2,000**  
FSPs around the world

Our FINclusion Lab platform provides insights into financial access

across more than  
**22**  
countries.

## Data and Methodology

1. The data and analysis in this report are based on self-reported operational and financial numbers for FY 2015 and FY 2016, for a total of 10 FSPs that submit data to MIX.
2. The financial numbers also are verified by the audited financial statements of the FSPs for FY 2015 and FY 2016 and are reclassified based on IFRS Standards.
3. The benchmark values have been presented across all the indicators and peer groups based on the average value in each category.
4. **Balanced data:** The growth value or the change in the indicator over the year is calculated based on balanced data, meaning for the FSPs that have reported consistently to MIX for 2015 and 2016 their values have been aggregated to present the percentage change.
5. Peer grouping information is based on the legal classifications that are relevant to the context of Papua New Guinea microfinance sector, that are Savings and Loan Society and Micro Bank
6. MIX follows global industry standard definitions and formulae that are used for all analyses in the report. (Refer the glossary for the details of all the definitions and ratios used in the publication)
7. **25th and 75th Percentile:** The smallest observation that is greater than or equal to the specified percentage of observations. In this report the 25th and 75th percentiles are displayed, to signify the upper and lower bounds of the middle 50% of FSPs' values for each indicator.
8. **Average and Weighted Average Value (WAV) - Average value** is presented as a line in the "benchmark graphs by peers". **Simple average** is presented when an indicator is an absolute number whereas **weighted average** is presented when the indicator is a ratio.
9. Alekano Savings & Loan Society Limited has submitted unaudited data to MIX for FY 2016.

## Understanding Micro Banks and Savings & Loans Societies (S&LS)

The Annual Benchmark Report evaluates institutional benchmarks for FY 2016 with respect to the peer average and country average in the indicator section. The Institutional profile section captures the detailed information for individual institution performance. The peer groups across all the indicators are relevant to the context of PNG market. The peer group distribution widens the scope of comparison of individual institutions and a group of institutions. It differentiates the institution's positioning and thus helps to draw a comparison across the others. The two major peer groups identified in PNG market are Micro Banks and Savings & Loans Societies (S&LS) which are briefly explained below.

### Micro Banks

These institutions offer microloans to low income households and small business operators often referred to as the unbanked market in PNG. They fall under the category of Banks and Licensed Financial Institutions (LFIs) that are licensed under the Banks and Financial Institutional Act 2000 (BFIA) to conduct "banking business". The BFIA defines banking business as the "business of taking money on deposit and using that money to lend to others or to finance any other activity of the business, wholly or to a material extent, out of the capital or interest on money received by way of deposit"[1].

At the end of the fiscal year 2016, five Micro Banks reported to MIX namely Kada Poroman Microfinance Limited, Nationwide Microbank, People's Micro Bank, PNG Microfinance Limited and Women's Micro Bank.

### Savings & Loan Societies (S&LS)

These institutions specialize in accepting deposits and making mortgage and other loans (like other banks) but with a speciality of operating on a principle of mutuality. S&LSs are licensed or authorised under the Savings & Loan Societies Act 1995. A minimum of 500 members or as stated by the Registrar are required to form an S&LS. These members are the owners of the Societies where each member has an equal right on the election of the boards of the Societies. They also have a right in the distribution of the profits. S&LSs can raise money or loans, subject to approval of the Registrar. The objects of S&LSs are to; (i) receive savings and make loans to their members, (ii) promote thrift amongst their members, and (iii) educate their members in financial responsibility[2].

As at the end of the fiscal year 2016, five S&LSs reported to MIX namely Alekano Savings & Loan Society Limited, East New Britain Savings & Loan Society Limited, Manus Savings & Loan Society Limited, Nasfund Contributors Savings and Loan Societies Limited and Niu Ailan Savings & Loan Society Limited.

[1] <http://www.bankpng.gov.pg/financial-system/superannuation>

[2] <http://www.bankpng.gov.pg/financial-system/superannuation>



# Key Findings

## Institutional characteristics

Total assets in FY 2015 were PGK 425.80 m that have increased by 11.67% in FY 2016 reaching to PGK 475.49 m. **Micro bank** peer group had positive growth in assets of 14.53% in FY 2016 where major contribution to this growth was by Nationwide micro bank and People's micro bank with the growth rates of 24.88% and 18.82% respectively. **Savings and loan society** peer group, on the other hand, had a slower growth in assets of 8.24% in FY 2016. The major contributors to this growth were NCSL and East New Britain SLS with the growth rates of 11.92% and 8.98% respectively.

Total equity in FY 2015 was PGK 63.45 m which has increased by 2.17% and stood at PGK 64.83m in FY 2016. **Micro bank** peer group have experienced growth in equity of 4.82% in FY 2016 when compared with **savings and loan society** that have reported a decline of 2.94% in the equity during the year. People's micro bank and Nationwide micro bank continued to report positive change whereas most of the S&LS FSP have reported decline except in case of East New Britain that grew 113.36% during FY 2016.

## Outreach

The number of active borrowers declined from 41.47 thousand in FY 2015 to 36.85 thousand in FY 2016 which is decreased by 11.15% in FY 2016. The decline in the borrower base was led by **micro bank** peer group that has decreased by 31.08% in FY 2016 from 15.99 thousand in FY 2015 to 11.02 thousand in FY 2016. Once again the highest decline in borrowers was observed by Kada poroman MF. **Savings and loan society**, on the other hand, reported an increase in borrowers of 1.37% during FY 2016.

Compared to the borrower base loan portfolio had experienced positive growth of 9.93% in FY 2016. **Micro bank** peer group increased the loan portfolio to PGK 129.59 million in FY 2016 from 115.29 million in FY 2015. The major contributors to growth in gross loan portfolio were People's micro bank and Nationwide micro bank that reported growth rates of 45.17% and 15.19% respectively whereas Kada Poroman MF continued to decline. **Savings and loan society** peer group had also experienced positive growth in gross loan portfolio that increased by 6.31% in FY 2016. NCSL contributed towards the growth whereas Manus witnessed a decline.

Growth in a number of depositors and deposits witnessed positive movement in FY 2016. Depositors grew by 8.98% whereas deposits grew by 12.10% during the year. **Micro bank** peer group had a positive growth in depositors and deposits that increased by 9.98% and 15.68% respectively in FY 2016. **Savings and loan society** peer group also experienced positive growth in depositors and deposits however the rate of growth was comparatively lower to micro banks.

## Productivity & Efficiency

Borrower per staff member had decreased from 64.80 in FY 2015 to 55.00 in FY 2016. In terms of declining rate borrowers per staff member is decreased by 15.13%. **Micro bank** peer group experienced a decrease in borrower per staff member by 33.44% in FY 2016 when compared to FY 2015. The major contributors to decrease in borrower per staff member are Kada poroman MF and People's micro bank. **Savings and loan society** peer group also witnessed a decrease in borrower per staff member by 6.21% in FY 2016 when compared to FY 2015. The major contributors to decrease in borrower per staff member are Manus SLS and Niu Alian SLS.

## Risk & Liquidity

Portfolio at risk >30 days have changed from 21.22% in FY 2015 to 22.83% in FY 2016, this has increased by 1.61% during FY 2016. **Savings and loan society** have reported rise in the risk levels reaching to 40.38% during the year whereas **micro bank** has seen a marginal drop of 0.93% reaching its PAR level to 10.86%. Kada poroman MF, have reported highest percentage change in the PAR levels followed by Alekano and Manus that also have witnessed a rise in the risk levels.

Risk coverage ratio of the FSPs has observed rise of 3.85% during the year it has changed from 22.64% in FY 2015 to 26.49% in FY 2016. While comparing the coverage by legal status both the peer groups have seen an increases **micro bank** have increased risk coverage ratio reaching to 64.02% whereas **savings and loan society** has reported an increase of 8.63% reaching to 13.29% coverage.

## Financing structure

Gross loan portfolio to assets aggregated to 44.84% in FY 2016 which is decreased by 0.71% from 45.55% aggregate in FY 2015. **Micro bank** peer group experienced a decline in gross loan portfolio to assets ratio of 0.92% in FY 2016 where the major contribution towards the decline in the ratio was by Kada poroman MF. **Savings and loan society** peer group also experienced a slight decline in gross loan portfolio to assets of 0.72% in FY 2016.

Loan to deposit ratio aggregated to 54.97% in FY 2016 which has decreased by 1.08%. **Micro bank** peer group has loan to deposit ratio of 64.16% in FY 2015 which is decreased to 62.35% in FY 2016 where the major contributor to the decrease in a loan to deposit ratio was Kada poroman MF and Nationwide micro bank. **Savings and loan society** also experienced a slight decrease in a loan to deposit ratio of 0.84% and changed from 47.29% in FY 2015 to 46.45% in FY 2016.

## Financial performance

Return on equity declined from positive 3.36% in FY 2015 to negative 1.41% in FY 2016 decreasing by 4.78% in FY 2016. **Micro bank** peer group experienced a decline in return on equity of 4.38% in FY 2016 moving further downwards from negative 7.17% in FY 2015 to 11.55% FY 2016. **Savings and loan society** peer group had also experienced a decline in return on equity of 3.31% in FY 2016. It is broadly seen that most of the FSPs in the country have reported a decline in the return on equity.

On the operational self-sufficiency, **micro bank** peer group reported a slight decrease of 0.86% reaching to 91.39% in FY 2016. **Savings and loan society** as well reduced from 132.23% in FY 2015 to 121.24% in FY 2016. Operational self-sufficiency has drastically declined for few of the FSPs such as Manus that reported a decline of 62.50% whereas Alekano SLS reported an increase in their efficiency by 91.83%.

## Revenue & Expenses

Financial revenue by assets increased marginally from 15.35% in FY 2015 to 15.74% in FY 2016 at a percentage change of 0.39%. **Micro bank's** financial revenue by assets decreased slightly by 0.40% whereas **savings and loan society** witnessed the growth of 1.22% in FY 2016.

Operating expense to loan portfolio decreased in FY 2016 by 1.67% when compared to FY 2015 which was 30.76% in FY 2015 and decreased to 29.09% in FY 2016. **Micro bank** peer group had a decline in operating expense to loan portfolio ratio of 1.22% in FY 2016. The major contributors to the decrease in operating expense to loan portfolio ratio are Women's micro bank and People's micro bank. **Savings and loan society** peer group had also experienced a decline in operating expense to loan portfolio ratio of 2.16% in FY 2016. In FY 2015 operating expense to loan portfolio was 18.81% that decreased to 16.66% in FY 2016. The major contributors to decrease in operating expense to loan portfolio ratio are Alekano SLS and NCSL. In both peer groups because of increase in the loan portfolio, there is a decrease in operating expense to loan portfolio.

## Benchmark Indicator Reference

	FY 2015			FY 2016		
	Savings and Loan Society	Micro Bank	Total	Savings and Loan Society	Micro Bank	Total
Number of FSPs	5	5	10	5	5	10
ALB per borrower (PGK) (WAV)	3,088.02	7,208.92	4,677.26	3,238.51	11,757.81	5,786.88
Assets (PGK) m	193.56	232.23	425.80	209.52	265.97	475.49
Average deposit account balance (PGK) (WAV)	1,223.47	541.01	739.26	1,246.69	569.00	761.01
Borrowers per staff member (WAV)	158.24	33.39	64.80	148.42	22.22	55.00
Capital/assets (WAV)	11.19%	17.99%	14.90%	10.04%	16.46%	13.63%
Cost per borrower (PGK) (WAV)	772.46	2,670.31	2,002.99	526.98	3,354.14	1,496.64
Cost per deposit accounts (PGK) (WAV)	98.43	124.23	116.74	93.60	122.94	114.63
Deposit accounts per staff member (WAV)	844.61	693.37	731.41	830.02	736.53	760.81
Deposits (PGK) m	166.37	179.68	346.05	180.05	207.87	387.92
Deposits to total assets (WAV)	85.95%	77.37%	81.27%	85.94%	78.15%	81.58%
Equity (PGK) m	21.67	41.78	63.45	21.04	43.79	64.83
Financial expense/assets (WAV)	0.54%	0.84%	0.70%	1.26%	0.88%	1.05%
Financial revenue / assets (WAV)	10.26%	19.62%	15.35%	11.48%	19.22%	15.74%
Gross Loan Portfolio (PGK) m	78.67	115.29	193.97	83.63	129.59	213.23
Gross loan portfolio to Assets (WAV)	40.64%	49.65%	45.55%	39.92%	48.72%	44.84%
Loan to deposit (WAV)	47.29%	64.16%	56.05%	46.45%	62.35%	54.97%
Number of active borrowers '000	25.48	15.99	41.47	25.83	11.02	36.85
Number of deposit accounts '000	135.98	332.12	468.11	144.42	365.32	509.74
Number of depositors '000	127.54	331.79	459.33	135.70	364.89	500.59
Offices	29	35	64	30	35	65
Operating expense / loan portfolio (WAV)	18.8%	38.7%	30.8%	16.7%	37.5%	29.1%
Operational self sufficiency (WAV)	132.23%	92.25%	101.61%	121.24%	91.39%	99.42%
Personnel	161	479	640	174	496	670
Portfolio at risk > 30 days (WAV)	33.67%	11.30%	20.38%	39.42%	8.98%	20.92%
Portfolio at risk > 90 days (WAV)	22.05%	9.03%	14.31%	27.34%	6.60%	14.74%
Profit margin (WAV)	24.37%	-8.39%	1.59%	17.51%	-9.42%	-0.59%
Return on assets (WAV)	2.50%	-1.21%	0.48%	2.01%	-2.01%	-0.20%
Return on equity (WAV)	22.29%	-7.17%	3.36%	18.98%	-11.55%	-1.41%
Risk coverage (WAV)	4.66%	59.19%	22.64%	13.29%	63.90%	26.49%
Total expense / assets (WAV)	7.76%	21.27%	15.11%	9.47%	21.03%	15.83%
Yield on gross loan portfolio (WAV)	15.28%	35.33%	27.30%	14.00%	34.05%	25.95%

Notes: (i) m = Millions (ii) WAV = Weighted average value

# Institutional Characteristic





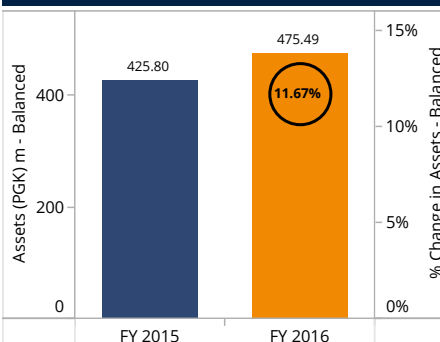
# Assets

Total Assets (PGK) m

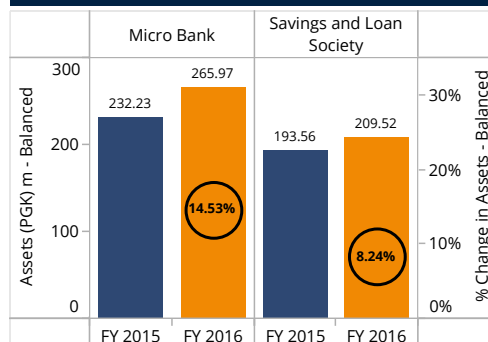
**475.49**

reported as of FY 2016

Percentage Change by Total [Balanced]



Percentage Change of Peer Group [Balanced]



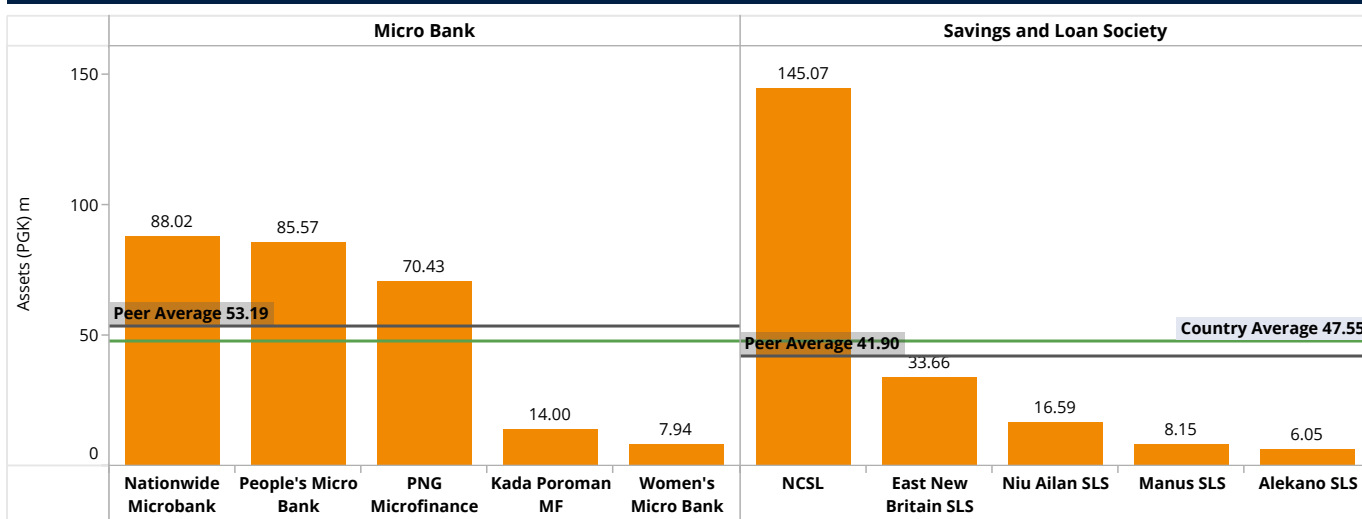
Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP Count	Assets (PGK) m	FSP Count	Assets (PGK) m
Micro Bank	5	232.23	5	265.97
Savings and Loan Society	5	193.56	5	209.52
<b>Total</b>	<b>10</b>	<b>425.80</b>	<b>10</b>	<b>475.49</b>

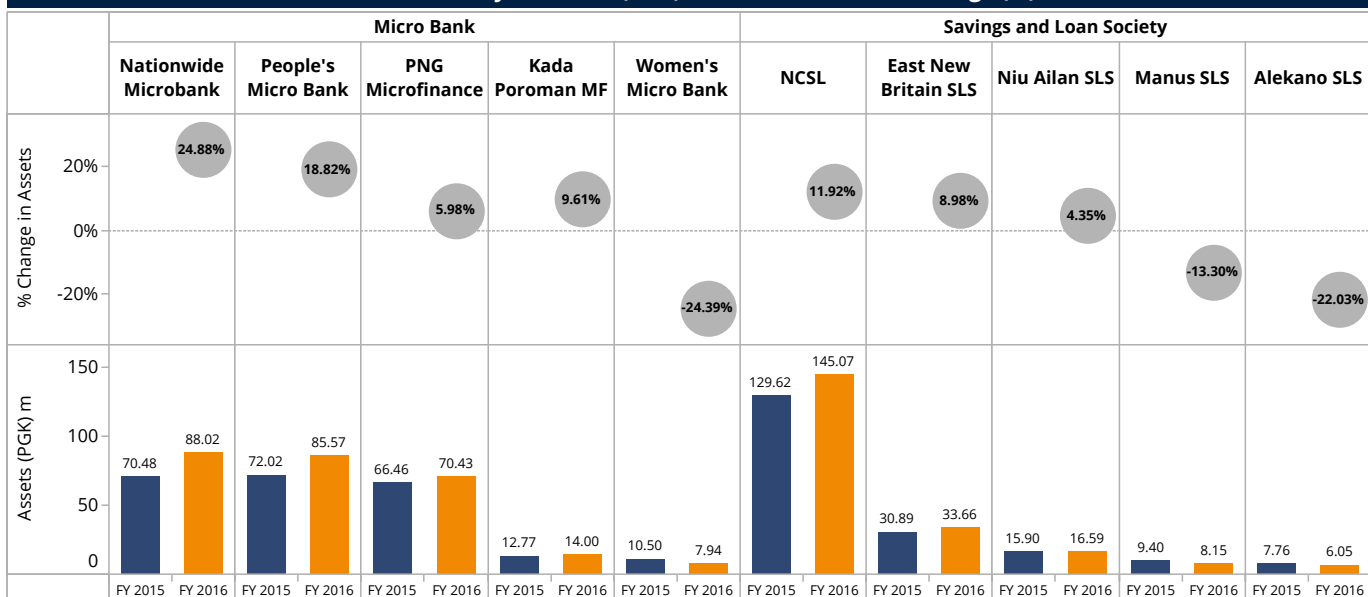
Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Assets (PGK) m	11.07	9.61
Median Assets (PGK) m	23.40	25.13
Percentile (75) of Assets (PGK) m	69.48	81.79

Benchmark by Peer group (PGK) m



Institutions by Indicator (PGK) m and Year on Year Change (%)



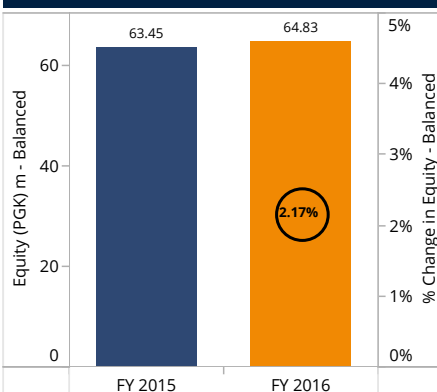
# Equity

Total Equity (PGK) m

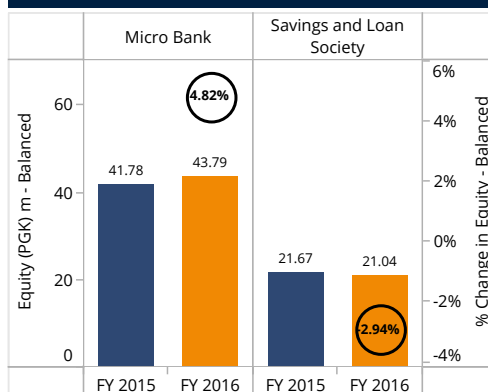
**64.83**

reported as of FY 2016

Percentage Change by Total [Balanced]



Percentage Change of Peer group [Balanced]



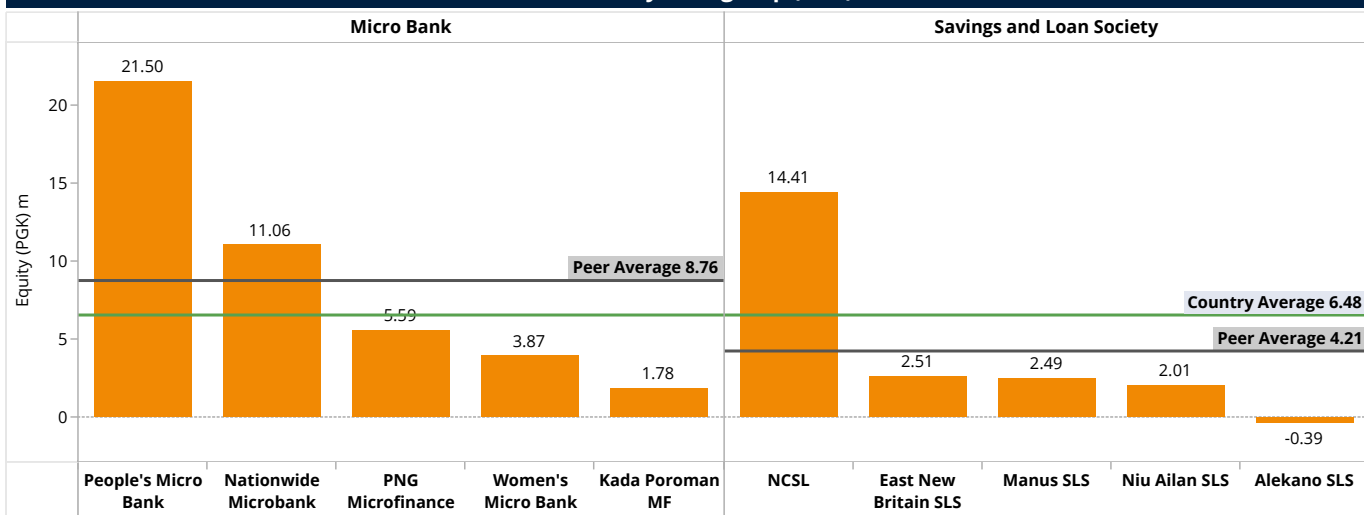
Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Equity (PGK) m	FSP count	Equity (PGK) m
Micro Bank	5	41.78	5	43.79
Savings and Loan Society	5	21.67	5	21.04
<b>Total</b>	<b>10</b>	<b>63.45</b>	<b>10</b>	<b>64.83</b>

Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Equity (PGK) m	1.89	2.13
Median Equity (PGK) m	4.82	3.19
Percentile (75) of Equity (PGK) m	8.71	9.69

Benchmark by Peer group (PGK) m



Institutions by Indicator (PGK) m and Year on Year Change (%)

	Micro Bank					Savings and Loan Society				
	People's Micro Bank	Nationwide Microbank	PNG Microfinance	Women's Micro Bank	Kada Poroman MF	NCSL	Manus SLS	Niu Ailan SLS	East New Britain SLS	Alekano SLS
% Change in Equity	33.53%	35.92%	-37.25%	-42.85%	-4.91%	-9.56%	-13.40%	1.99%	113.36%	-35.63%
Equity (PGK) m	16.10 (FY 2015), 21.50 (FY 2016)	8.14 (FY 2015), 11.06 (FY 2016)	8.90 (FY 2015), 5.59 (FY 2016)	6.77 (FY 2015), 3.87 (FY 2016)	1.87 (FY 2015), 1.78 (FY 2016)	15.93 (FY 2015), 14.41 (FY 2016)	2.88 (FY 2015), 2.49 (FY 2016)	1.97 (FY 2015), 2.01 (FY 2016)	1.18 (FY 2015), 2.51 (FY 2016)	-0.29 (FY 2015), -0.39 (FY 2016)

