

Mid-year news release at 25 July 2017

BlueOrchard: strong results in the first half-year and extended offering

- **BlueOrchard Microfinance Fund sets milestone and exceeds USD 1bn for the first time; annual investment performance on average 4.30%**
- **Over 30 million micro-entrepreneurs in 70 countries supported by BlueOrchard fund's**
- **Targeted acquisitions to expand investment expertise**
- **Launch of new funds to broaden multi-asset class offering**

Zurich, 25 July 2017 – BlueOrchard looks back on a very successful half-year achieving considerable milestones, acquiring new mandates and thus further strengthening its expertise. BlueOrchard has made significant progress, placing the firm on a path towards sustained growth as the leading Impact Investing Manager.

BlueOrchard flagship fund exceeds the USD 1 bn milestone for the first time since inception

BlueOrchard Microfinance Fund (BOMF) exceeded the USD 1 bn investment mark for the first time since its inception in 1998. Founded by an UN-initiative as first private and fully commercial micro-finance investment fund in the world, BOMF became the benchmark in the Impact Investing industry. While achieving an annual return since inception of 4.30%, to date, almost 18 million micro-entrepreneurs across 50 countries have been reached by microfinance institutions funded by BOMF providing loan capital, savings, insurance and related products to low-income households, enabling them to create and grow income-generating activities and to break out of poverty.

Expansion of offering with new fund initiatives in emerging markets and climate change

BlueOrchard took over the responsibility for the Liechtenstein originated **EMF Microfinance Fund**, an open-end investment fund, which invests in microfinance institutions in emerging markets with the objective to contribute to the creation of prosperity to low-income households.

Furthermore, BlueOrchard reported the first closing of the **InsuResilience Investment Fund**, aiming to contribute to the adaption of climate change by improving access to and the use of insurance in developing countries. It forms part of the G7 InsuResilience Initiative and has been initiated by KfW, the German Development Bank on behalf of the German Ministry for Economic Cooperation and Development (BMZ).

Enhanced strategic positioning through acquisition of Carnot Capital and TERNES Real Estate Fund

BlueOrchard aims to further broaden its asset-class offering towards public equity investments, thereby encompassing the full range of the Impact Investing universe. The acquisition of a minority stake in Zurich based **Carnot Capital**, specialized in investments in companies with energy and resource efficient technologies and products, underpins this intention. The company is managing the Carnot Efficient Energy and the Carnot Efficient Resources funds, both with outstanding track records.

In this context, the acquisition of the **TERNES Real Estate Fund**, the pioneer in collective real estate investments in Georgia gradually passing into BlueOrchard's real estate activities, broadens the firm's sustainable infrastructure investment expertise.

“Having proven for almost two decades how social impact, outstanding financial returns and environmental developments go hand in hand, BlueOrchard has become the industry’s thought and innovation leader,” says Peter A. Fanconi, BlueOrchard’s Chairman of the Board.

“Our continuous development in the past half-year is very promising. We will open up to new market opportunities and increase our impact further. I’m very confident that together with our outstanding management team and staff we will succeed in providing many more opportunities to the ones in need,” adds Dr. Patrick Scheurle, CEO of BlueOrchard.

Outlook:

- **Launch of the first UCITS Impact Bond Fund for diversified investment opportunities in high-yield bonds in frontier & emerging markets**
- **Launch of the Caucasus Real Estate Fund**

BlueOrchard will continue to execute its strategy of expanding its multi-asset class offering. This autumn, BlueOrchard will launch the **Impact Bond Fund**, filling the investment gap in social development financing by purchasing selected frontier and emerging markets bonds of corporations including quasi-sovereigns with significant impact activities. Leveraging on its local presence, BlueOrchard will grant investors for the first time access to a “liquid Microfinance Fund”.

With its launch in September, the **Caucasus Real Estate Fund** offers outstanding financial returns, fighting climate change at its origin. It provides energy-efficient and climate neutral property investments in the Caucasus region. Driven by strong macroeconomic fundamentals, favorable demographics and urbanization, the need for affordable, and energy efficient real estate is on the rise.

- **The BlueOrchard Academy**

With the **BlueOrchard Academy**, the firm has established a unique platform for academia, researchers, media and individuals being eager to know and learn more about the field of impact investments. The goal is to provide knowledge, educational engagement and access to research and job opportunities. The Academy is further committed to developing BlueOrchard’s employees, partners and investors by means of continuous learning and education. Building on our longstanding partnerships with leading universities and research institutions we strive for establishing a strong global hub for practitioners, the research community and individuals interested in Impact Investing. As part of the Academy initiative, BlueOrchard has published the best seller “Small Money - Big Impact”, exploring and explaining the globally growing importance of Impact Investing.



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BlueOrchard Finance is a leading global impact investment management firm dedicated to fostering inclusive and sustainable growth while providing attractive returns for its investors. BlueOrchard offers premium multi-asset class solutions and is an expert in innovative blended finance and public-private-partnership mandates. With a major presence in emerging and frontier markets and offices on four continents, BlueOrchard helps its partners around the world make profound investment decisions and meet their objectives.

Founded in 2001 by initiative of the UN, BlueOrchard was the first commercial manager of microfinance debt investments. The firm has utilized its know-how and experience to steadily expand into asset classes including credit, private equity, and sustainable infrastructure. To date, BlueOrchard has invested more than USD 4bn across 70 emerging and frontier markets, enabling fundamental social impact. BlueOrchard Finance is a licensed Swiss asset manager authorized by the FINMA. Its Luxembourg entity is a licensed alternative investment fund manager (AIFM) authorized by the CSSF. For additional information, please visit: www.blueorchard.com.