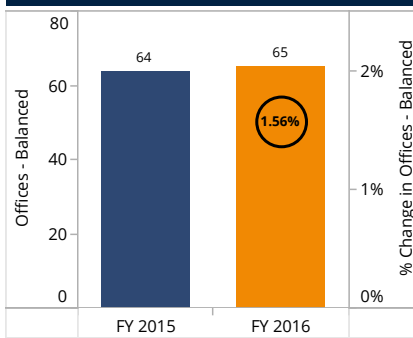
# Offices

Total Offices

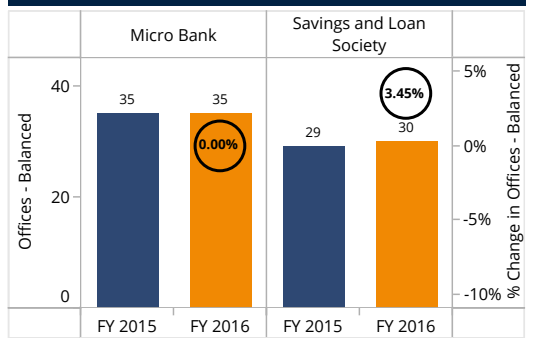
65

reported as of FY 2016

Percentage Change by Total [Balanced]



Percentage Change of Peer group [Balanced]



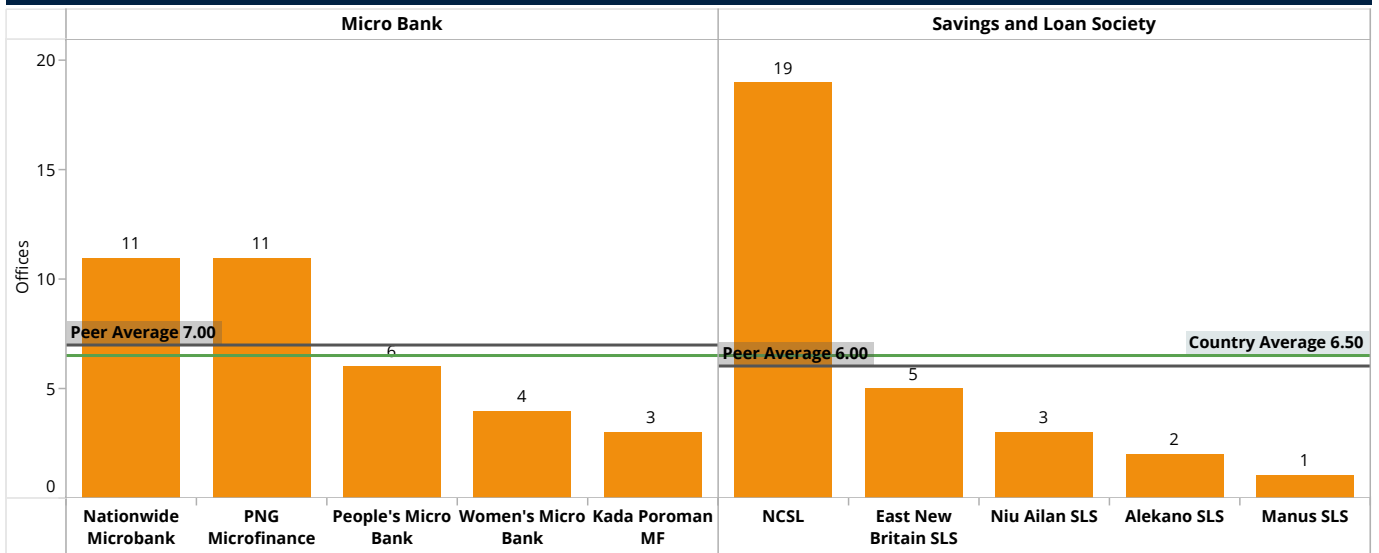
Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Offices	FSP count	Offices
Micro Bank	5	35	5	35
Savings and Loan Society	5	29	5	30
<b>Total</b>	<b>10</b>	<b>64</b>	<b>10</b>	<b>65</b>

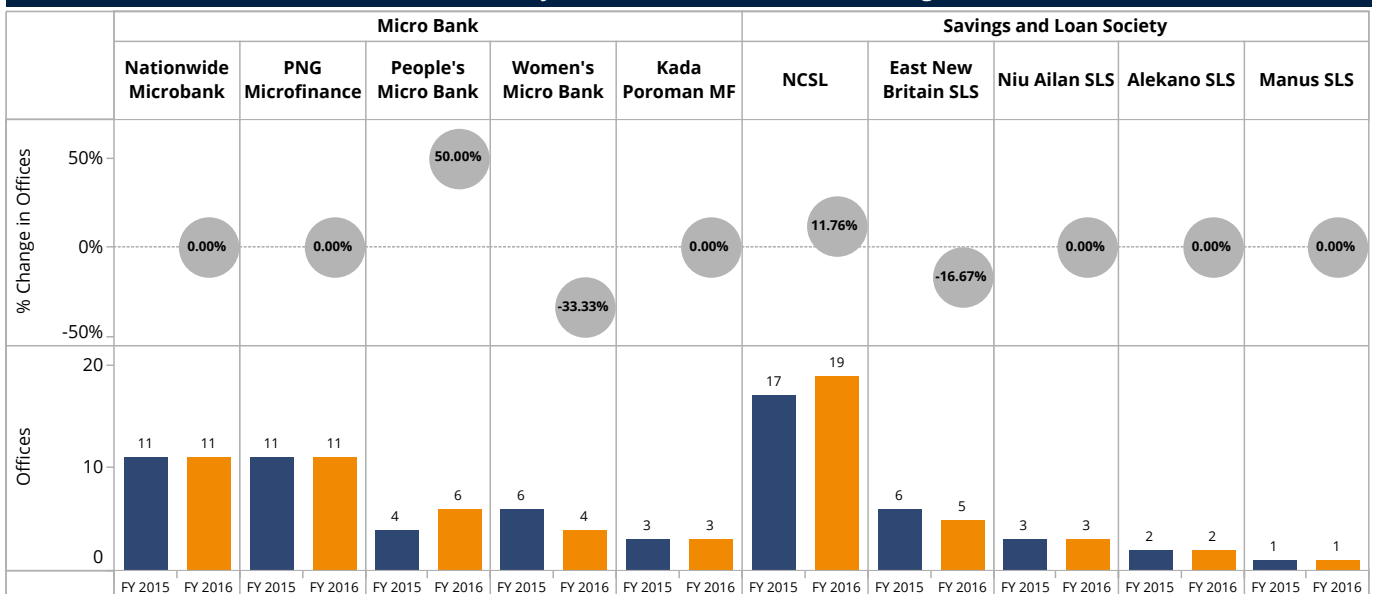
Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Offices	3	3
Median Offices	5	5
Percentile (75) of Offices	10	10

Benchmark by Peer group



Institutions by Indicator and Year on Year Change (%)



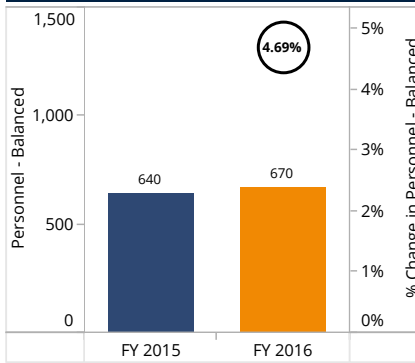
# Personnel

Total Personnel

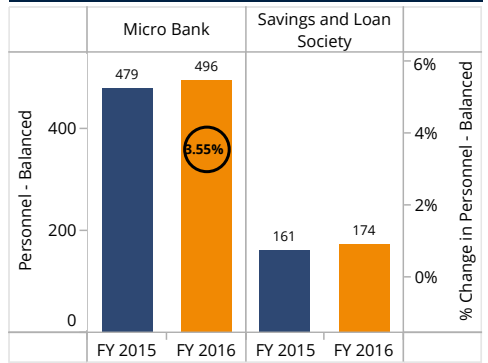
670

reported as of FY 2016

Percentage Change by total [Balanced]



Percentage Change of Peer group [Balanced]



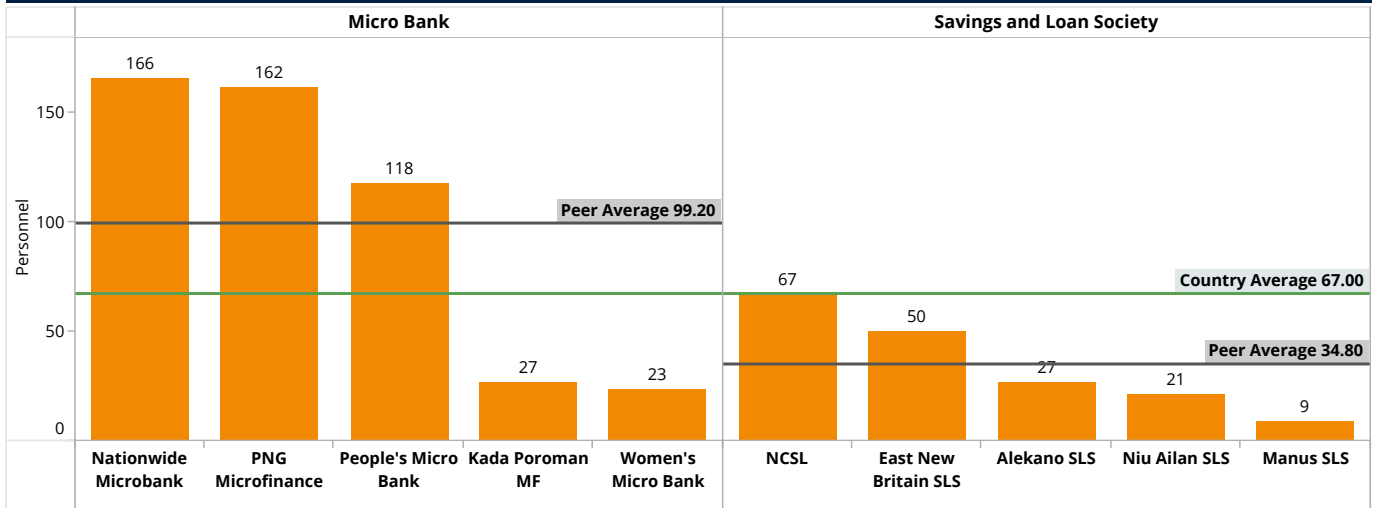
Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Personnel	FSP count	Personnel
Micro Bank	5	479	5	496
Savings and Loan Society	5	161	5	174
<b>Total</b>	<b>10</b>	<b>640</b>	<b>10</b>	<b>670</b>

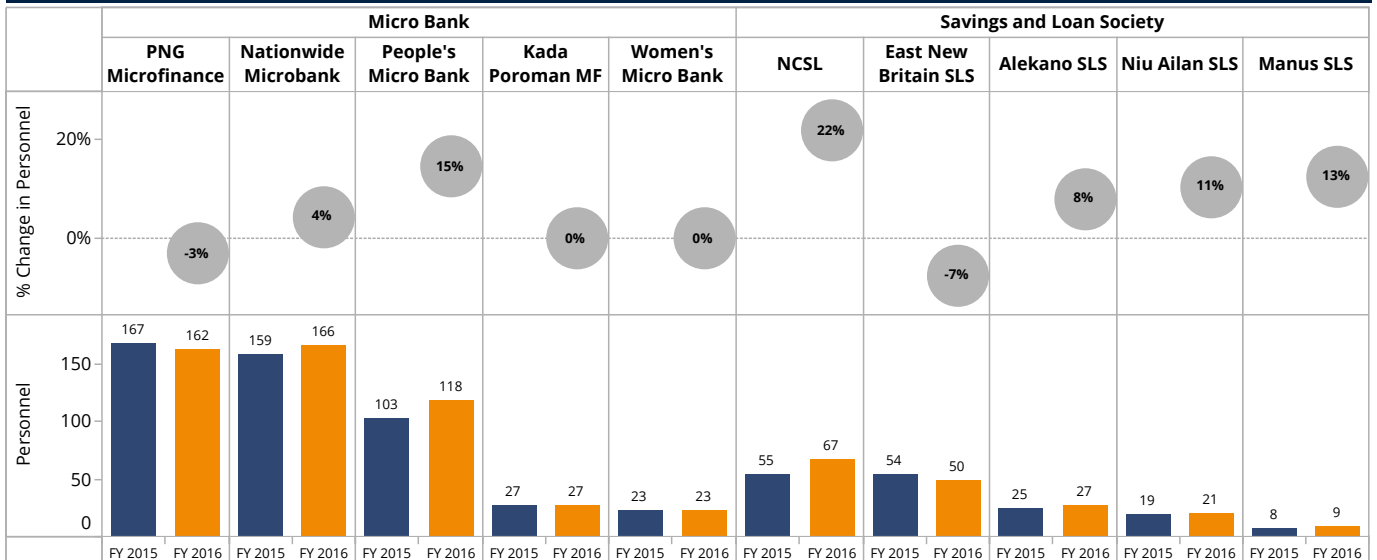
Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Personnel	24	24
Median Personnel	41	39
Percentile (75) of Personnel	91	105

Benchmark by Peer group



Institutions by Indicator and Year on Year Change (%)



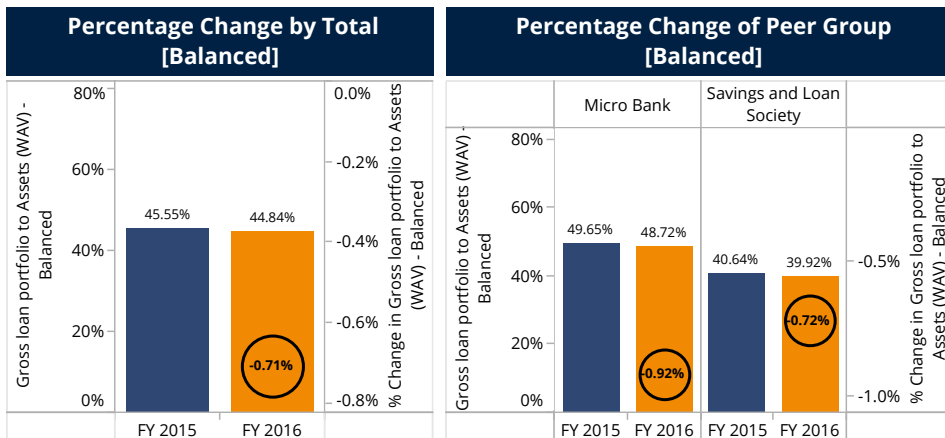
# Financing Structure





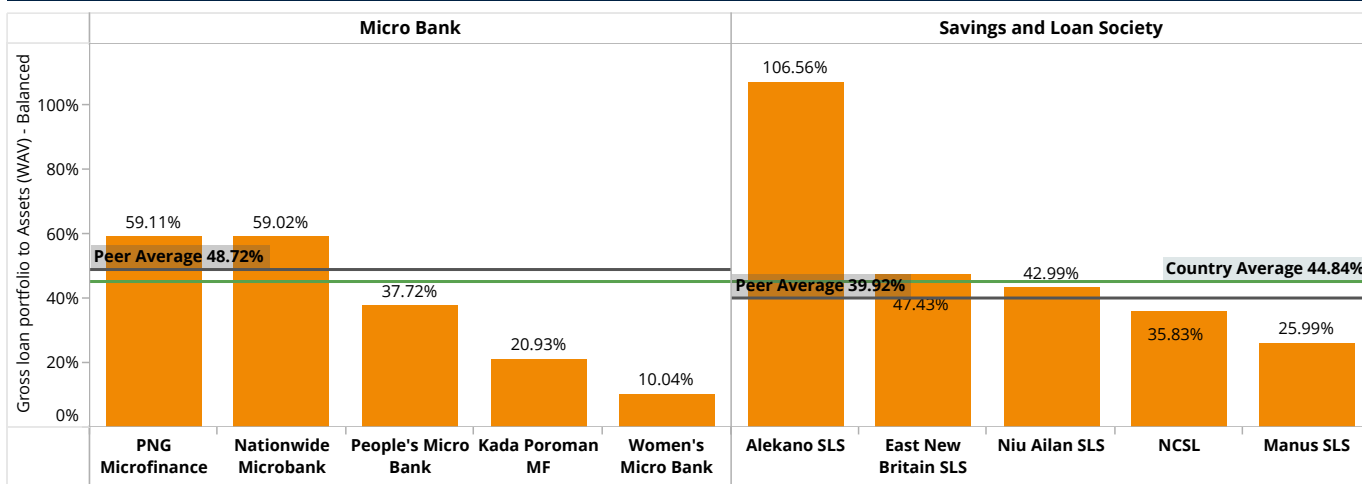
# Gross loan portfolio to Assets

GLP to Assets (WAV)  
Aggregated to  
**44.84%**  
reported as of FY 2016

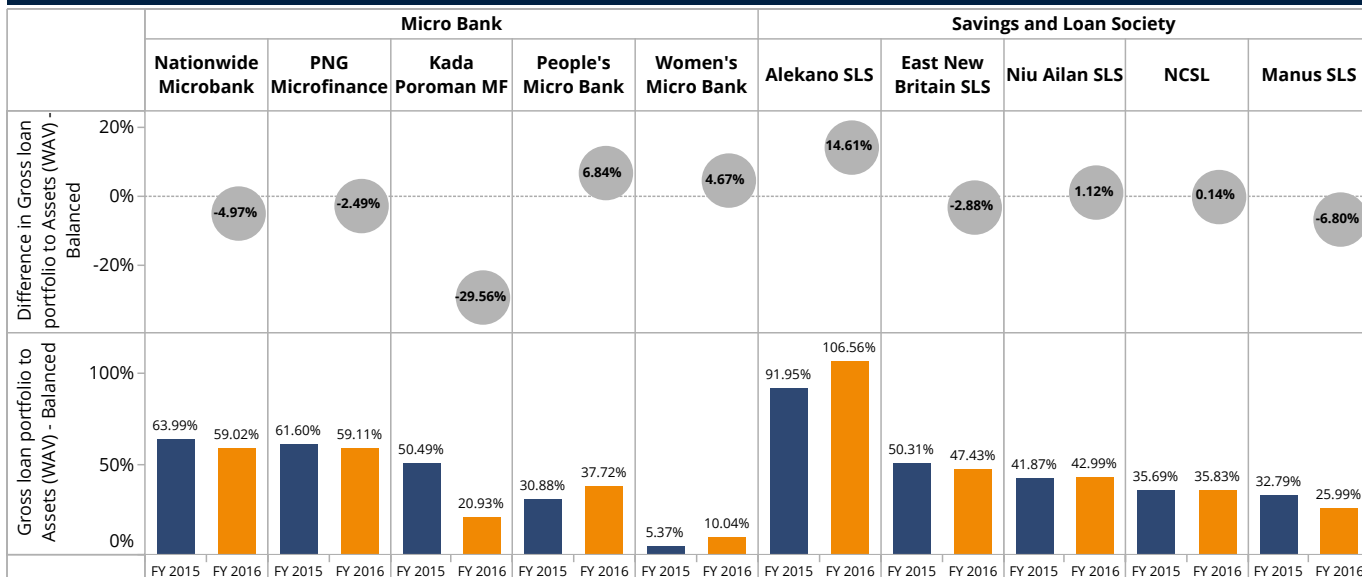


Benchmark by Legal status					Percentiles and Median		
Legal Status	FY 2015		FY 2016		FY 2015	FY 2016	
	FSP count	Gross loan portfolio to Assets (WAV)	FSP count	Gross loan portfolio to Assets (WAV)			
Micro Bank	5	49.65%	5	48.72%	Percentile (25) of Gross Loan Portfolio to Assets	33.52%	28.45%
Savings and Loan Society	5	40.64%	5	39.92%	Median Gross Loan Portfolio to Assets	46.09%	40.36%
<b>Aggregated</b>	10	45.55%	10	44.84%	Percentile (75) of Gross Loan Portfolio to Assets	58.82%	56.12%

## Benchmark by Peer group



## Institutions by Indicator and Year on Year Change (%)



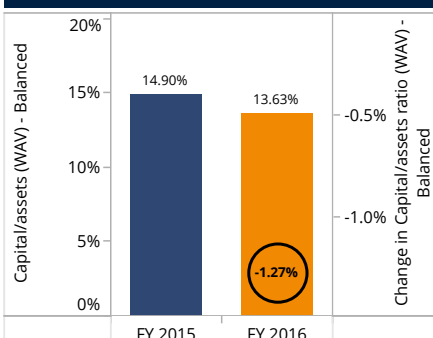
# Capital to assets

Capital/Asset Ratio (WAV) aggregated to

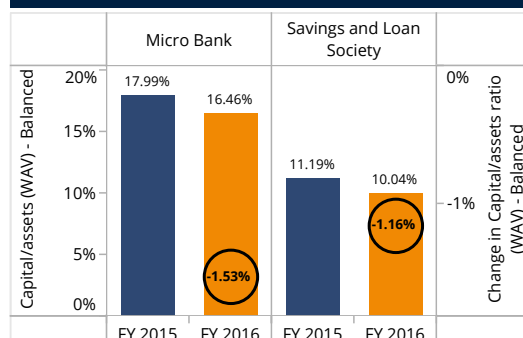
**13.63%**

reported as of FY 2016

## Percentage Change by Total [Balanced]



## Percentage Change of Peer group [Balanced]



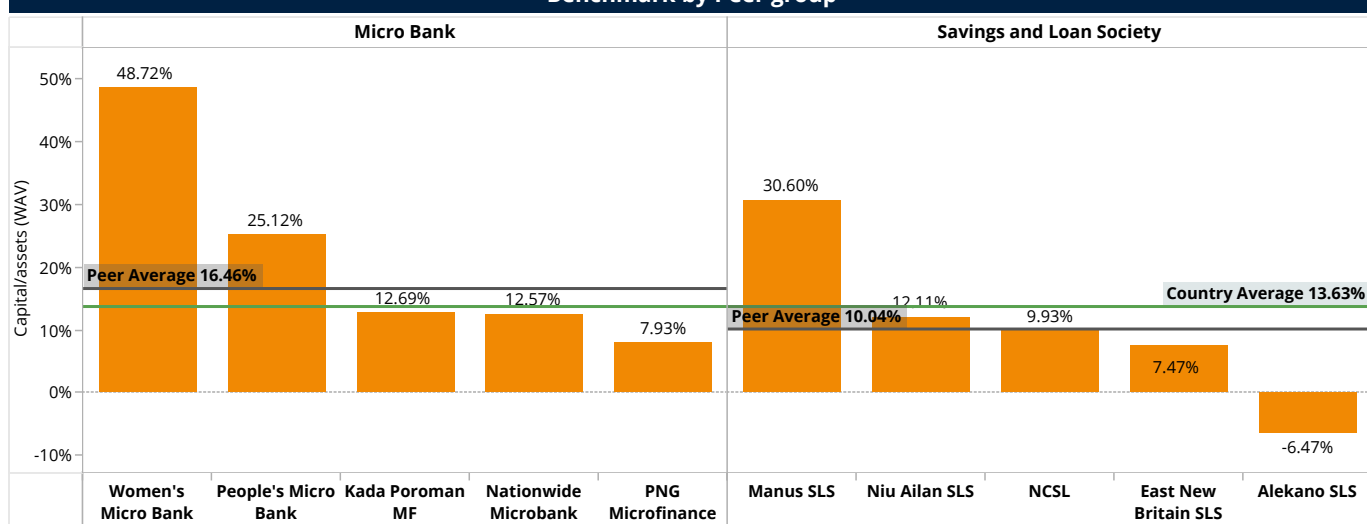
## Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Capital/assets (WAV)	FSP count	Capital/assets (WAV)
Micro Bank	5	17.99%	5	16.46%
Savings and Loan Society	5	11.19%	5	10.04%
<b>Aggregated</b>	10	14.90%	10	13.63%

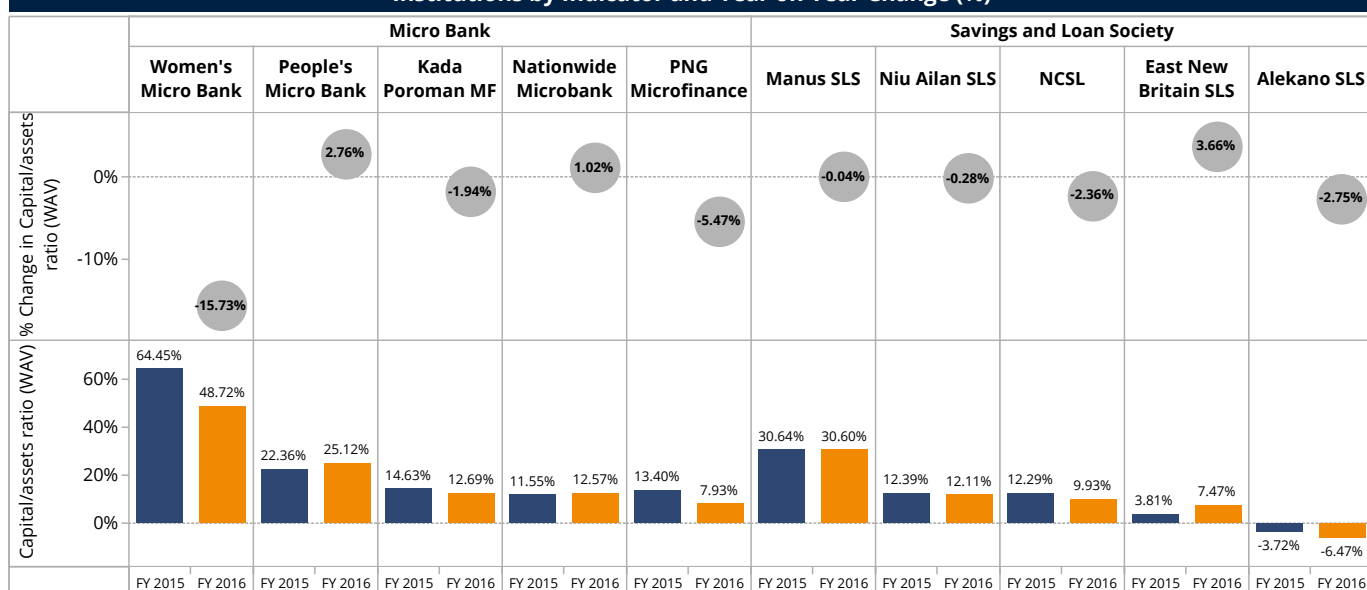
## Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Capital /asset ratio	11.74%	8.43%
Median Capital /asset ratio	12.90%	12.34%
Percentile (75) of Capital /asset ratio	20.43%	22.01%

## Benchmark by Peer group

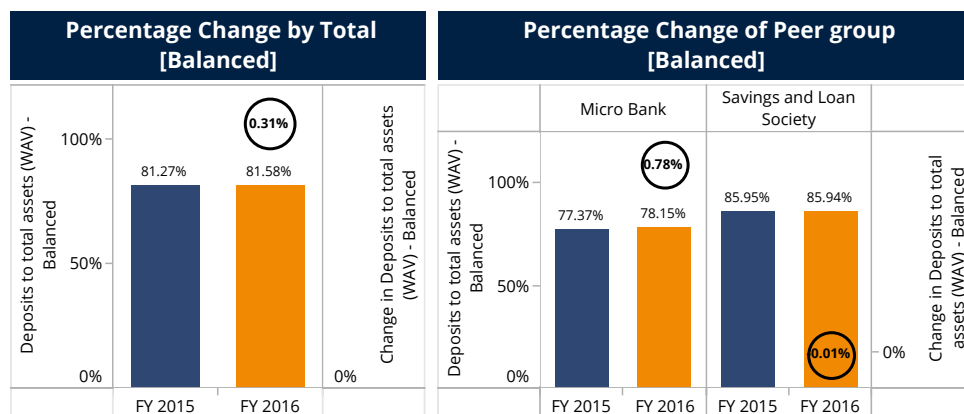


## Institutions by Indicator and Year on Year Change (%)



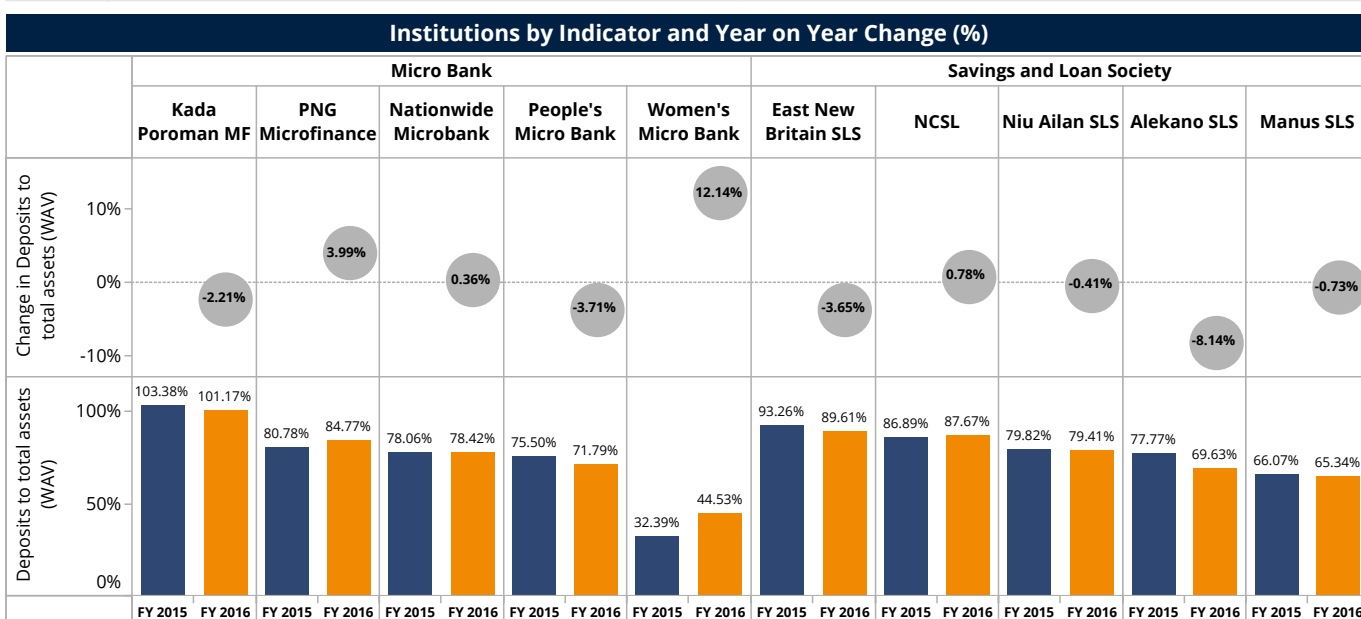
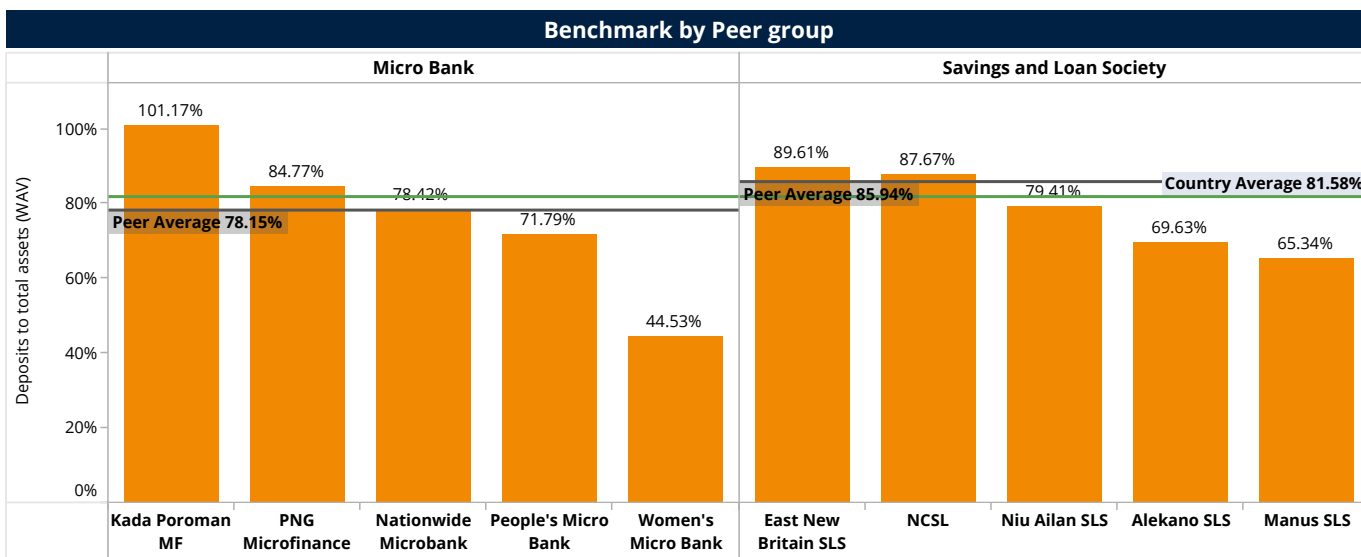
# Deposit to total assets

Deposits/Assets (WAV) aggregated to **81.58%** reported as of FY 2016



Legal Status	FY 2015		FY 2016	
	FSP count	Deposits to total assets (WAV)	FSP count	Deposits to total assets (WAV)
Micro Bank	5	77.37%	5	78.15%
Savings and Loan Society	5	85.95%	5	85.94%
<b>Aggregated</b>	10	81.27%	10	81.58%

	Percentiles and Median	
	FY 2015	FY 2016
Percentile (25) of Deposits to total assets	76.07%	70.17%
Median Deposits to total assets	78.94%	78.92%
Percentile (75) of Deposits to total assets	85.36%	86.95%



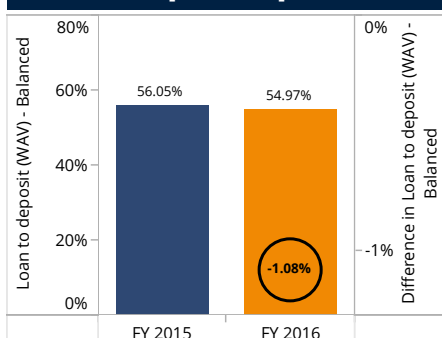
# Loan to deposit

Loan to deposit (WAV) aggregate to

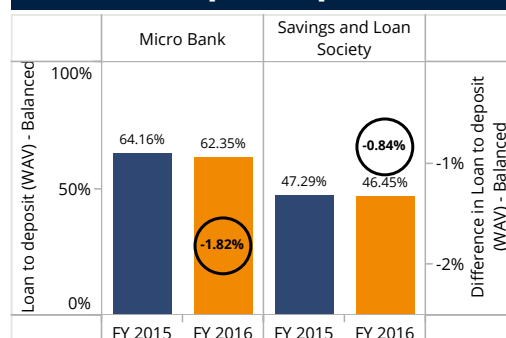
**54.97%**

reported as of FY 2016

Percentage Change by Total [Balanced]



Percentage Change of Peer Group [Balanced]



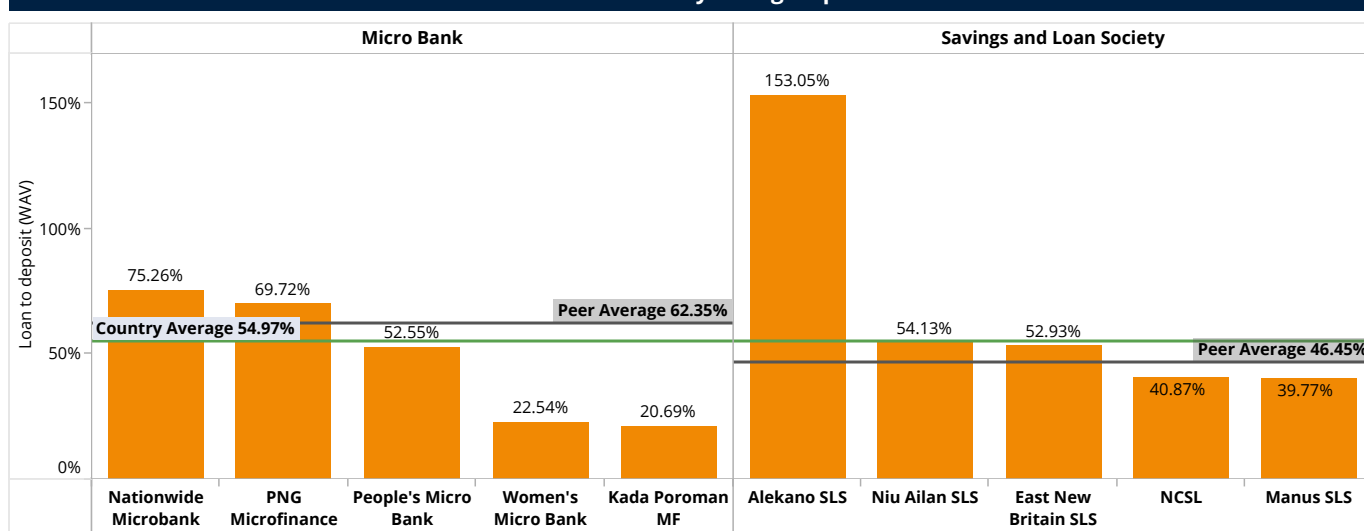
Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Loan to deposit (WAV)	FSP count	Loan to deposit (WAV)
Micro Bank	5	64.16%	5	62.35%
Savings and Loan Society	5	47.29%	5	46.45%
<b>Aggregated</b>	10	56.05%	10	54.97%

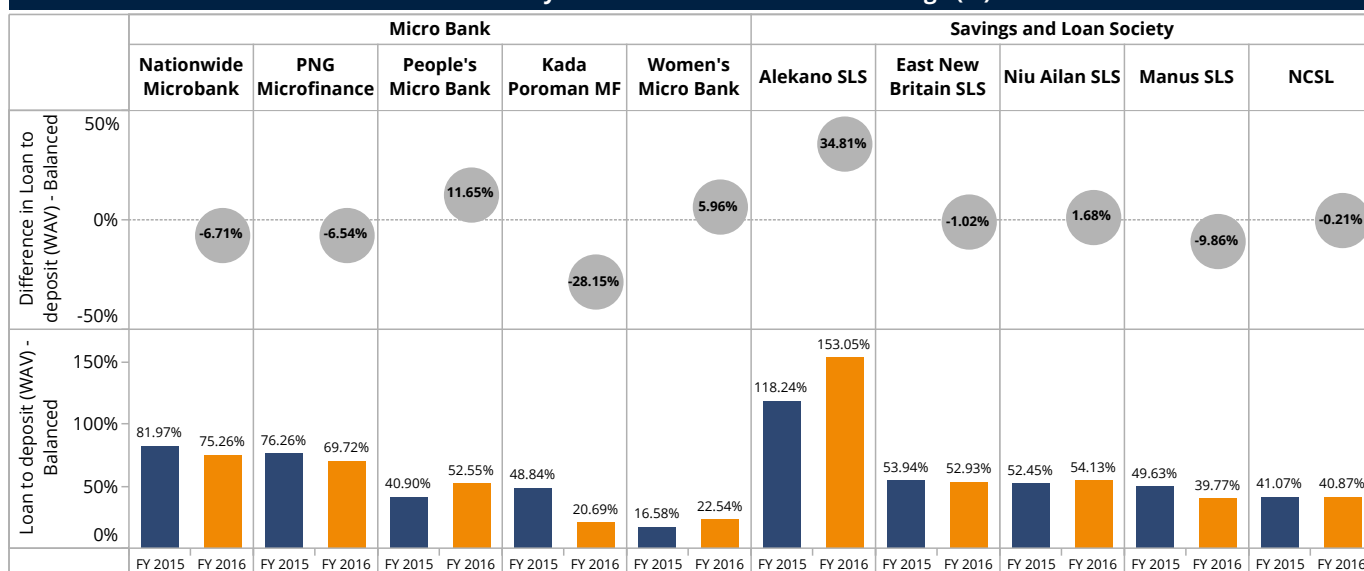
Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Loan to deposit	43.02%	40.05%
Median Loan to deposit	51.04%	52.74%
Percentile (75) of Loan to deposit	70.68%	65.83%

Benchmark by Peer group



Institutions by Indicator and Year on Year Change (%)



# Outreach





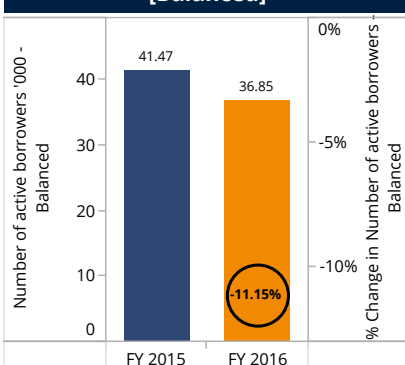
# Number of active borrowers

Total Number of Active Borrowers '000

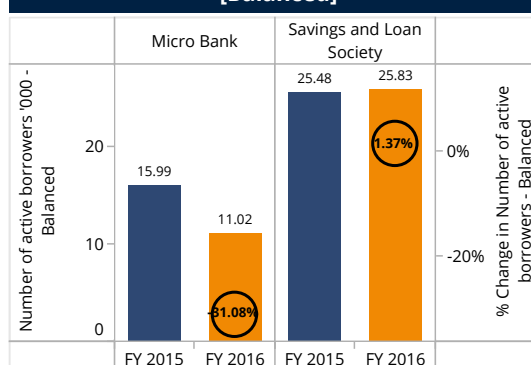
**36.85**

reported as of FY 2016

## Percentage Change by Total [Balanced]



## Percentage Change of Peer group [Balanced]



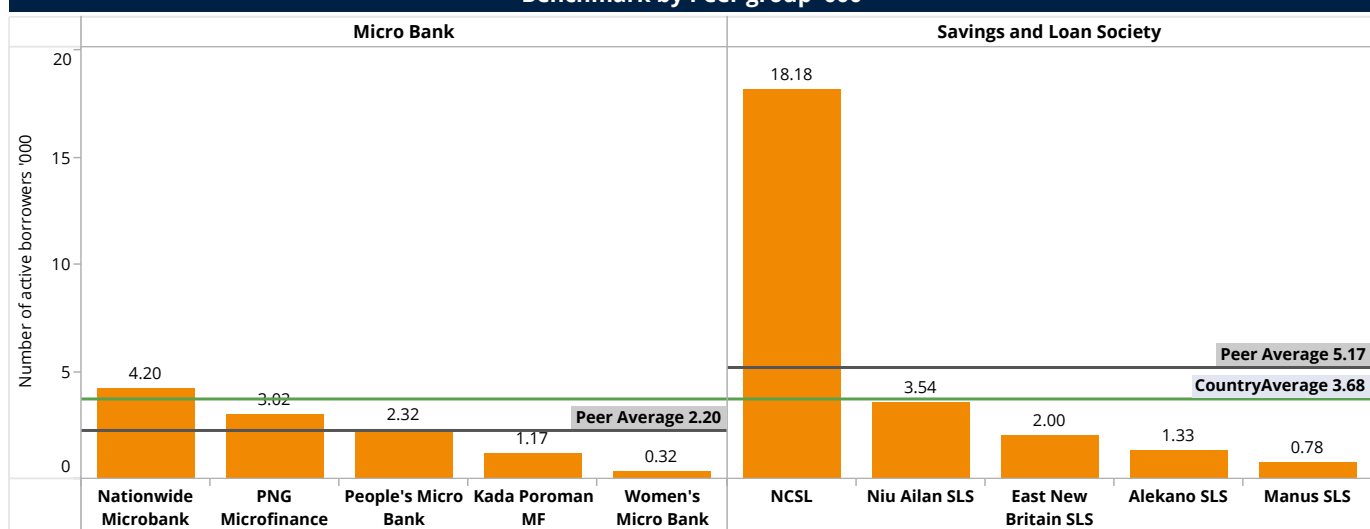
## Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Number of active borrowers '000	FSP count	Number of active borrowers '000
Micro Bank	5	15.99	5	11.02
Savings and Loan Society	5	25.48	5	25.83
<b>Total</b>	10	41.47	10	36.85

## Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Number of active borrowers '000	1.39	1.21
Median Number of active borrowers '000	2.64	2.16
Percentile (75) of Number of active borrowers '000	3.70	3.41

## Benchmark by Peer group '000



## Institutions by Indicator '000 and Year on Year Change (%)

	Micro Bank					Savings and Loan Society				
	Kada Poroman MF	Nationwide Microbank	PNG Microfinance	People's Micro Bank	Women's Micro Bank	NCSL	Niu Ailan SLS	East New Britain SLS	Alekano SLS	Manus SLS
% Change in Number of active borrowers	-83.5%	55.1%	-6.2%	-10.0%	-24.4%	5.9%	-8.3%	-20.1%	42.0%	-23.7%
Number of active borrowers '000	7.07 (FY 2015), 1.17 (FY 2016)	2.71 (FY 2015), 4.20 (FY 2016)	3.22 (FY 2015), 3.02 (FY 2016)	2.57 (FY 2015), 2.32 (FY 2016)	0.42 (FY 2015), 0.32 (FY 2016)	17.17 (FY 2015), 18.18 (FY 2016)	3.86 (FY 2015), 3.54 (FY 2016)	2.50 (FY 2015), 2.00 (FY 2016)	0.94 (FY 2015), 1.33 (FY 2016)	1.02 (FY 2015), 0.78 (FY 2016)

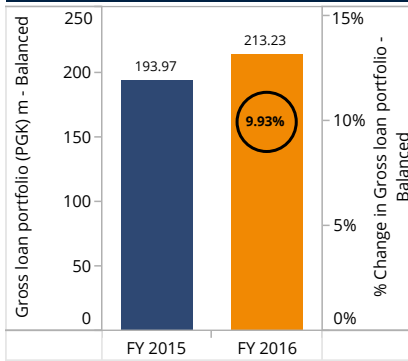
# Gross Loan Portfolio

Total GLP (PGK) m

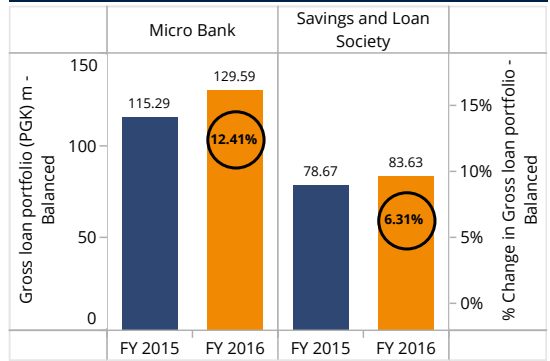
**213.23**

reported as of FY 2016

## Percentage Change by Total [Balanced]



## Percentage Change of Peer group [Balanced]



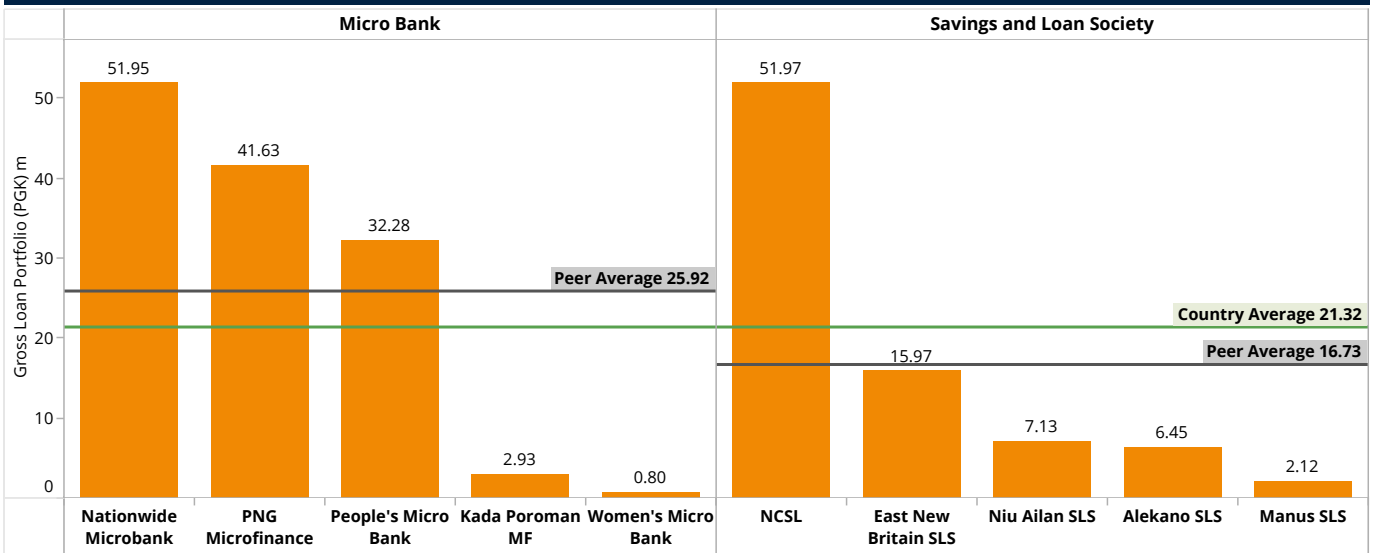
## Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Gross Loan Portfolio (PGK) m	FSP count	Gross Loan Portfolio (PGK) m
Micro Bank	5	115.29	5	129.59
Savings and Loan Society	5	78.67	5	83.63
<b>Total</b>	<b>10</b>	<b>193.97</b>	<b>10</b>	<b>213.23</b>

## Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Gross Loan Portfolio (PGK) m	6.50	3.81
Median Gross Loan Portfolio (PGK) m	11.34	11.55
Percentile (75) of Gross Loan Portfolio (PGK) m	36.26	39.29

## Benchmark by Peer group (PGK) m



## Institutions by Indicator (PGK) m and Year on Year Change (%)

Indicator	Micro Bank					Savings and Loan Society				
	Nationwide Microbank	People's Micro Bank	PNG Microfinance	Kada Poroman MF	Women's Micro Bank	NCSL	East New Britain SLS	Niu Ailan SLS	Manus SLS	Alekano SLS
Change in Gross loan portfolio (PGK) m - Balanced	15.19%	45.17%	1.69%	-54.56%	41.30%	12.34%	2.74%	7.15%	-31.29%	-9.64%
Gross loan portfolio (PGK) m - Balanced	45.10	22.24	40.94	6.45	0.56	46.26	15.54	6.66	3.08	7.13
	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016

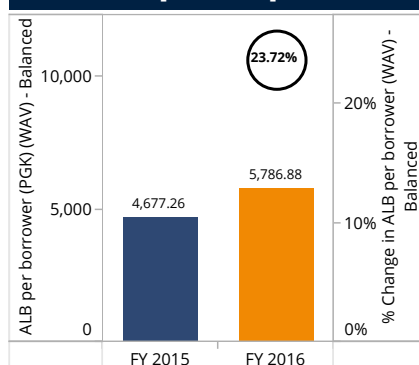
# Average loan balance (ALB) per borrower

Total ALB per Borrower (PGK) (WAV)

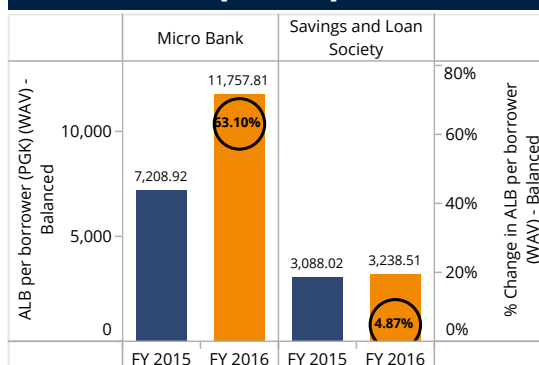
**5,786.88**

reported as of FY 2016

## Percentage Change by Total [Balanced]



## Percentage Change of Peer group [Balanced]



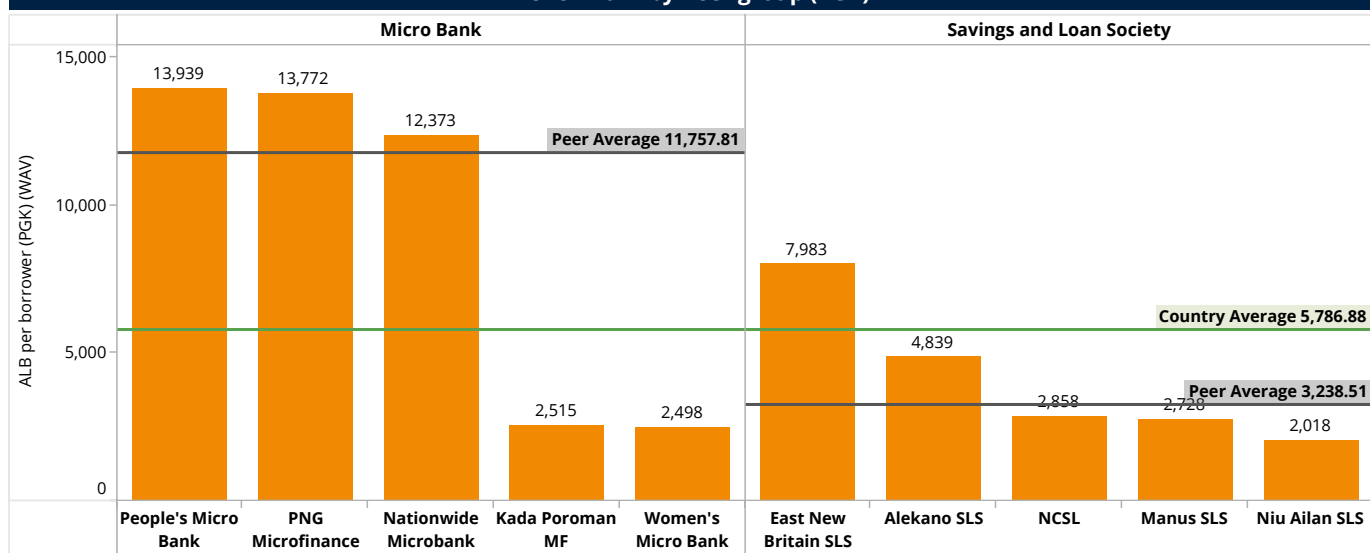
## Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	ALB per borrower (PGK) (WAV)	FSP count	ALB per borrower (PGK) (WAV)
Micro Bank	5	7,208.92	5	11,757.81
Savings and Loan Society	5	3,088.02	5	3,238.51
<b>Total</b>	<b>10</b>	<b>4,677.26</b>	<b>10</b>	<b>5,786.88</b>

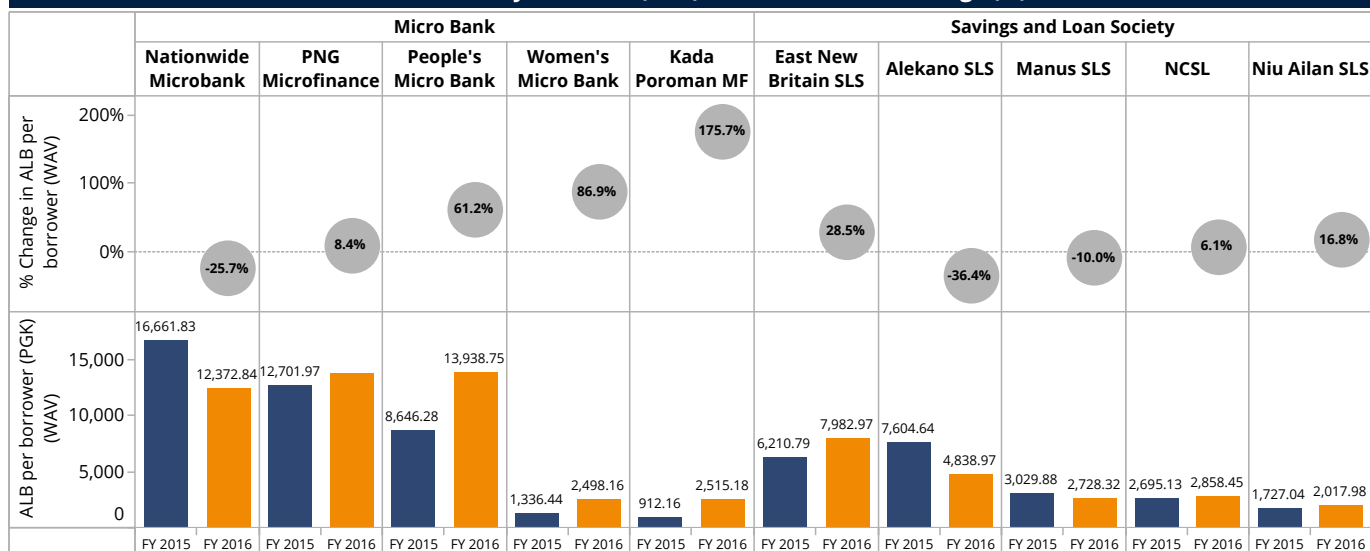
## Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of ALB per borrower (PGK)	1,969.06	2,568.47
Median ALB per borrower (PGK)	4,620.34	3,848.71
Percentile (75) of ALB per borrower (PGK)	8,385.87	11,275.37

## Benchmark by Peer group (PGK)



## Institutions by Indicator (PGK) and Year on Year Change (%)



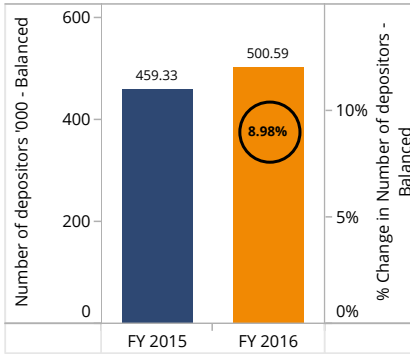
# Number of depositors

Total Number of Depositors '000

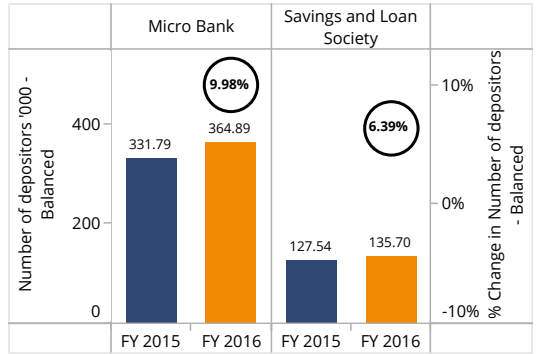
**500.59**

reported as of FY 2016

## Percentage Change by Total [Balanced]



## Percentage Change of Peer group [Balanced]



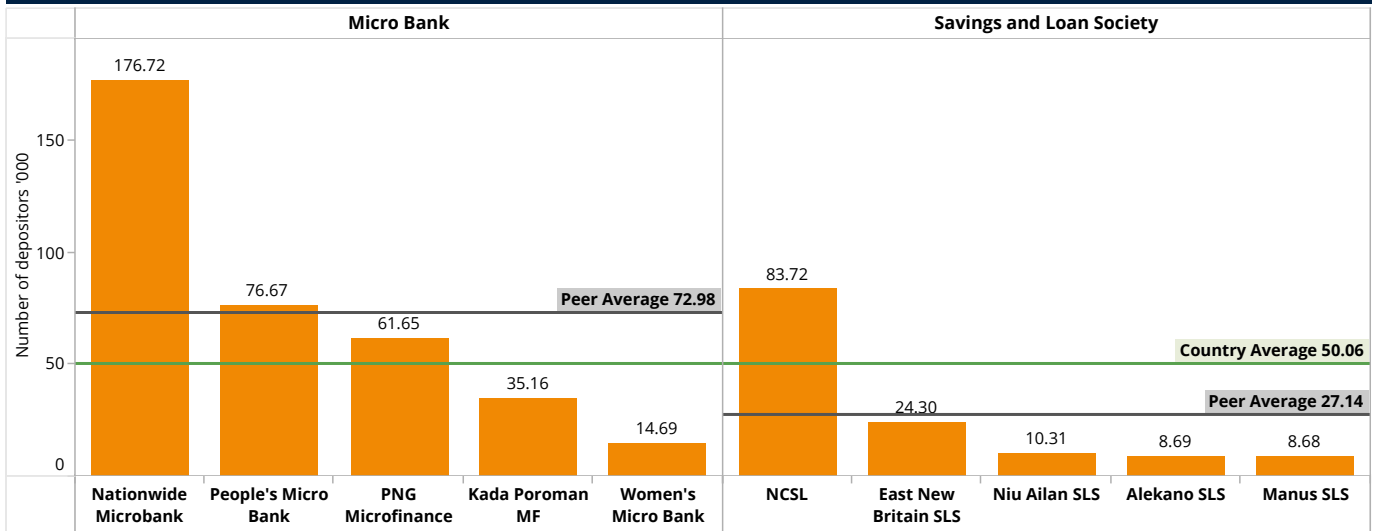
## Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Number of depositors '000	FSP count	Number of depositors '000
Micro Bank	5	331.79	5	364.89
Savings and Loan Society	5	127.54	5	135.70
<b>Total</b>	<b>10</b>	<b>459.33</b>	<b>10</b>	<b>500.59</b>

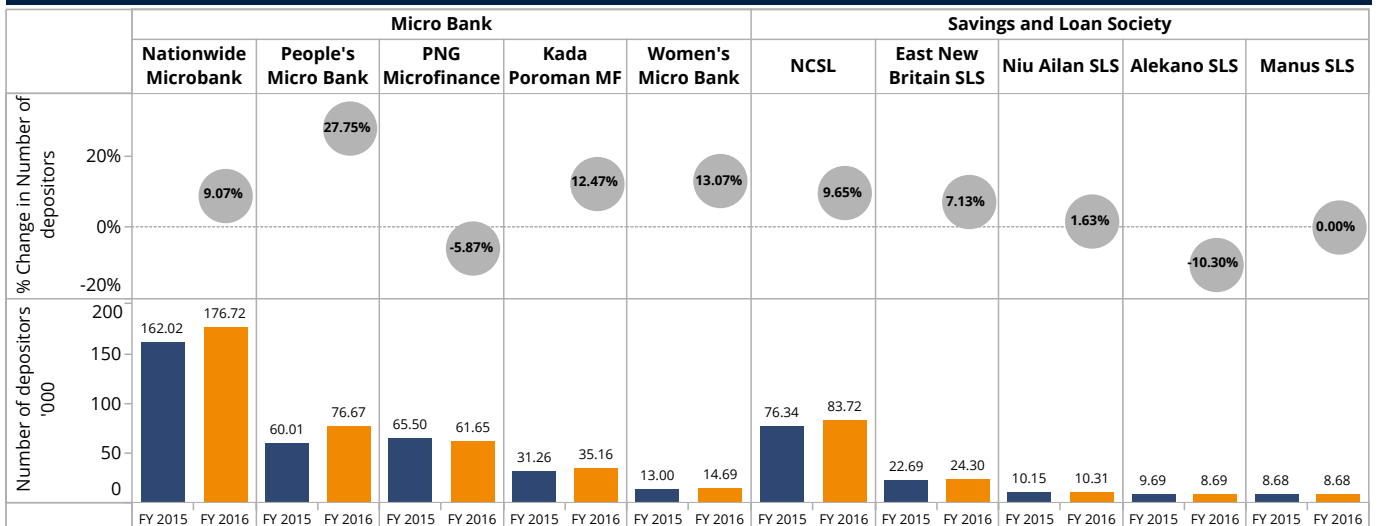
## Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Number of depositors '000	10.86	11.41
Median Number of depositors '000	26.97	29.73
Percentile (75) of Number of depositors '000	64.13	72.91

## Benchmark by Peer group '000



## Institutions by Indicator '000 and Year on Year Change (%)



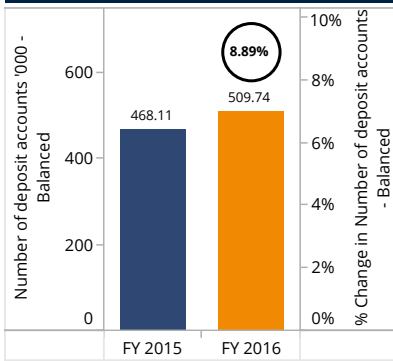
# Number of deposit accounts

Total Number of Deposit Accounts '000

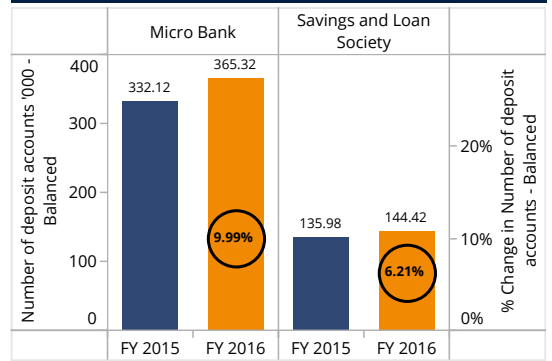
**509.74**

reported as of FY 2016

## Percentage Change by Total [Balanced]



## Percentage Change of Peer group [Balanced]



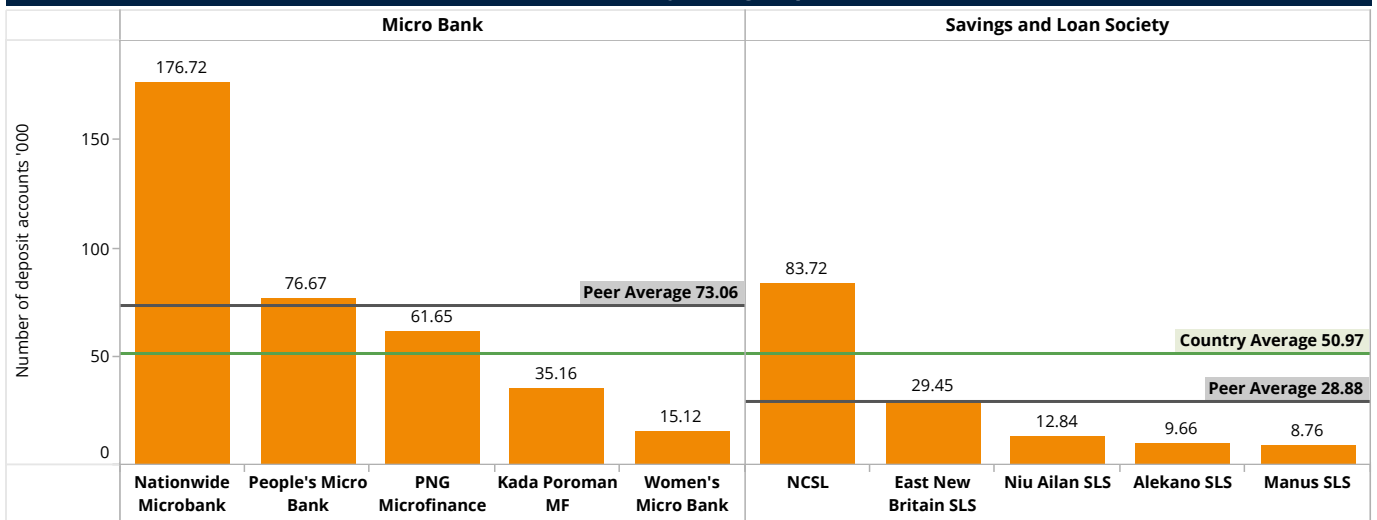
## Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Number of deposit accounts '000	FSP count	Number of deposit accounts '000
Micro Bank	5	332.12	5	365.32
Savings and Loan Society	5	135.98	5	144.42
<b>Total</b>	<b>10</b>	<b>468.11</b>	<b>10</b>	<b>509.74</b>

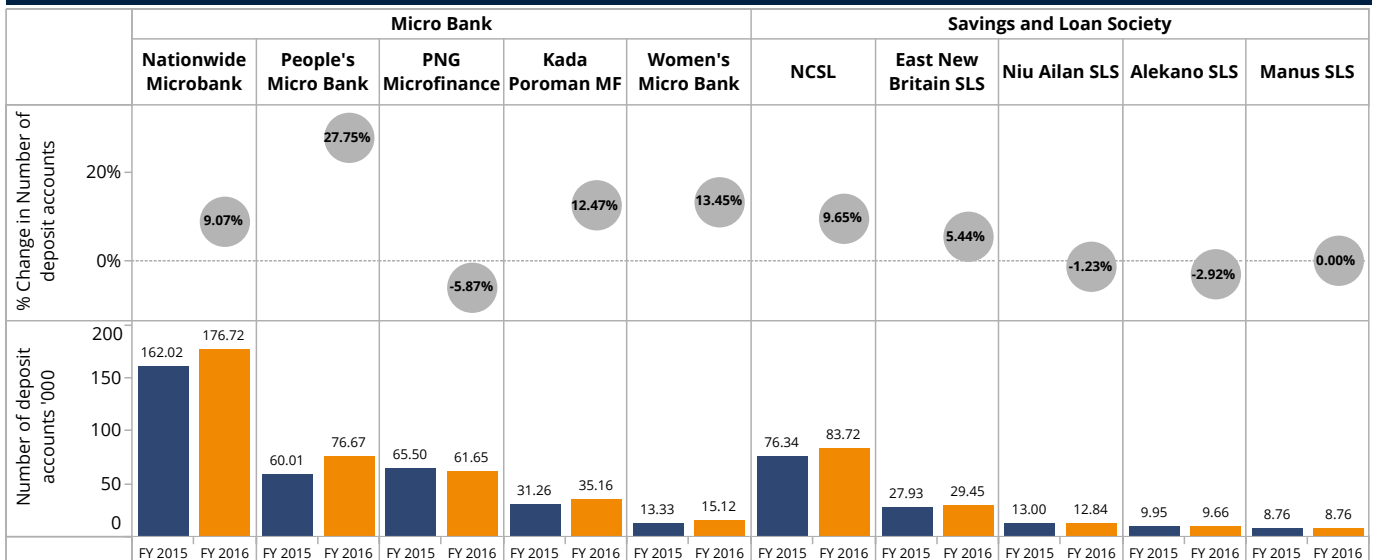
## Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Number of deposit accounts '000	13.08	13.41
Median Number of deposit accounts '000	29.60	32.30
Percentile (75) of Number of deposit accounts '000	64.13	72.91

## Benchmark by Peer group '000



## Institutions by Indicator '000 and Year on Year Change (%)





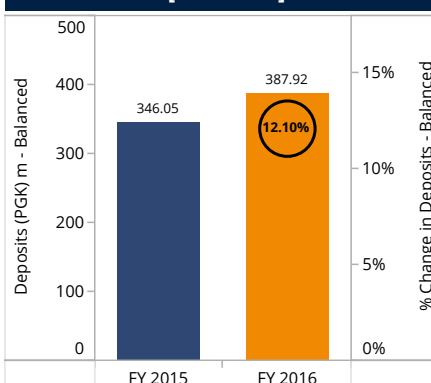
# Deposits

Total Deposits (PGK)  
m

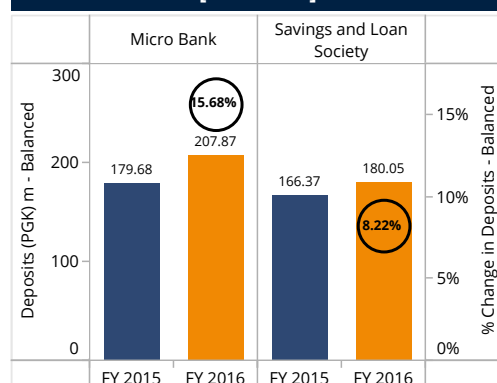
**387.92**

reported as of FY 2016

## Percentage Change by Total [Balanced]



## Percentage Change of Peer group [Balanced]



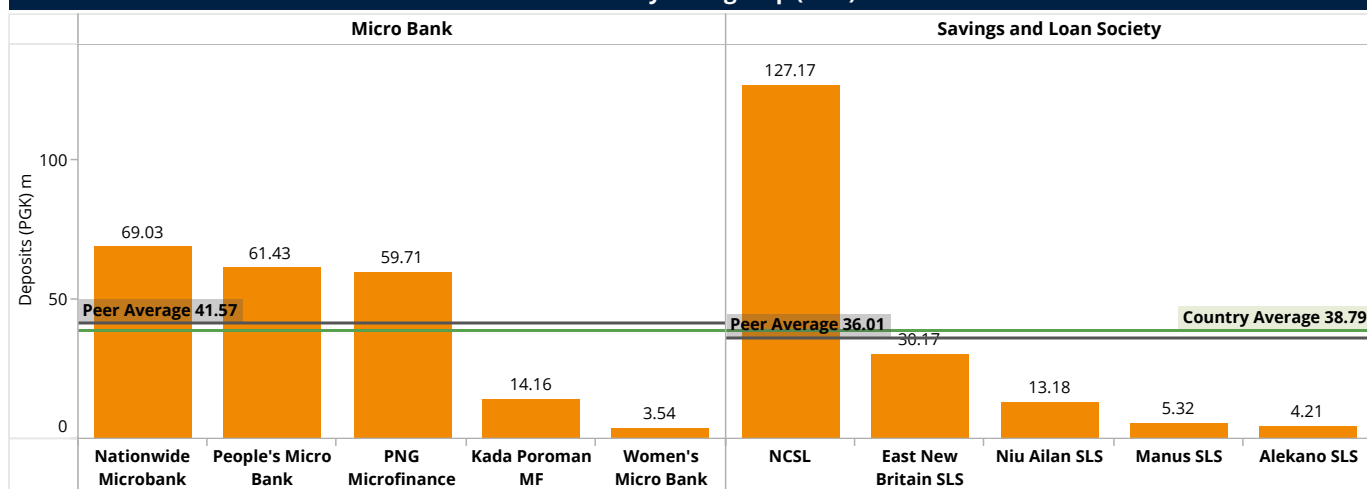
## Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Deposits (PGK) m	FSP count	Deposits (PGK) m
Micro Bank	5	179.68	5	207.87
Savings and Loan Society	5	166.37	5	180.05
<b>Total</b>	<b>10</b>	<b>346.05</b>	<b>10</b>	<b>387.92</b>

## Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Deposits (PGK) m	7.83	7.29
Median Deposits (PGK) m	21.00	22.16
Percentile (75) of Deposits (PGK) m	54.20	61.00

## Benchmark by Peer group (PGK) m



## Institutions by Indicator (PGK) m and Year on Year Change (%)

	Micro Bank					Savings and Loan Society				
	Nationwide Microbank	People's Micro Bank	PNG Microfinance	Kada Poroman MF	Women's Micro Bank	NCSL	East New Britain SLS	Niu Ailan SLS	Manus SLS	Alekano SLS
% Change in Deposits	25.46%	12.98%	11.23%	7.27%	3.93%	12.91%	4.72%	3.82%	-14.26%	-30.19%
Deposits (PGK) m	55.02 (FY 2015), 69.03 (FY 2016)	54.37 (FY 2015), 61.43 (FY 2016)	53.68 (FY 2015), 59.71 (FY 2016)	13.20 (FY 2015), 14.16 (FY 2016)	3.40 (FY 2015), 3.54 (FY 2016)	112.63 (FY 2015), 127.17 (FY 2016)	28.81 (FY 2015), 30.17 (FY 2016)	12.69 (FY 2015), 13.18 (FY 2016)	6.21 (FY 2015), 5.32 (FY 2016)	6.03 (FY 2015), 4.21 (FY 2016)

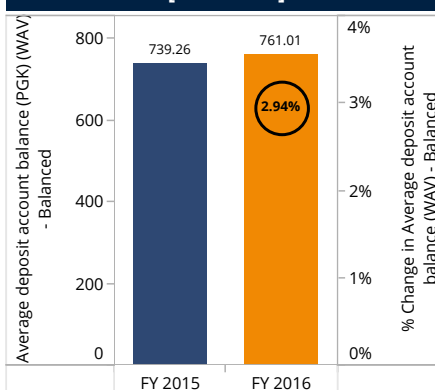
# Average deposit account balance

Average Deposit Account Balance (PGK) (WAV)

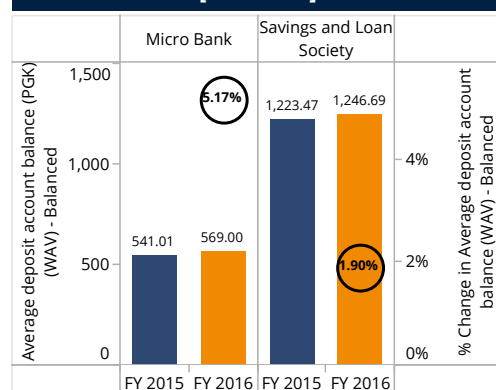
**761.01**

reported as of FY 2016

## Percentage Change by Total [Balanced]



## Percentage Change of Peer group [Balanced]



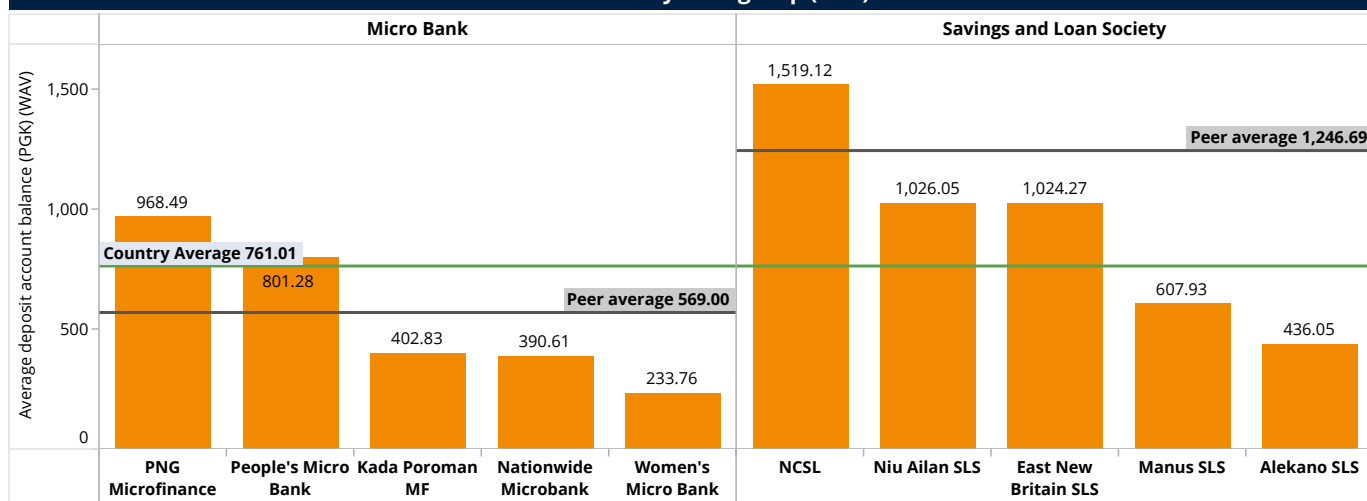
## Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Average deposit account balance (PGK) (WAV)	FSP count	Average deposit account balance (PGK) (WAV)
Micro Bank	5	541.01	5	569.00
Savings and Loan Socie..	5	1,223.47	5	1,246.69
<b>Aggregated</b>	10	739.26	10	761.01

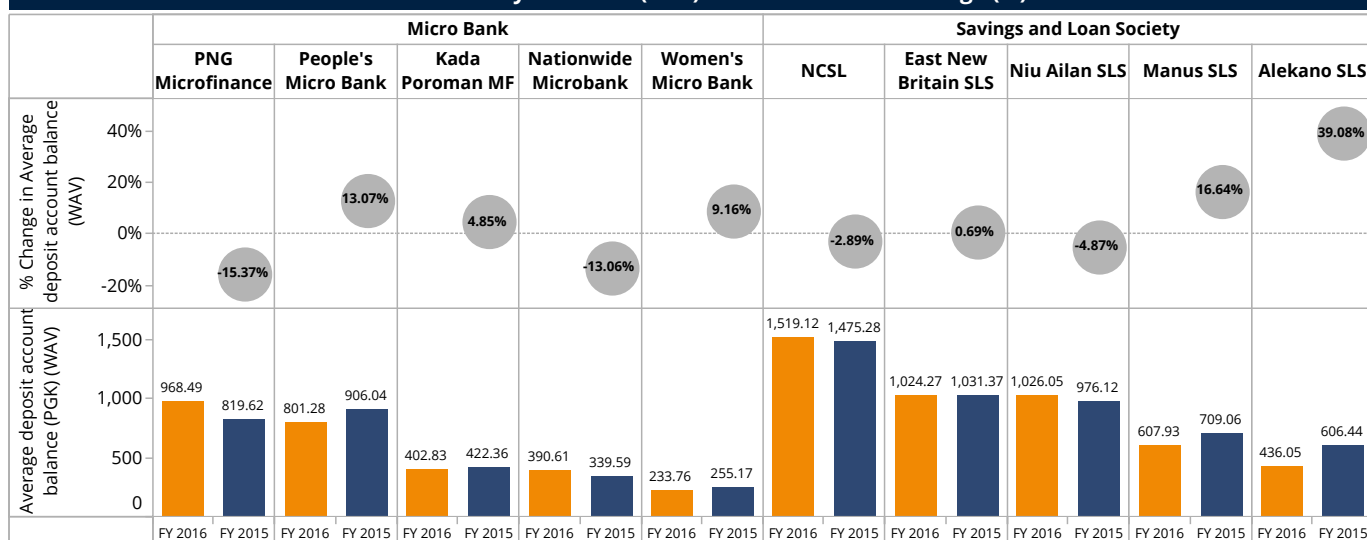
## Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Average deposit account balance (PGK)	468.38	411.14
Median Average deposit account balance (PGK)	764.34	704.61
Percentile (75) of Average deposit account balance (PGK)	958.60	1,010.33

## Benchmark by Peer group (PGK)



## Institutions by Indicator (PGK) and Year on Year Change (%)



# Financial Performance

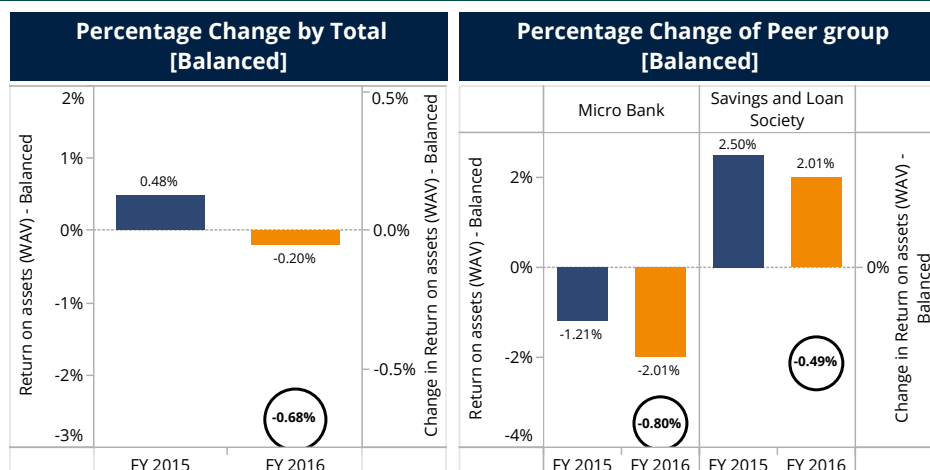


## Return on assets

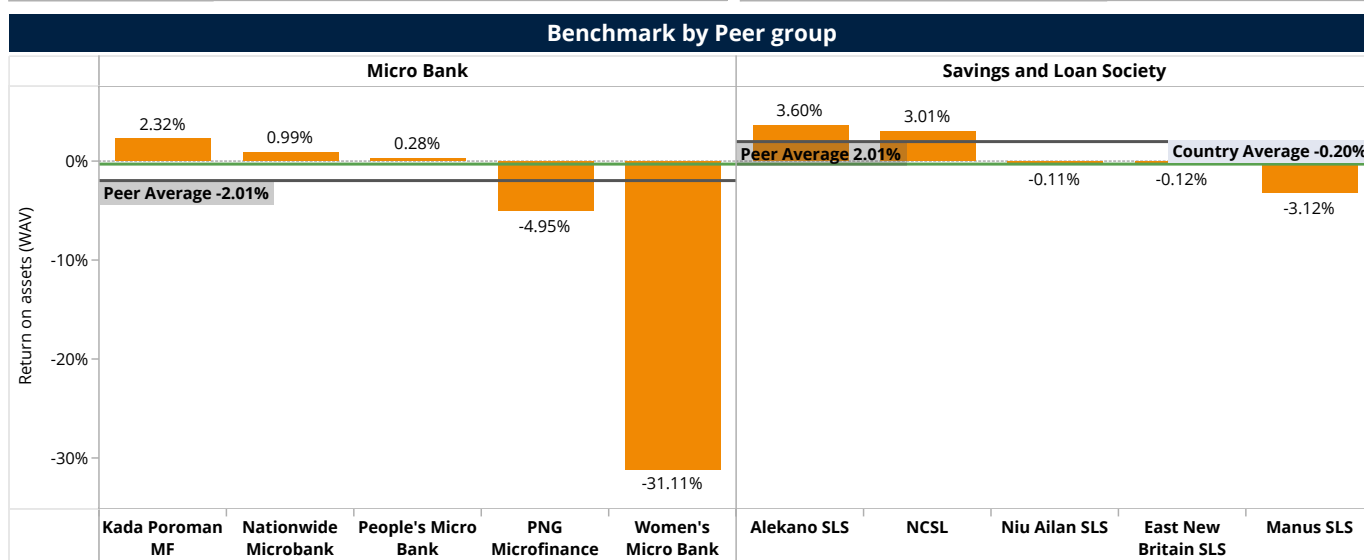
Return on Assets (WAV) aggregated to

**-0.20%**

for FY 2016



Benchmark by Legal status					Percentiles and Median		
Legal Status	FY 2015		FY 2016		FY 2015	FY 2016	
	FSP count	Return on assets (WAV)	FSP count	Return on assets (WAV)			
Micro Bank	5	-1.21%	5	-2.01%	Percentile (25) of Return on assets	-4.22%	-2.37%
Savings and Loan Society	5	2.50%	5	2.01%	Median Return on assets	-1.09%	0.09%
<b>Aggregated</b>	10	0.48%	10	-0.20%	Percentile (75) of Return on assets	1.89%	1.99%



Institutions by Indicator and Year on Year Change (%)																				
	Micro Bank										Savings and Loan Society									
	People's Micro Bank		Nationwide Microbank		Kada Poroman MF		PNG Microfinance		Women's Micro Bank		NCSL		Niu Ailan SLS		Manus SLS		Alekanos SLS		East New Britain SLS	
% Change in Return on assets (WAV)	-1.88%	0.93%	12.05%	-2.72%	-15.99%	-1.35%	-1.17%	-6.02%	8.38%	2.42%										
Return on assets (WAV)	2.16%	0.28%	0.06%	0.99%	-9.73%	2.32%	-2.23%	-4.95%	-15.12%	-31.11%	4.36%	3.01%	1.06%	-0.11%	2.90%	-3.12%	-4.78%	3.60%	-2.54%	-0.12%
	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016

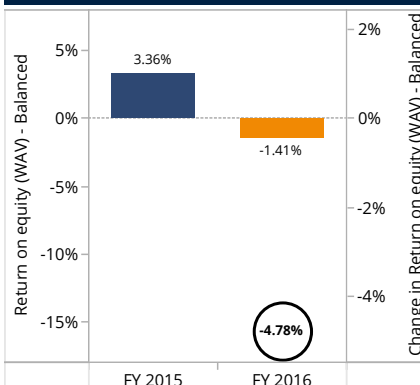
# Return on equity

Return on Equity (WAV) aggregated to

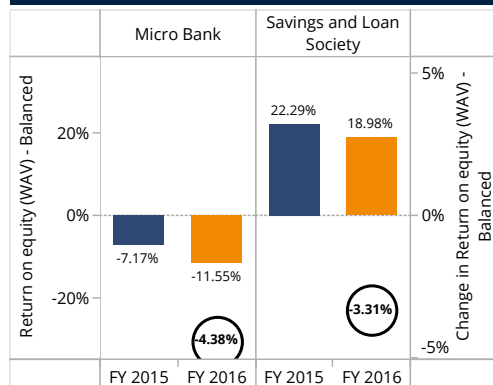
**-1.41%**

for FY 2016

Percentage Change by Total [Balanced]



Percentage Change of Peer group [Balanced]



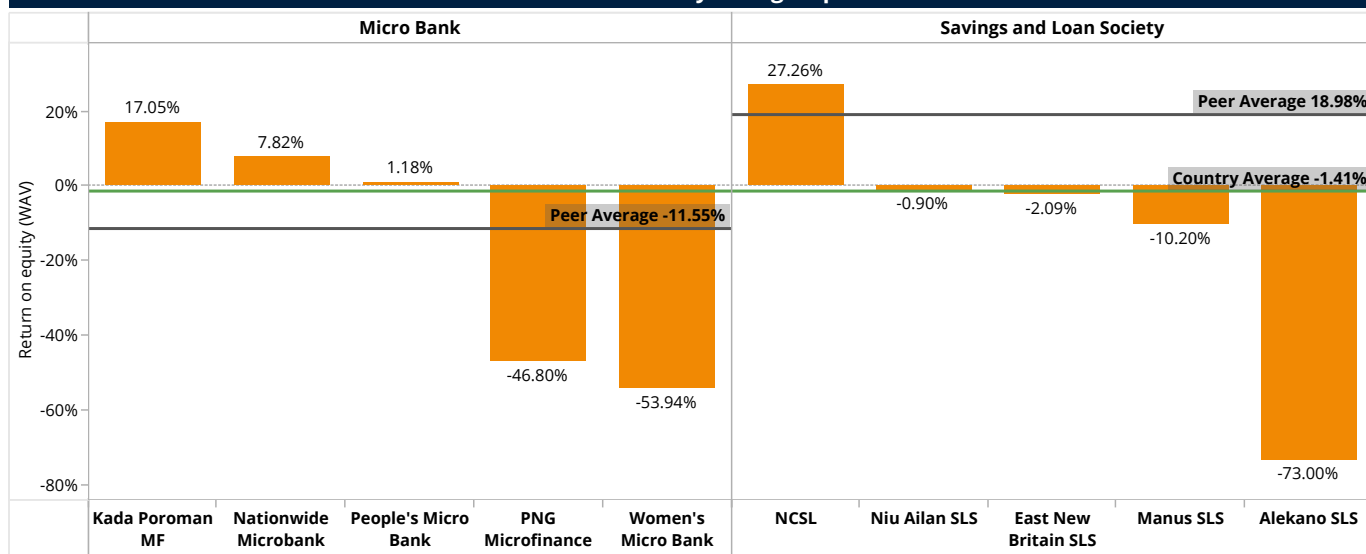
Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Return on equity (WAV)	FSP count	Return on equity (WAV)
Micro Bank	5	-7.17%	5	-11.55%
Savings and Loan Society	5	22.29%	5	18.98%
<b>Aggregated</b>	<b>10</b>	<b>3.36%</b>	<b>10</b>	<b>-1.41%</b>

Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Return on equity	-22.56%	-37.65%
Median Return on equity	4.48%	-1.50%
Percentile (75) of Return on equity	10.52%	6.16%

Benchmark by Peer group

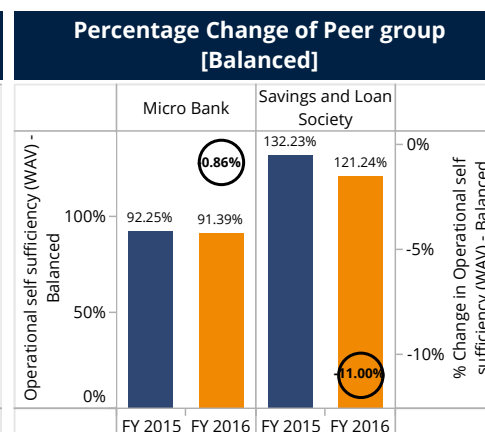
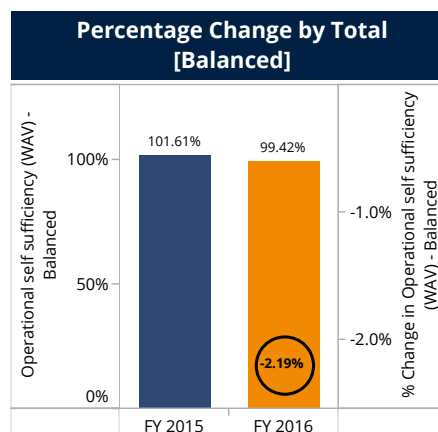


Institutions by Indicator and Year on Year Change (%)

	Micro Bank					Savings and Loan Society				
	People's Micro Bank	Nationwide Microbank	Kada Poroman MF	PNG Microfinance	Women's Micro Bank	NCSL	Alekano SLS	Niu Ailan SLS	Manus SLS	East New Britain SLS
%Change in Return on equity (WAV)	-8.66%	7.25%	111.31%	-29.84%	-29.52%	-7.82%	-372.35%	-9.29%	-20.95%	56.17%
Return on equity (WAV)	9.84%	1.18%	17.05%	-16.96%	-24.42%	35.08%	299.35%	8.39%	10.75%	-58.26%
	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016

# Operating self sufficiency (OSS)

Operational Self Sufficiency (WAV) aggregated to **99.42%** for FY 2016

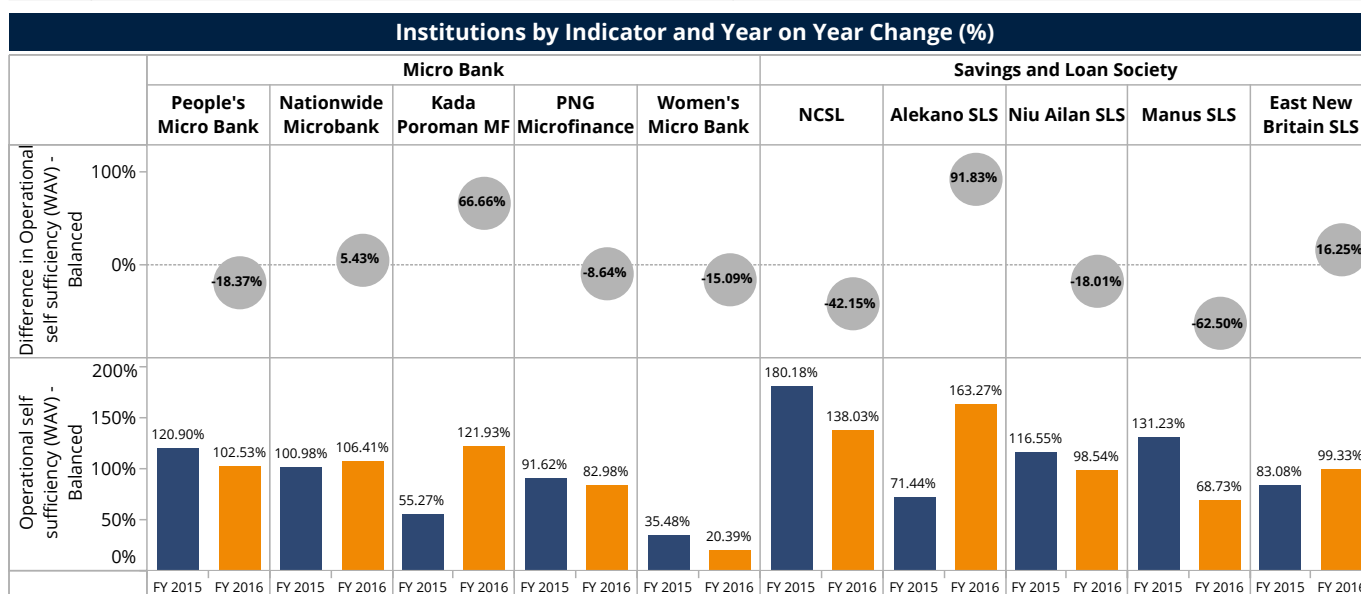
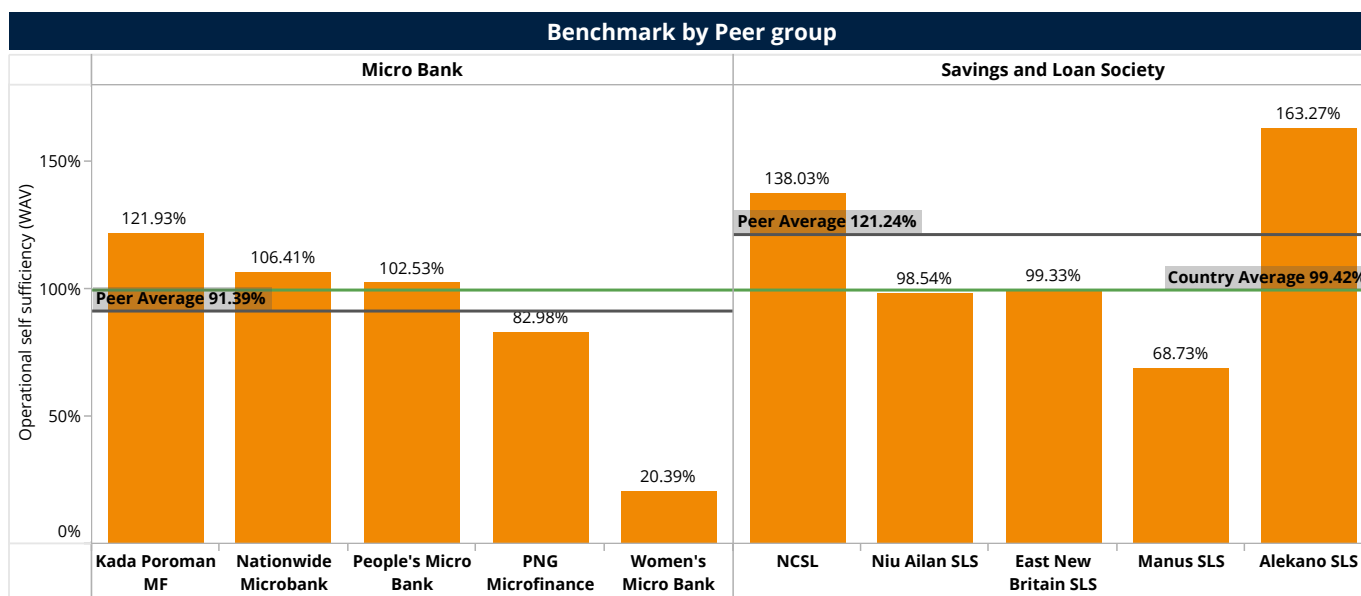


### Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Operational self sufficiency (WAV)	FSP count	Operational self sufficiency (WAV)
Micro Bank	5	92.25%	5	91.39%
Savings and Loan Society	5	132.23%	5	121.24%
<b>Aggregated</b>	10	101.61%	10	99.42%

### Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Operational self sufficiency	74.35%	86.87%
Median Operational self sufficiency	96.30%	100.93%
Percentile (75) of Operational self sufficiency	119.81%	118.05%

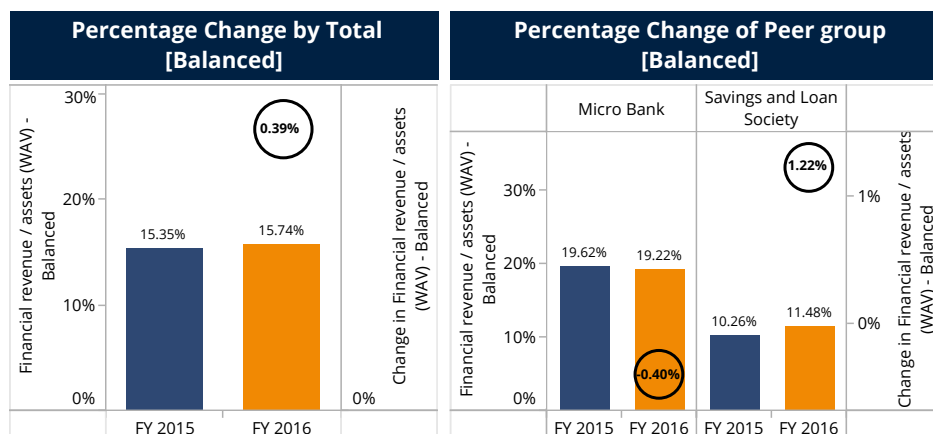


# Revenue & Expenses



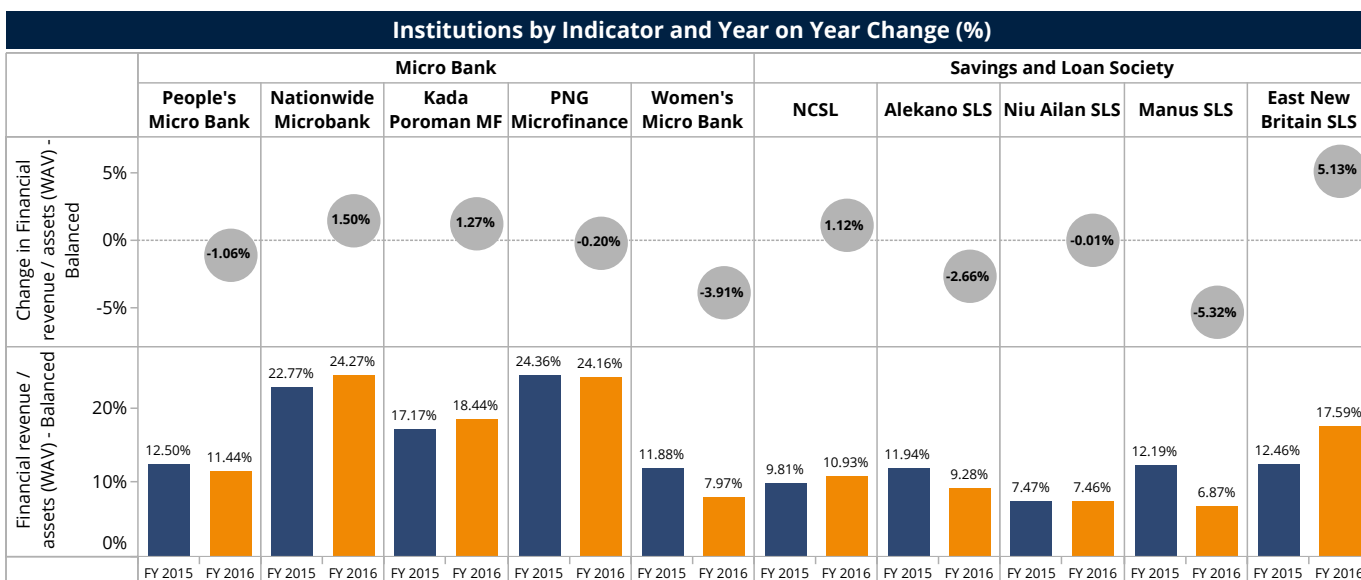
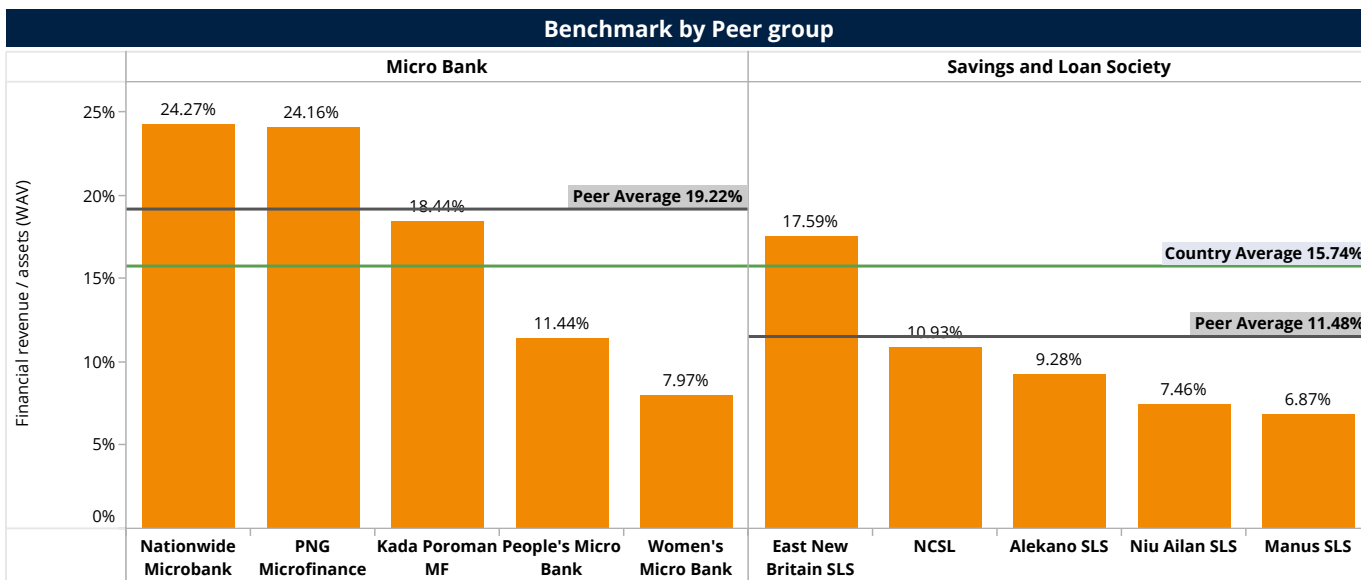
# Financial revenue by assets

Financial Revenue/Assets (WAV) aggregated to **15.74%** for FY 2016



Legal Status	FY 2015		FY 2016	
	FSP count	Financial revenue / assets (WAV)	FSP count	Financial revenue / assets (WAV)
Micro Bank	5	19.62%	5	19.22%
Savings and Loan Society	5	10.26%	5	11.48%
<b>Aggregated</b>	10	15.35%	10	15.74%

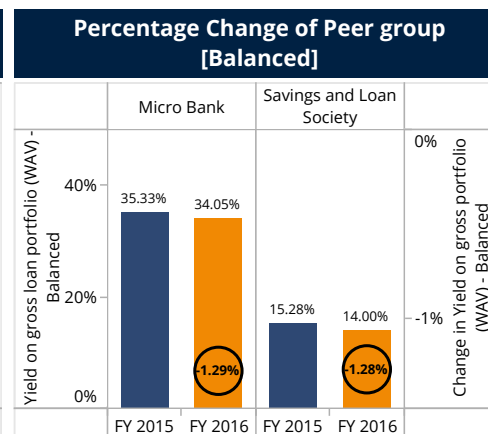
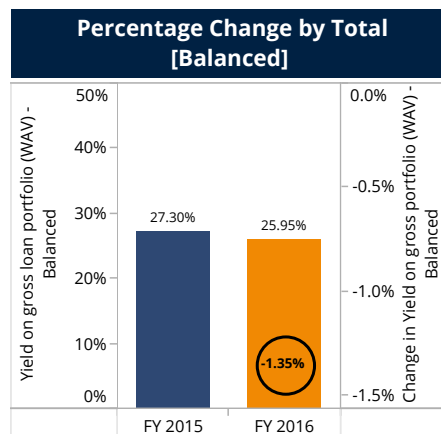
	FY 2015	FY 2016
	Percentile (25) of Financial revenue / assets	11.90%
Median Financial revenue / assets	12.33%	11.19%
Percentile (75) of Financial revenue / assets	16.00%	18.23%





# Yield on gross loan portfolio

Yield on GLP (WAV)  
aggregated to  
**25.95%**  
for FY 2016

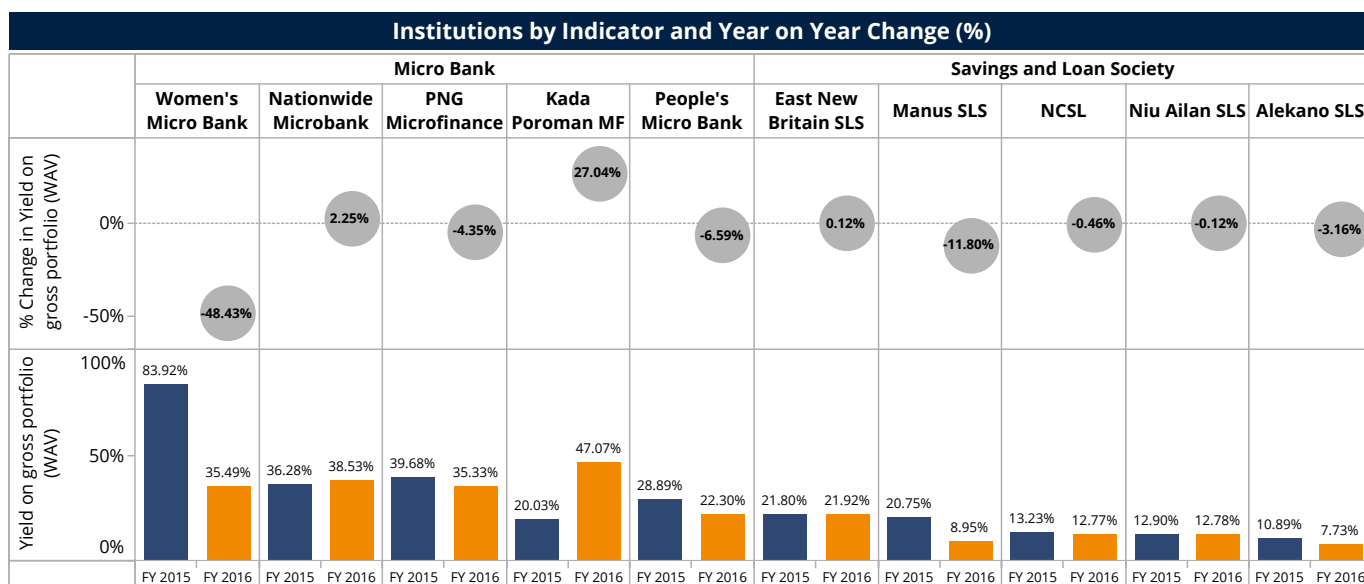
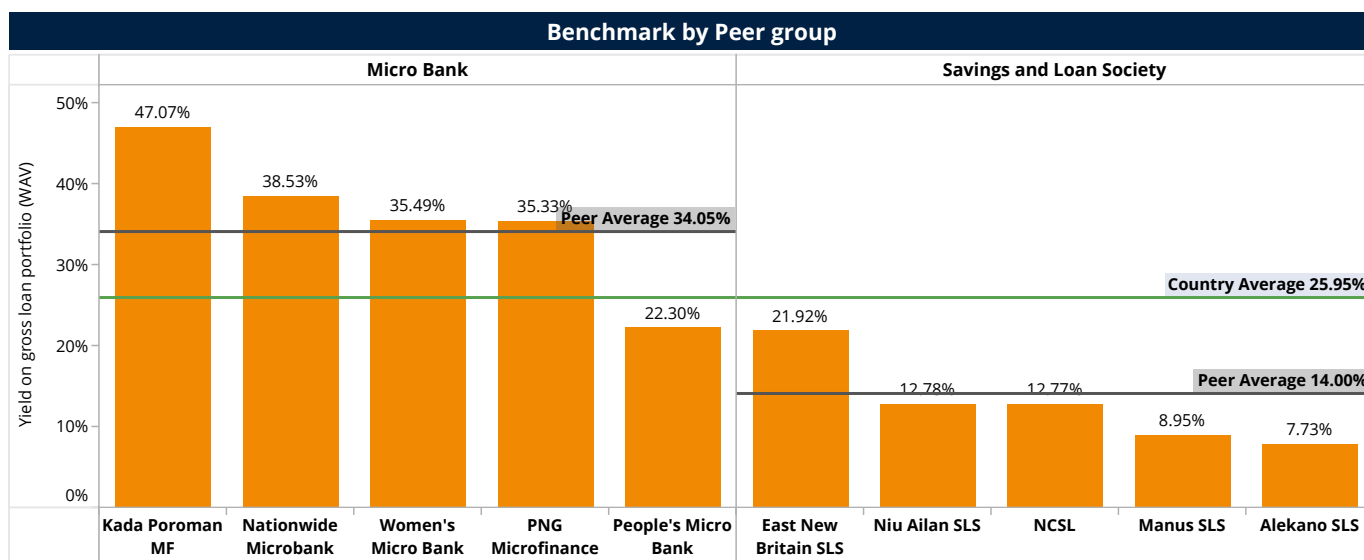


### Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Yield on gross loan portfolio (WAV)	FSP count	Yield on gross loan portfolio (WAV)
Micro Bank	5	35.33%	5	34.05%
Savings and Loan Society	5	15.28%	5	14.00%
<b>Aggregated</b>	10	27.30%	10	25.95%

### Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Yield on gross loan portfolio (nominal)	14.93%	12.77%
Median Yield on gross loan portfolio (nominal)	21.28%	22.11%
Percentile (75) of Yield on gross loan portfolio (nominal)	34.43%	35.45%

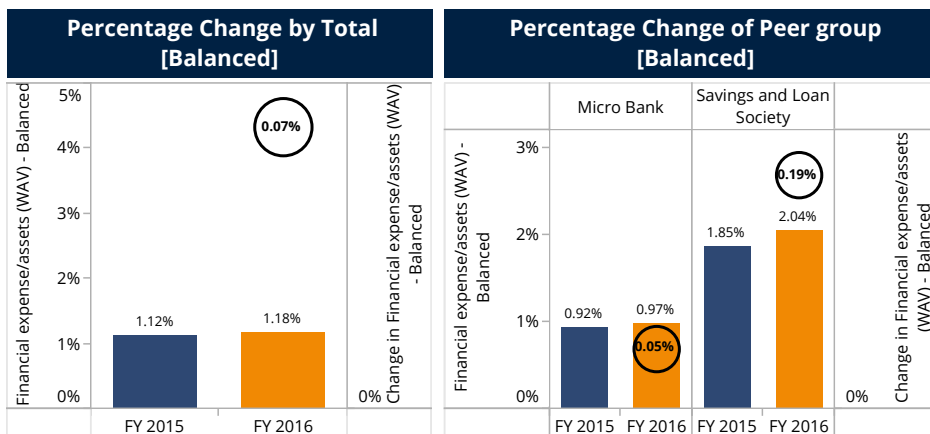


# Financial expense by assets

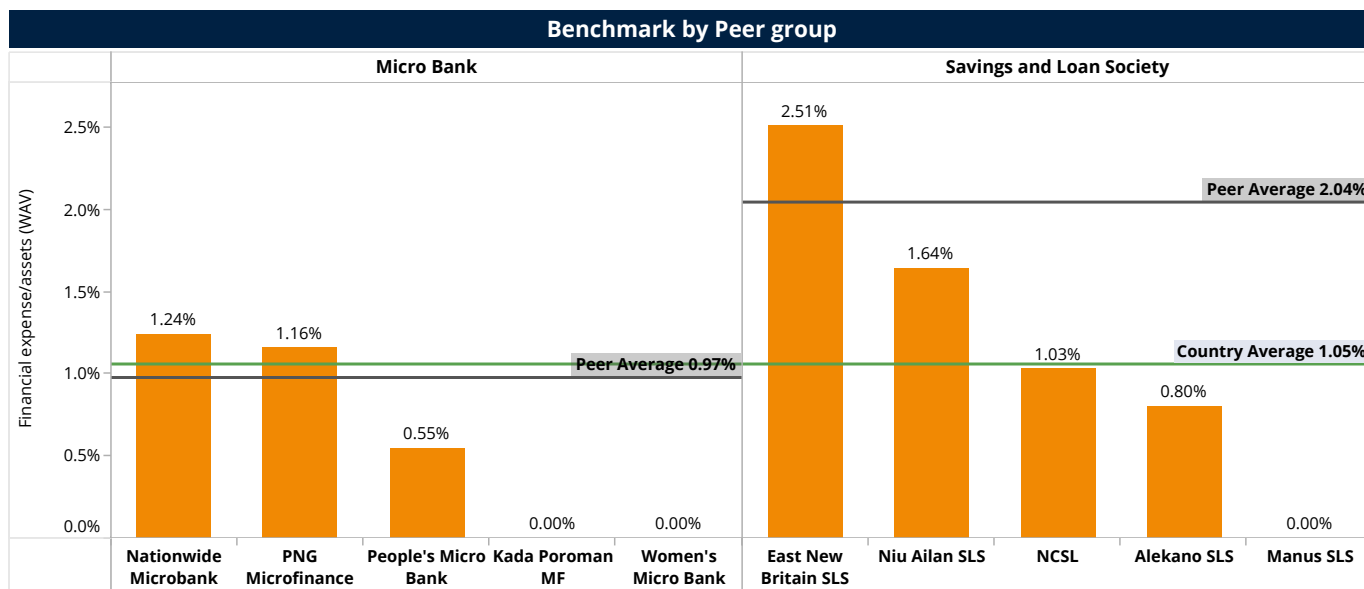
Financial Expense/Assets (WAV) aggregated to

**1.05%**

for FY 2016



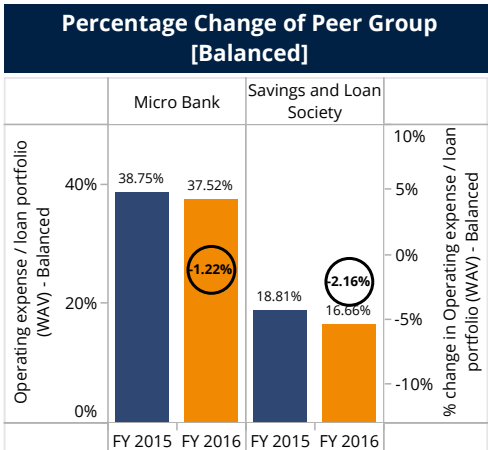
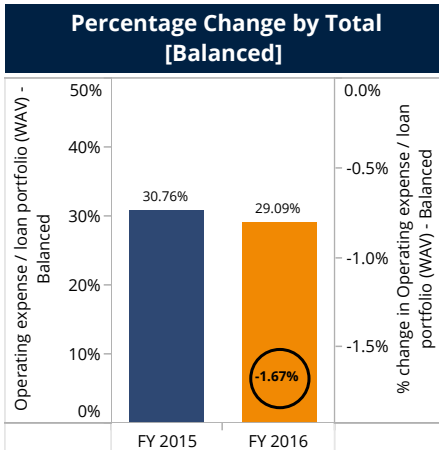
Benchmark by Legal status					Percentiles and Median		
Legal Status	FY 2015		FY 2016		FY 2015		FY 2016
	FSP count	Financial expense/assets (WAV)	FSP count	Financial expense/assets (WAV)	Percentile (25) of Financial expense / assets		Percentile (75) of Financial expense / assets
Micro Bank	5	0.84%	5	0.88%	0.00%		0.14%
Savings and Loan Society	5	0.54%	5	1.26%	0.79%		0.92%
<b>Aggregated</b>	10	0.70%	10	1.05%	1.15%		1.22%



Institutions by Indicator and Year on Year Change (%)																		
	Micro Bank								Savings and Loan Society									
	Nationwide Microbank	PNG Microfinance	People's Micro Bank	Kada Poroman MF	East New Britain SLS	Niu Ailan SLS	Alekano SLS	Manus SLS	NCSL	Nationwide Microbank	PNG Microfinance	People's Micro Bank	Kada Poroman MF	East New Britain SLS	Niu Ailan SLS	Alekano SLS	Manus SLS	NCSL
% Change in Financial expense/assets (WAV)	0.07%	0.10%	0.04%	0.00%	0.29%	0.17%	-0.29%	0.00%	0.00%	0.07%	0.10%	0.04%	0.00%	0.29%	0.17%	-0.29%	0.00%	0.00%
Financial expense/assets (WAV)	1.17%	1.06%	0.51%	0.00%	2.22%	1.47%	1.09%	0.00%	0.00%	1.24%	1.16%	0.55%	0.00%	2.51%	1.64%	0.80%	0.00%	0.00%
	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015
	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016

# Operating Expense / loan portfolio

**Operating expense/loan portfolio**  
29.09%  
 reported as of FY 2016



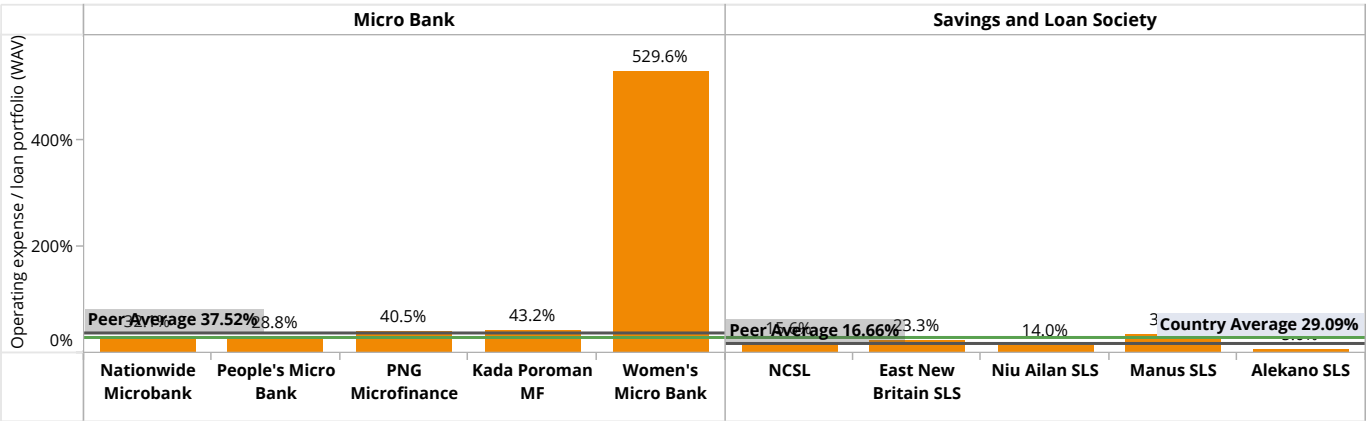
### Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Operating expense / loan portfolio (WAV)	FSP count	Operating expense / loan portfolio (WAV)
Micro Bank	5	38.75%	5	37.52%
Savings and Loan Society	5	18.81%	5	16.66%
<b>Aggregated</b>	<b>10</b>	<b>30.76%</b>	<b>10</b>	<b>29.09%</b>

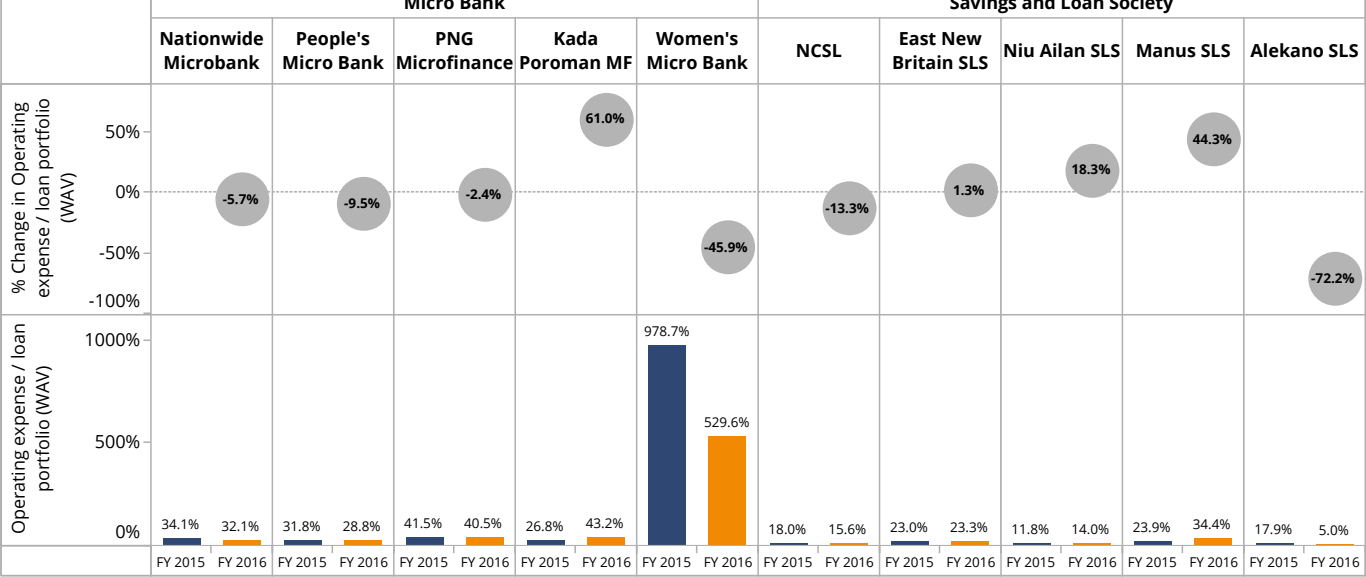
### Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Operating expense / loan portfolio	19.23%	17.51%
Median Operating expense / loan portfolio	25.34%	30.48%
Percentile (75) of Operating expense / loan portfolio	33.50%	38.99%

## Benchmark by Peer group



## Institutions by Indicator and Year on Year Change (%)



This report is the proprietary and/or confidential information of MIX, and all rights are reserved by MIX. Any dissemination, distribution or copying of this report without MIX's prior written permission is strictly prohibited.

# Productivity & Efficiency



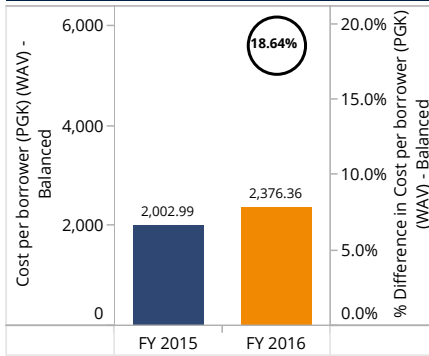
# Cost per borrower

Cost per borrower  
(PGK) (WAV)

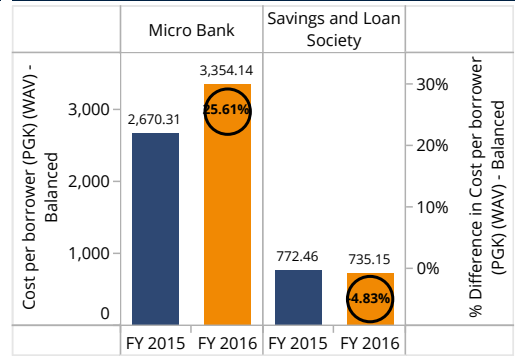
**1,496.64**

for FY 2016

Percentage Change by Total  
[Balanced]



Percentage Change of Peer group  
[Balanced]



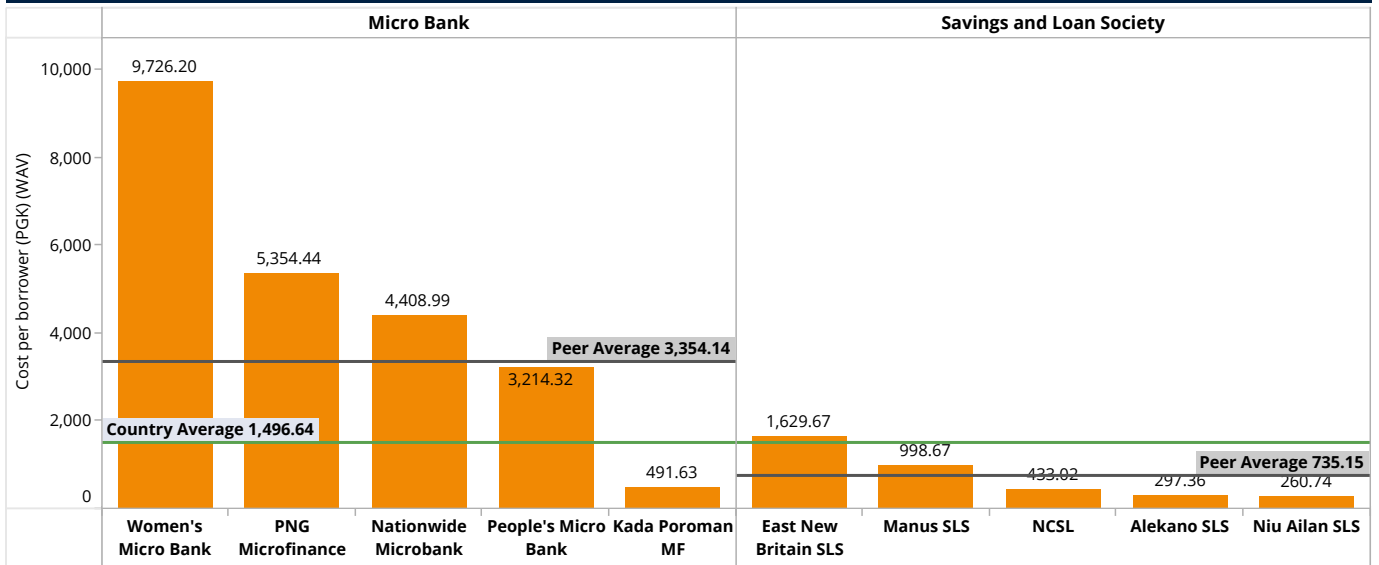
Benchmark by Legal Status

Legal Status	FY 2015		FY 2016	
	FSP count	Cost per borrower (PGK) (WAV)	FSP count	Cost per borrower (PGK) (WAV)
Micro Bank	5	2,670.31	5	3,354.14
Savings and Loan Society	5	772.46	5	526.98
<b>Aggregated</b>	<b>10</b>	<b>2,002.99</b>	<b>10</b>	<b>1,496.64</b>

Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Cost per borrower (PGK)	2,887.22	3,214.32
Median Cost per borrower (PGK)	4,916.07	4,408.99
Percentile (75) of Cost per borrower (PGK)	6,067.25	5,354.44

Benchmark by Peer group



Institutions by Indicator (PGK) and Year on Year Change (%)

	Micro Bank					Savings and Loan Society				
	Women's Micro Bank	PNG Microfinance	Nationwide Microbank	People's Micro Bank	Kada Poroman MF	East New Britain SLS	Alekano SLS	Manus SLS	Niu Ailan SLS	
% Change in Cost per borrower	-19.2%	8.9%	-27.3%	11.3%	107.3%	5.4%	-82.3%	122.9%	24.4%	
Cost per borrower (PGK) (WAV)	12,044.06 (FY 2015), 9,726.20 (FY 2016)	4,916.07 (FY 2015), 5,354.44 (FY 2016)	6,067.25 (FY 2015), 4,408.99 (FY 2016)	2,887.22 (FY 2015), 3,214.32 (FY 2016)	237.19 (FY 2015), 491.63 (FY 2016)	1,546.57 (FY 2015), 1,629.67 (FY 2016)	1,683.34 (FY 2015), 297.36 (FY 2016)	448.04 (FY 2015), 998.67 (FY 2016)	209.65 (FY 2015), 260.74 (FY 2016)	

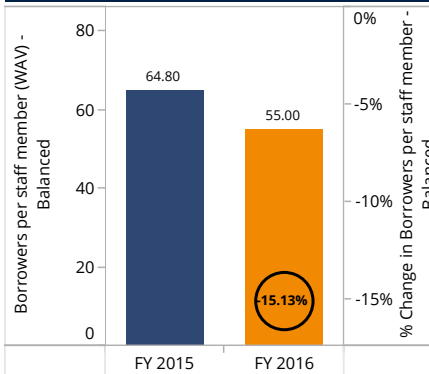
# Borrower per staff member

Borrowers per staff member (WAV)

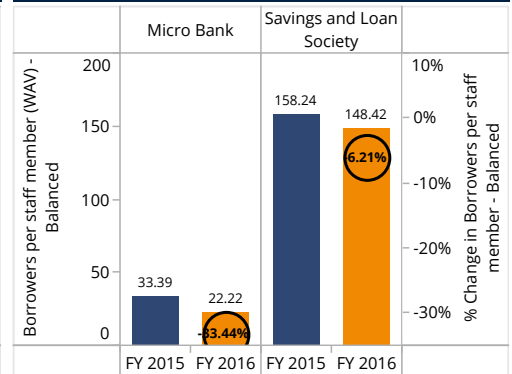
**55.00**

reported as of FY 2016

Percentage Change by Total [Balanced]



Percentage Change of Peer group [Balanced]



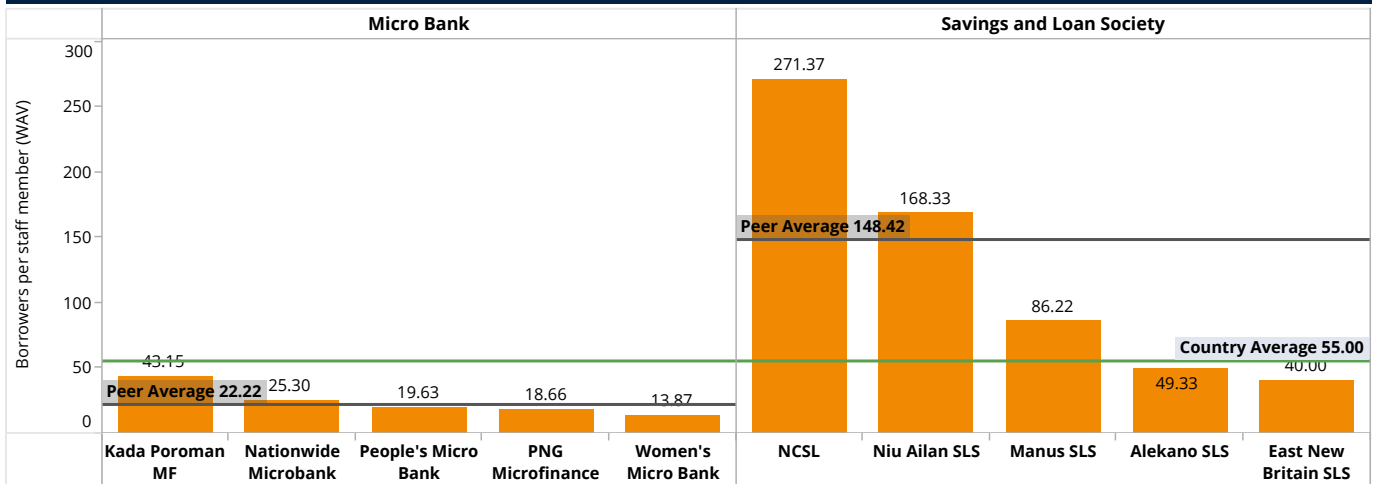
Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Borrowers per staff member (WAV)	FSP count	Borrowers per staff member (WAV)
Micro Bank	5	33.39	5	22.22
Savings and Loan Society	5	158.24	5	148.42
<b>Aggregated</b>	<b>10</b>	<b>64.80</b>	<b>10</b>	<b>55.00</b>

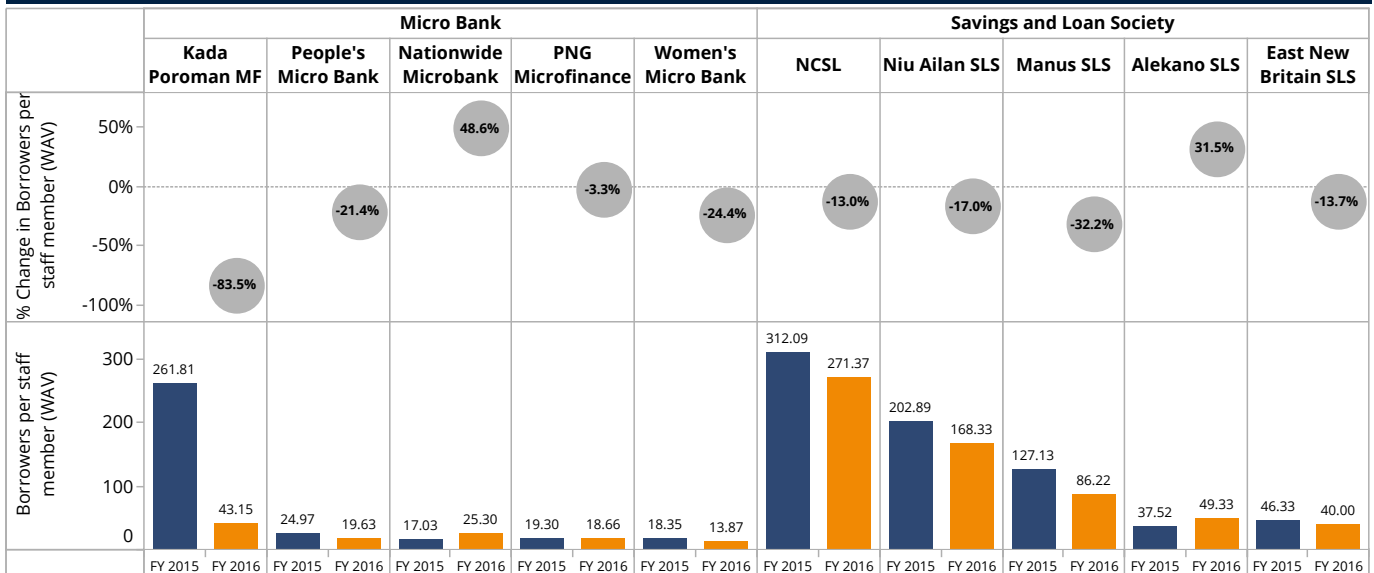
Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Borrowers per staff member	20.72	21.04
Median Borrowers per staff member	41.93	41.57
Percentile (75) of Borrowers per staff member	183.95	77.00

Benchmark by Peer group



Institutions by Indicator and Year on Year Change (%)

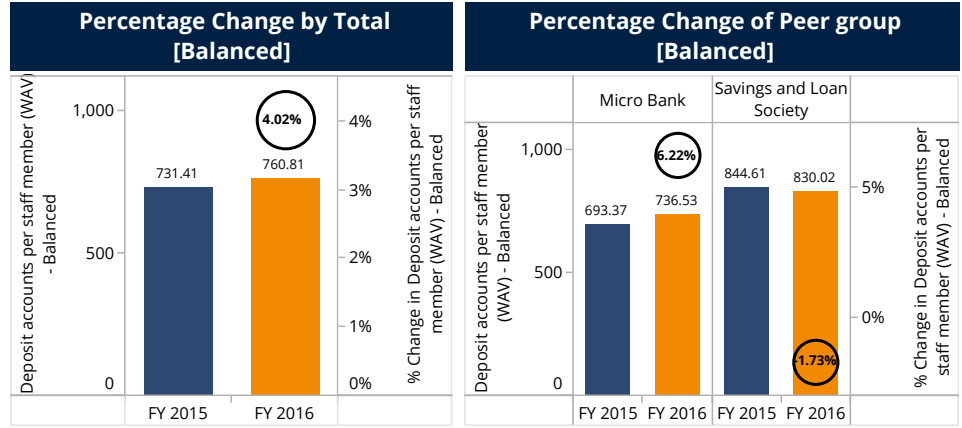


# Deposit accounts per staff member

Deposit accounts per staff member (WAV)

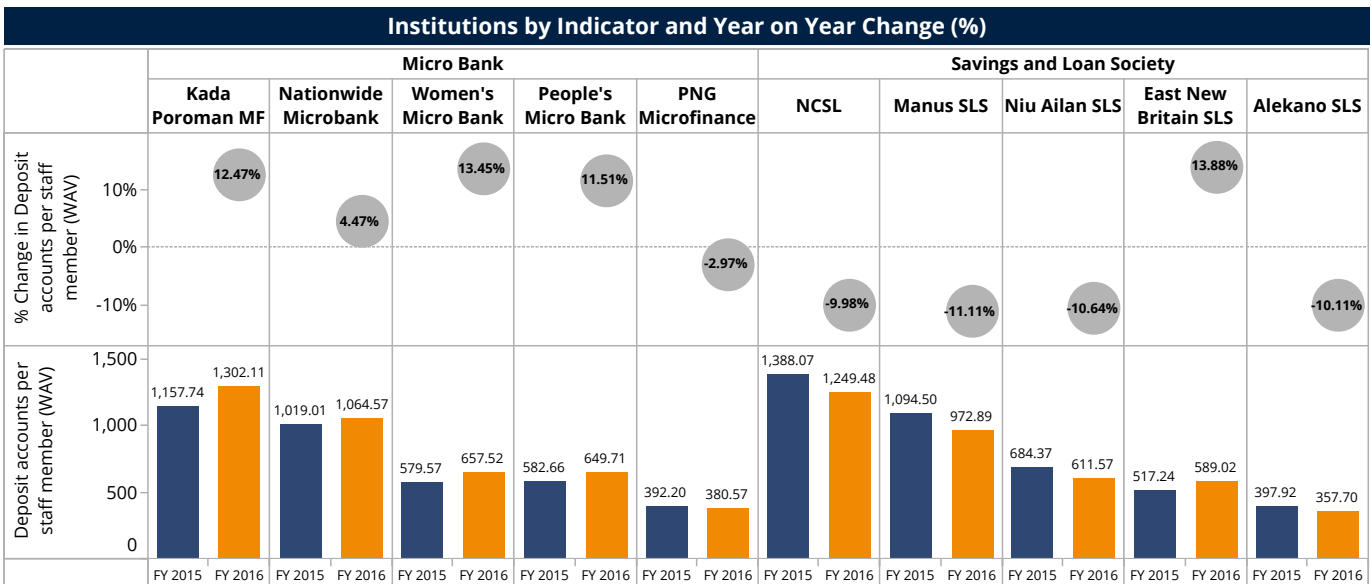
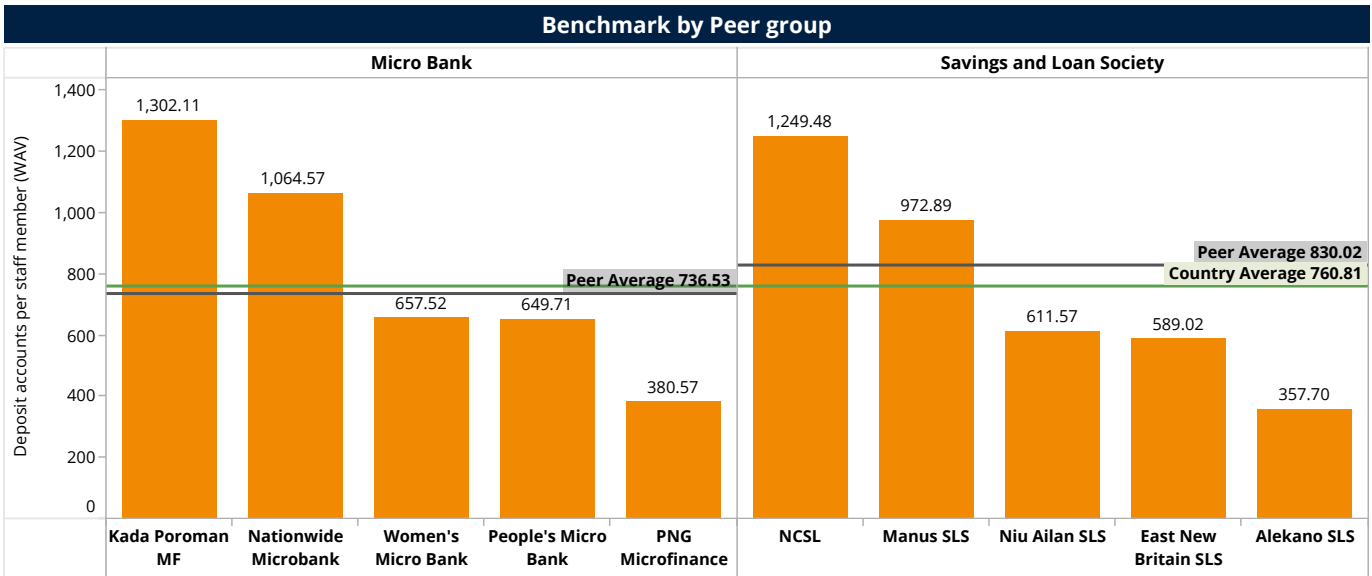
**760.81**

reported as of FY 2016



Legal Status	FY 2015		FY 2016	
	FSP count	Deposit accounts per staff member (WAV)	FSP count	Deposit accounts per staff member (WAV)
Micro Bank	5	693.37	5	736.53
Savings and Loan Society	5	844.61	5	830.02
<b>Aggregated</b>	<b>10</b>	<b>731.41</b>	<b>10</b>	<b>760.81</b>

	FY 2015	FY 2016
Percentile (25) of Deposit accounts per staff member	532.82	594.66
Median Deposit accounts per staff member	633.52	653.62
Percentile (75) of Deposit accounts per staff member	1,075.63	1,041.65



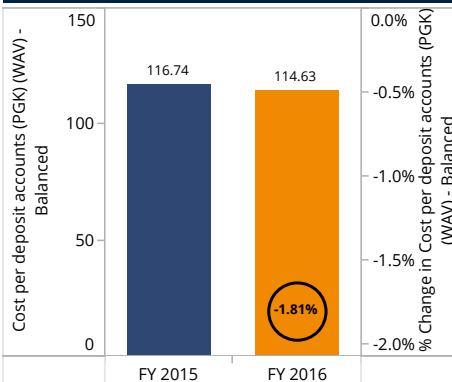
# Cost per deposit accounts

Cost per deposit accounts (PGK) (WAV)

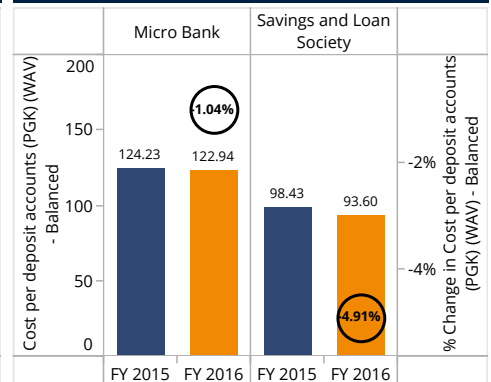
**114.63**

for FY 2016

Percentage Change by Total [Balanced]



Percentage Change of Peer group [Balanced]



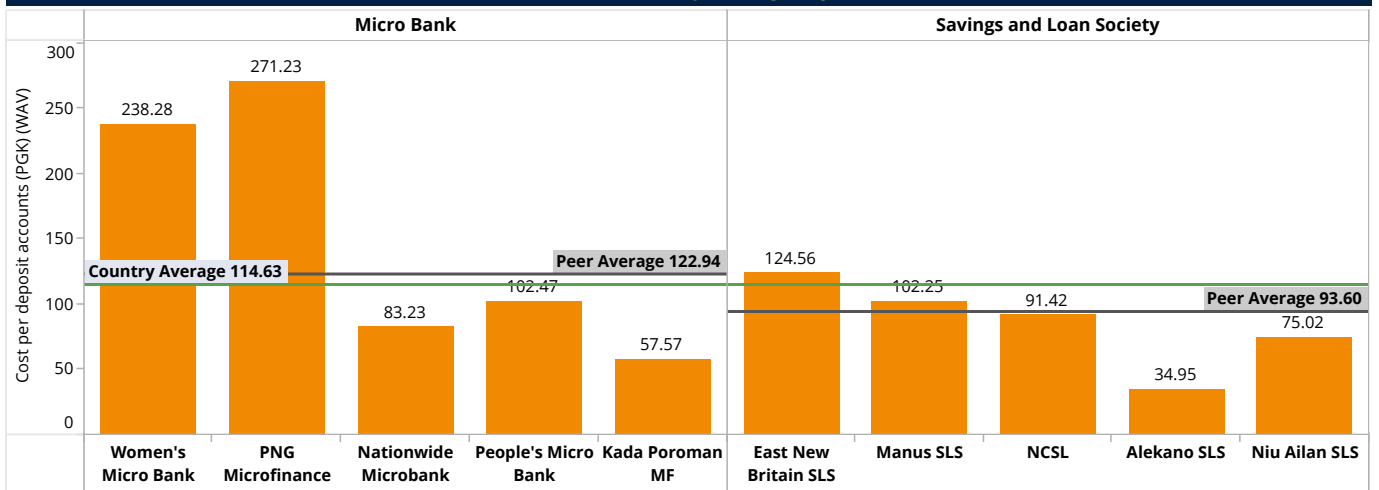
Benchmark by Legal Status

Legal Status	FY 2015		FY 2016	
	FSP count	Cost per deposit accounts (PGK) (WAV)	FSP count	Cost per deposit accounts (PGK) (WAV)
Micro Bank	5	124.23	5	122.94
Savings and Loan Society	5	98.43	5	93.60
<b>Aggregated</b>	<b>10</b>	<b>116.74</b>	<b>10</b>	<b>114.63</b>

Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Cost per deposit accounts (PGK)	79.57	77.07
Median Cost per deposit accounts (PGK)	96.91	96.83
Percentile (75) of Cost per deposit accounts (PGK)	132.76	119.04

Benchmark by Peer group



Institutions by Indicator (PGK) and Year on Year Change (%)

	Micro Bank					Savings and Loan Society												
	Women's Micro Bank	PNG Microfinance	Nationwide Microbank	People's Micro Bank	Kada Poroman MF	East New Britain SLS	Alekano SLS	Manus SLS	Niu Ailan SLS	NCSL								
Difference in Cost per deposit accounts (PGK) (WAV) - Balanced	8.79	19.83	-1.78	-0.82	1.19	-12.12	-86.04	24.50	15.74	0.89								
Cost per deposit accounts (PGK) (WAV) - Balanced	229.50	238.28	85.01	83.23	103.29	102.47	56.39	57.57	136.68	124.56	120.99	34.95	77.75	102.25	59.28	75.02	90.53	91.42
	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016

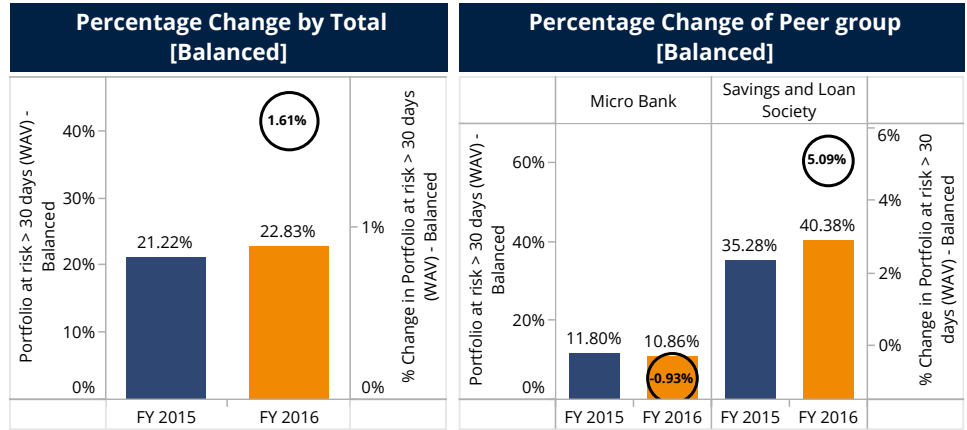


# Risk & Liquidity



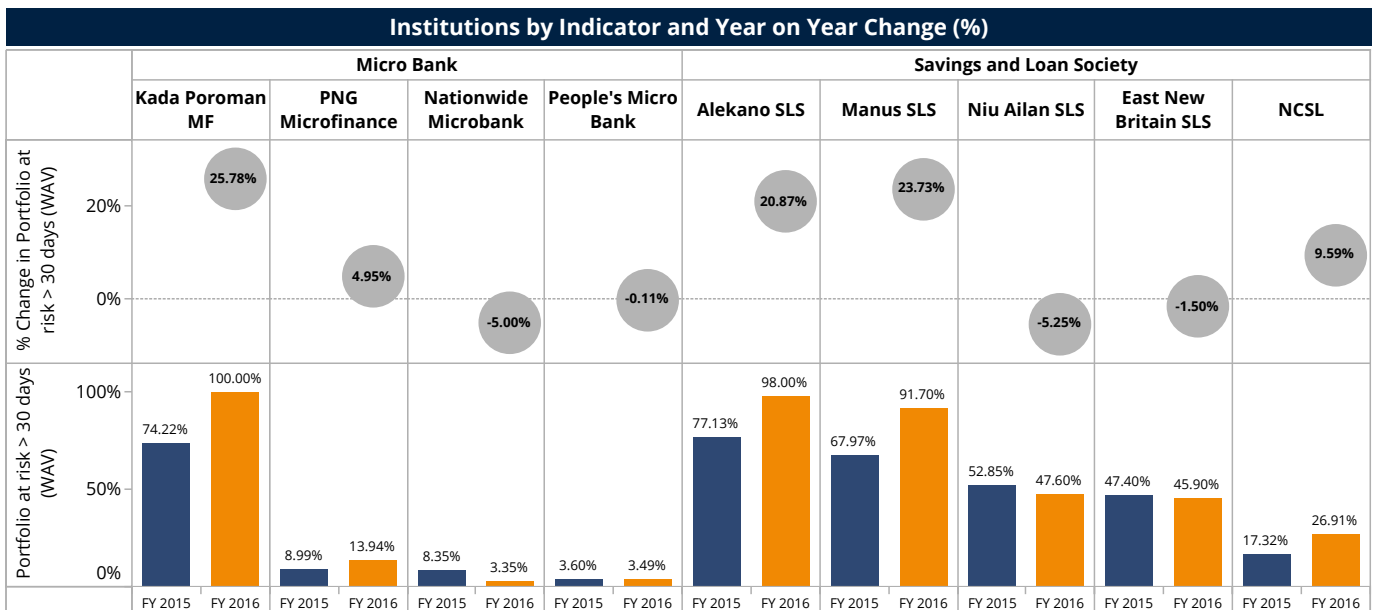
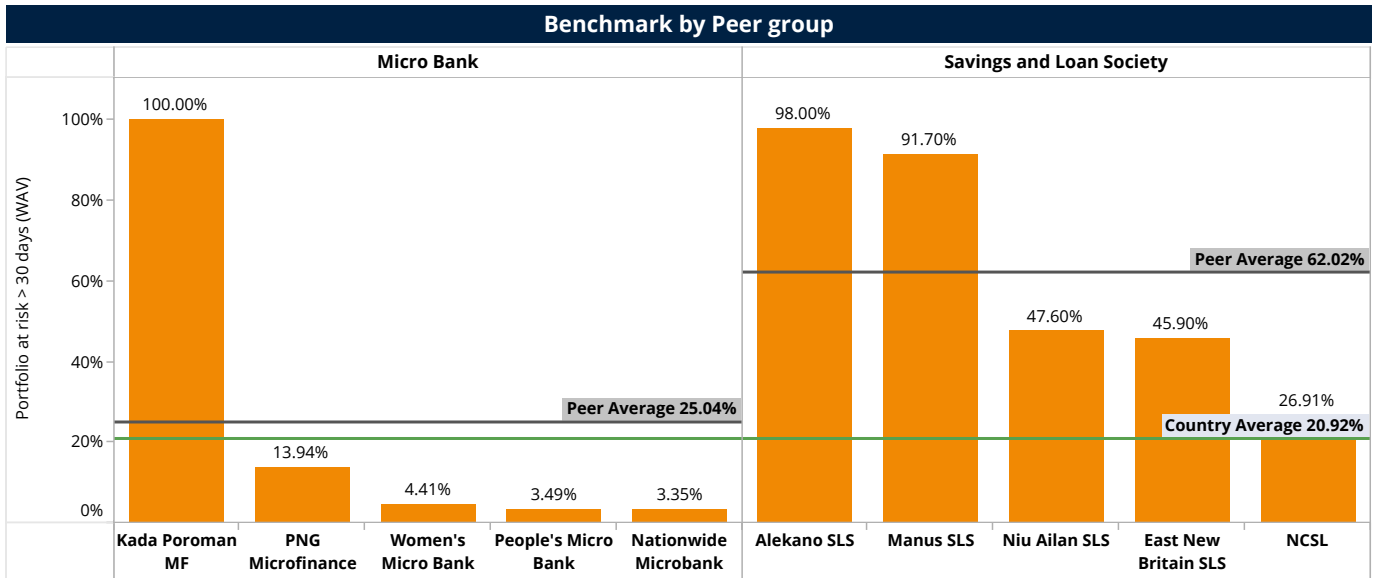
# Portfolio at risk > 30 days (%)

Portfolio at risk > 30 days (WAV) aggregated to **20.92%** reported as of FY 2016



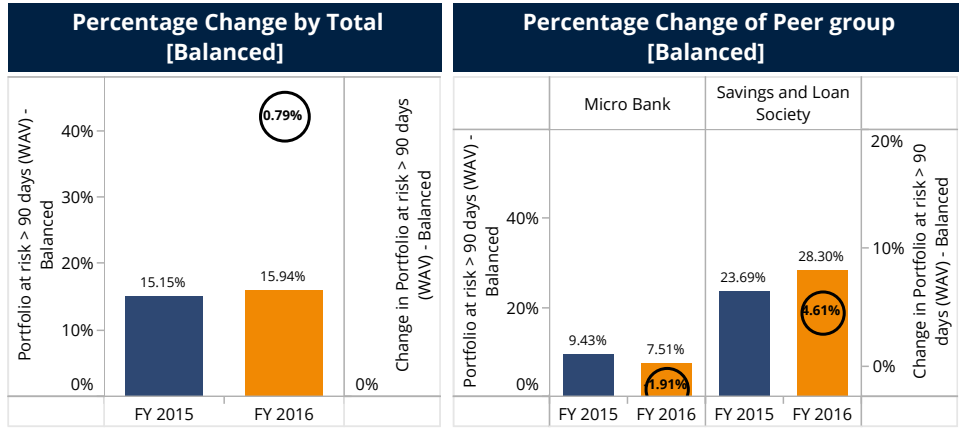
Legal Status	FY 2015		FY 2016	
	FSP count	Portfolio at risk > 30 days (WAV)	FSP count	Portfolio at risk > 30 days (WAV)
Micro Bank	5	11.30%	5	8.98%
Savings and Loan Society	5	33.67%	5	39.42%
<b>Aggregated</b>	<b>10</b>	<b>20.38%</b>	<b>10</b>	<b>20.92%</b>

	FY 2015	FY 2016
	Percentile (25) of Portfolio at risk > 30 days	8.99%
Median Portfolio at risk > 30 days	47.40%	36.41%
Percentile (75) of Portfolio at risk > 30 days	67.97%	80.68%



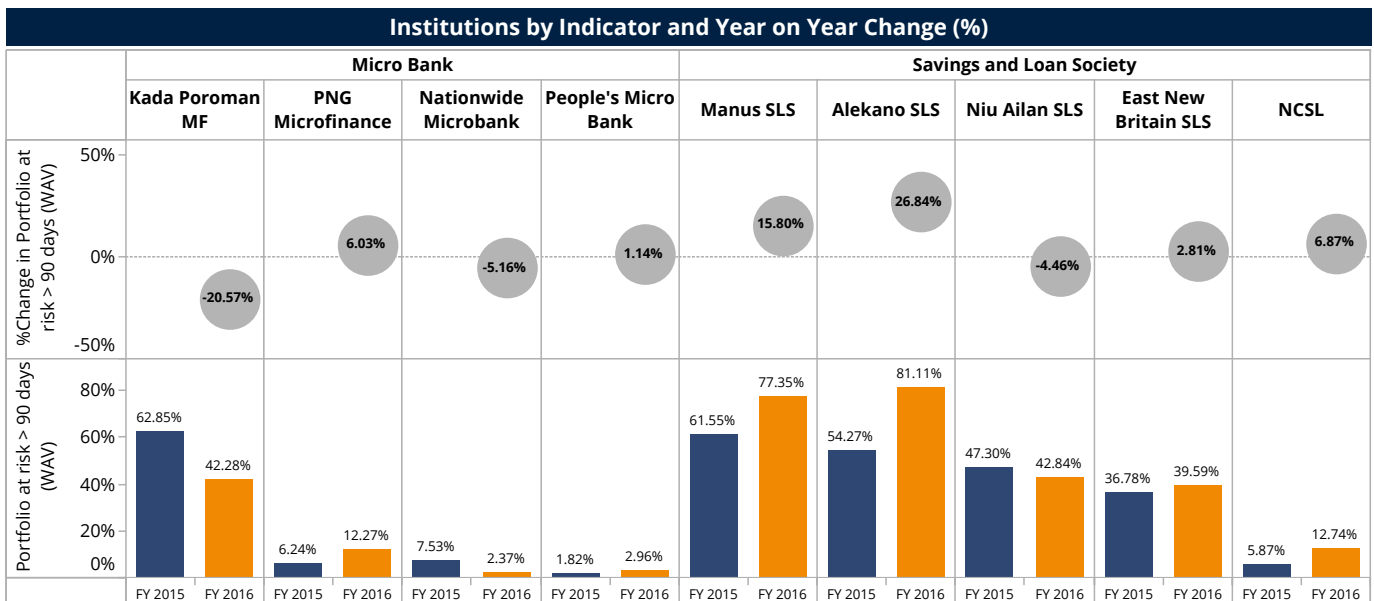
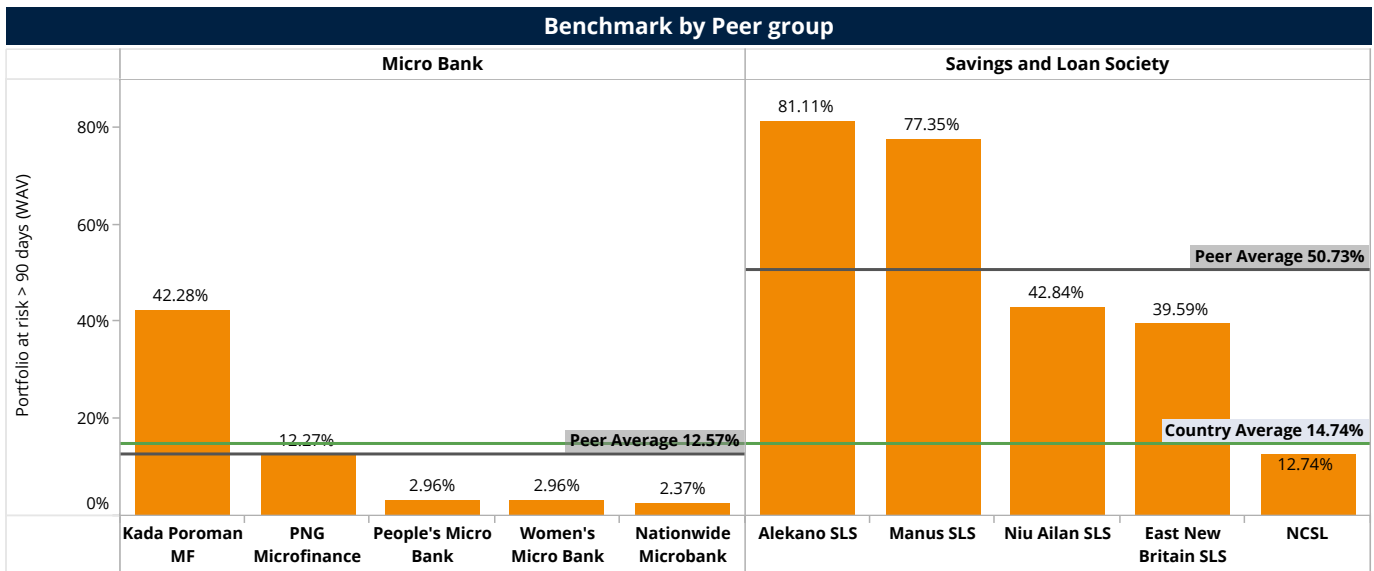
# Portfolio at risk > 90 days (%)

Portfolio at risk > 90 days (WAV) aggregated to **14.74%** reported as of FY 2016



Legal Status	FY 2015		FY 2016	
	FSP count	Portfolio at risk > 90 days (WAV)	FSP count	Portfolio at risk > 90 days (WAV)
Micro Bank	5	9.03%	5	6.60%
Savings and Loan Society	5	22.05%	5	27.34%
<b>Aggregated</b>	<b>10</b>	<b>14.31%</b>	<b>10</b>	<b>14.74%</b>

Indicator	FY 2015	FY 2016
	Percentile (25) of Portfolio at risk > 90 days	6.24%
Median Portfolio at risk > 90 days	36.78%	26.17%
Percentile (75) of Portfolio at risk > 90 days	54.27%	42.70%

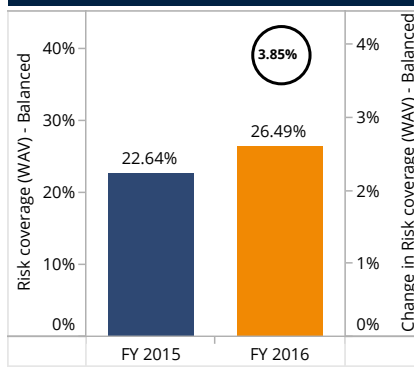


This report is the proprietary and/or confidential information of MIX, and all rights are reserved by MIX. Any dissemination, distribution or copying of this report without MIX's prior written permission is strictly prohibited.

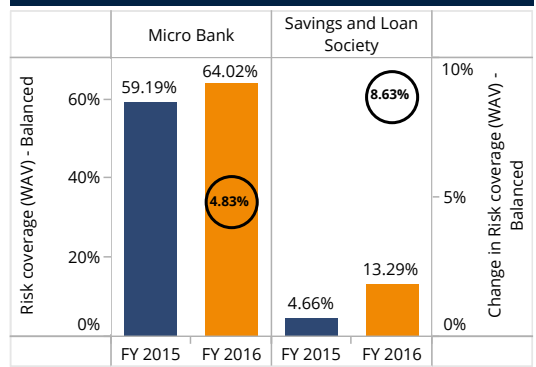
# Risk coverage

Risk coverage (WAV) aggregated to **26.49%** for FY 2016

Percentage Change by Total [Balanced]



Percentage Change of Peer group [Balanced]



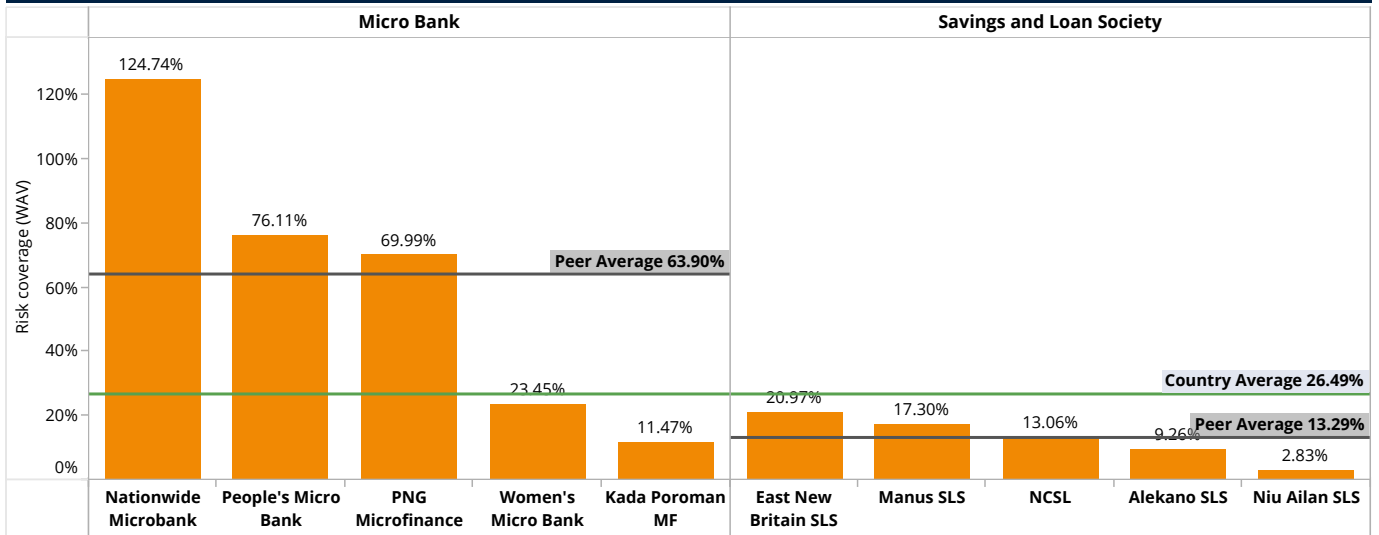
Benchmark by Legal status

Legal Status	FY 2015		FY 2016	
	FSP count	Risk coverage (WAV)	FSP count	Risk coverage (WAV)
Micro Bank	5	59.19%	5	63.90%
Savings and Loan Society	5	4.66%	5	13.29%
<b>Aggregated</b>	10	22.64%	10	26.49%

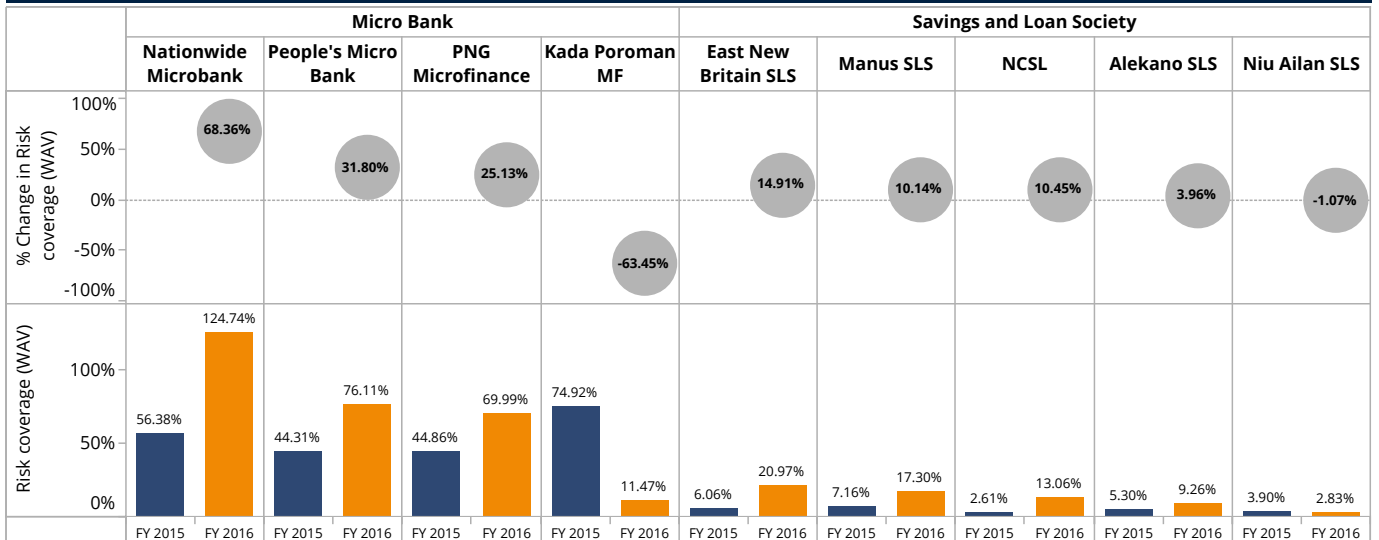
Percentiles and Median

	FY 2015	FY 2016
Percentile (25) of Risk coverage	5.30%	11.87%
Median Risk coverage	7.16%	19.14%
Percentile (75) of Risk coverage	44.86%	58.36%

Benchmark by Peer group



Institutions by Indicator and Year on Year Change (%)



# Financial Service Provider (FSP) data



# Financial Service Providers (FSPs) Operational and Financial Indicators

Legal Status	Name	FY	Assets (PGK) m	Equity (PGK) m	Offices	Personnel	Deposits to total assets (WAV)	Number of active borrowers '000	Gross Loan Portfolio (PGK) m	ALB per borrower (PGK) (WAV)	Number of depositors '000	Number of deposit accounts '000	Deposits (PGK) m	Average deposit account balance (PGK) (WAV)	Capital/assets (WAV)	Return on assets (WAV)	Return on equity (WAV)	
Micro Bank	Kada Poroman MF	FY 2015	12.77	1.87	3	27	103.38%	7.07	6.45	912.16	31.26	31.26	13.20	422.36	14.63%	-9.73%	-94.26%	
		FY 2016	14.00	1.78	3	27	101.17%	1.17	2.93	2,515.18	35.16	35.16	14.16	402.83	12.69%	2.32%	17.05%	
	Nationwide Microbank	FY 2015	70.48	8.14	11	159	78.06%	2.71	45.10	16,661.83	162.02	162.02	55.02	339.59	11.55%	0.06%	0.57%	
		FY 2016	88.02	11.06	11	166	78.42%	4.20	51.95	12,372.84	176.72	176.72	69.03	390.61	12.57%	0.99%	7.82%	
	People's Micro Bank	FY 2015	72.02	16.10	4	103	75.50%	2.57	22.24	8,646.28	60.01	60.01	54.37	906.04	22.36%	2.16%	9.84%	
		FY 2016	85.57	21.50	6	118	71.79%	2.32	32.28	13,938.75	76.67	76.67	61.43	801.28	25.12%	0.28%	1.18%	
	PNG Microfinance	FY 2015	66.46	8.90	11	167	80.78%	3.22	40.94	12,701.97	65.50	65.50	53.68	819.62	13.40%	-2.23%	-16.96%	
		FY 2016	70.43	5.59	11	162	84.77%	3.02	41.63	13,771.67	61.65	61.65	59.71	968.49	7.93%	-4.95%	-46.80%	
	Women's Micro Bank	FY 2015	10.50	6.77	6	23	32.39%	0.42	0.56	1,336.44	13.00	13.33	3.40	255.17	64.45%	-15.12%	-24.42%	
		FY 2016	7.94	3.87	4	23	44.53%	0.32	0.80	2,498.16	14.69	15.12	3.54	233.76	48.72%	-31.11%	-53.94%	
	Savings and Loan Society	Alekan SLS	FY 2015	7.76	-0.29	2	25	77.77%	0.94	7.13	7,604.64	9.69	9.95	6.03	606.44	-3.72%	-4.78%	299.35%
			FY 2016	6.05	-0.39	2	27	69.63%	1.33	6.45	4,838.97	8.69	9.66	4.21	436.05	-6.47%	3.60%	-73.00%
East New Britain SLS		FY 2015	30.89	1.18	6	54	93.26%	2.50	15.54	6,210.79	22.69	27.93	28.81	1,031.37	3.81%	-2.54%	-58.26%	
		FY 2016	33.66	2.51	5	50	89.61%	2.00	15.97	7,982.97	24.30	29.45	30.17	1,024.27	7.47%	-0.12%	-2.09%	
Manus SLS		FY 2015	9.40	2.88	1	8	66.07%	1.02	3.08	3,029.88	8.68	8.76	6.21	709.06	30.64%	2.90%	10.75%	
		FY 2016	8.15	2.49	1	9	65.34%	0.78	2.12	2,728.32	8.68	8.76	5.32	607.93	30.60%	-3.12%	-10.20%	
NCSL		FY 2015	129.62	15.93	17	55	86.89%	17.17	46.26	2,695.13	76.34	76.34	112.63	1,475.28	12.29%	4.36%	35.08%	
		FY 2016	145.07	14.41	19	67	87.67%	18.18	51.97	2,858.45	83.72	83.72	127.17	1,519.12	9.93%	3.01%	27.26%	
Niu Ailan SLS		FY 2015	15.90	1.97	3	19	79.82%	3.86	6.66	1,727.04	10.15	13.00	12.69	976.12	12.39%	1.06%	8.39%	
		FY 2016	16.59	2.01	3	21	79.41%	3.54	7.13	2,017.98	10.31	12.84	13.18	1,026.05	12.11%	-0.11%	-0.90%	

This section provides information for all the FSPs that have reported to MIX for FY 2015 and FY 2016. The blank values here means either the FSP has not submitted the data or the data is not applicable for them.

## Financial Service Providers (FSPs) Operational and Financial Indicators

Legal Status	Name	FY	Financial revenue / assets (WAV)	Profit margin (WAV)	Yield on gross loan portfolio (WAV)	Total expense / assets (WAV)	Financial expense/assets (WAV)	Cost per borrower (PGK) (WAV)	Borrowers per staff member (WAV)	Deposit accounts per staff member (WAV)	Portfolio at risk > 30 days (WAV)	Portfolio at risk > 90 days (WAV)	
Micro Bank	Kada Poroman MF	FY 2015	17.17%	-80.94%	20.03%	31.07%	0.00%	237.19	261.81	1,157.74	74.22%	62.85%	
		FY 2016	18.44%	17.98%	47.07%	15.12%	0.00%	491.63	43.15	1,302.11	100.00%	42.28%	
	Nationwide Microbank	FY 2015	22.77%	0.97%	36.28%	22.55%	1.17%	6,067.25	17.03	1,019.01	8.35%	7.53%	
		FY 2016	24.27%	6.02%	38.53%	22.81%	1.24%	4,408.99	25.30	1,064.57	3.35%	2.37%	
	People's Micro Bank	FY 2015	12.50%	17.29%	28.89%	10.34%	0.51%	2,887.22	24.97	582.66	3.60%	1.82%	
		FY 2016	11.44%	2.46%	22.30%	11.16%	0.55%	3,214.32	19.63	649.71	3.49%	2.96%	
	PNG Microfinance	FY 2015	24.36%	-9.14%	39.68%	26.59%	1.06%	4,916.07	19.30	392.20	8.99%	6.24%	
		FY 2016	24.16%	-20.51%	35.33%	29.11%	1.16%	5,354.44	18.66	380.57	13.94%	12.27%	
	Women's Micro Bank	FY 2015	11.88%	-181.81%	83.92%	33.48%	0.00%	12,044.06	18.35	579.57			
		FY 2016	7.97%	-390.37%	35.49%	39.08%	0.00%	9,726.20	13.87	657.52	4.41%	2.96%	
	Savings and Loan Society	Alekan SLS	FY 2015	11.94%	-39.99%	10.89%	16.72%	1.09%	1,683.34	37.52	397.92	77.13%	54.27%
			FY 2016	9.28%	38.75%	7.73%	5.68%	0.80%	297.36	49.33	357.70	98.00%	81.11%
East New Britain SLS		FY 2015	12.46%	-20.37%	21.80%	15.00%	2.22%	1,546.57	46.33	517.24	47.40%	36.78%	
		FY 2016	17.59%	-0.68%	21.92%	17.71%	2.51%	1,629.67	40.00	589.02	45.90%	39.59%	
Manus SLS		FY 2015	12.19%	23.80%	20.75%	9.29%	0.00%	448.04	127.13	1,094.50	67.97%	61.55%	
		FY 2016	6.87%	-45.49%	8.95%	9.99%	0.00%	998.67	86.22	972.89	91.70%	77.35%	
NCSL		FY 2015	9.81%	44.50%	13.23%	5.44%	0.00%		312.09	1,388.07	17.32%	5.87%	
		FY 2016	10.93%	27.55%	12.77%	7.92%	1.03%	433.02	271.37	1,249.48	26.91%	12.74%	
Niu Ailan SLS		FY 2015	7.47%	14.20%	12.90%	6.41%	1.47%	209.65	202.89	684.37	52.85%	47.30%	
		FY 2016	7.46%	-1.48%	12.78%	7.57%	1.64%	260.74	168.33	611.57	47.60%	42.84%	

This section provides information for all the FSPs that have reported to MIX for FY 2015 and FY 2016. The blank values here means either the FSP has not submitted the data or the data is not applicable for them.

**MIX Team Credits:**

Mohita Khamar,  
*Market Intelligence Lead*

Devanshi Patani,  
*Financial Inclusion Lead*

Sandeep Janga,  
*Junior Analyst, East Asia and the Pacific*

Jagadeesh Konathala  
*Intern, MIX Intelligence*

**Editors:**

Henry Bruce,  
*Product Manager*

Sachin Hirani  
*Regional Manager, Asia and the Pacific*

**Partner Team Credits:**

Loi Bakani,  
*Chairman and Governor*  
Bank of Papua New Guinea

Saliya J. Ranasinghe,  
*Director,*  
Centre for Excellence in Financial Inclusion (CEFI)

Moses Roth Nambil,  
*Analyst, Macprudential Supervision Unit*  
Bank of Papua New Guinea

Paul Hukahu  
*Project Monitoring Specialist*  
Microfinance Expansion Project

*Disclaimer: This publication is available for use in research and analysis. Data and content may only be used for non-commercial purposes. If the material is published or distributed, it should be attributed to MIX with the appropriate citation. MIX has taken due care and caution in preparing this report, it has obtained the information from the institutions. Thus MIX relies on the information submitted and does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors in transmission.*

*This report is the proprietary and/or confidential information of MIX, and all rights are reserved by MIX. Any dissemination, distribution or copying of this report without MIX's prior written permission is strictly prohibited.*



# Glossary

Please refer to link [ <https://www.themix.org/glossary> ] to view the detailed glossary of MIX Market indicator and ratios.

## Indicator names and its formulas:

**A**ssets - Formula: Not applicable

Average assets - Formula: Mean value calculated on the basis of total assets between two consecutive periods, including monthly, quarterly and annual data if available.

Average deposit balance per account - Formula: Deposits/ Number of deposit accounts

Average equity - Formula: Methodology of average calculation is same as explained for Average Assets.

Average gross loan portfolio - Formula: Methodology of average calculation is same as explained for Average Assets.

Average loan balance per borrower - Formula: Gross loan portfolio/ Number of active borrowers

**B**orrowers per Staffmember: Formula: Number of Active Borrowers / Personnel

**C**apital to Assets ratio: Formula: Total Equity/ Total Assets

Cost per borrower - Formula: Operating expense/ Average number of active borrowers

Cost per deposit accounts:

**D**eposit accounts per staff member - Formula: Number of deposit accounts / Number of personnel

Deposits - Formula: Not applicable

Deposits to total assets - Formula: Total Deposits / Total Assets

**E**quity - Formula: Not applicable

**F**inancial expense / assets - Formula: Financial expense on funding liabilities / Average assets

Financial revenue / assets - Formula: Financial revenue/ Average assets

**G**ross Loan Portfolio - Formula: Not applicable

Gross Loan Portfolio to Total Assets: Formula: Gross loan portfolio / Total Asset

**L**oan to deposit: Formula: Gross loan portfolio/ Total Deposit

**N**umber of active borrowers - Formula: Not applicable

Number of deposit accounts - Formula: Not applicable

Number of depositors - Formula: Not applicable

Number of offices - Formula: Not applicable

**O**perating expense / loan portfolio - Formula: Operating expense / Average gross loan portfolio

Operational self sufficiency - Formula: Financial revenue / (Financial expense on funding liabilities + Net Impairment Loss on gross loan portfolio + Operating expense)

**P**ersonnel - Formula: Not applicable

Portfolio at risk > 30 days (%) - Formula: (Outstanding balance, portfolio overdue > 30 days + Renegotiated loans)/ Gross loan portfolio

Portfolio at risk > 90 days (%) - Formula: (Outstanding balance, portfolio overdue > 90 days + Renegotiated loans) / Gross Loan Portfolio

Profit margin - Formula: Net operating income/ Financial revenue

**R**eturn on assets - Formula: (Net operating income, less Taxes)/ Average assets

Return on equity - Formula: (Net operating income, less Taxes)/ Average equity

Risk coverage - Formula: Impairment loss allowance/ PAR > 30 days

**T**otal expense / assets - Formula: (Financial expense on funding liabilities + Impairment loss (reversal of impairment loss on gross loan portfolio) + Operating expense) / Average assets

**Y**ield on gross portfolio (nominal) - Formula: Financial revenue from loans/ Average gross loan portfolio



**MIX  
HEADQUARTERS**

2020 Pennsylvania Ave. NW, #353  
Washington, DC 20006, U.S.A  
Tel: +1 202 659 9094  
Email: [info@themix.org](mailto:info@themix.org)

**LATIN AMERICA AND THE  
CARIBBEAN REGIONAL OFFICE**

Jr. Leon Velarde 333  
Lima, Lima 14, Peru  
t/ +51 1 472 5988

**AFRICA AND THE  
MIDDLE EAST REGIONAL OFFICE**

Villa n°4, cité Ablaye Thiam,  
Ouest-Foire  
BP 25220 Dakar-Fann, Senegal  
t/ +221 33 820 77 40

**ASIA  
REGIONAL OFFICE**

801 - A, 8th Floor,  
The Platina, BIT- II, APHB,  
Gachibowli, RR District,  
Telangana, India 500032  
t/ +91 40 65551600

**EASTERN EUROPE AND  
CENTRAL ASIA REGIONAL OFFICE**

44 J. Jabbarli street, Caspian Plaza I,  
5th Floor, 1065, Baku, Azerbaijan  
t/ +994 50 644 07 85