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CONTACT:

David Satterthwaite
617-648-0043
david@prismamicrofinance.com

PRISMA OPENS HONDURAN SUBSIDIARY

BOSTON, MA, February 15, 2004 – Prisma MicroFinance (“Prisma”), a U.S.-based international holding company offering financial services in Latin America, today announced the opening of three subsidiary offices in Honduras. The offices, located in Tegucigalpa (the country’s capital), Danli, and Siquatepeque, greatly expand the company’s business and position it for future growth in Central America.

The subsidiaries are working in partnership with Financiera de Cooperativas Agropecuarias (FINACCOOP), a Honduran credit union with national coverage. FINACCOOP’s clientele includes both individual borrowers, and other credit unions and cooperatives. The partnership allows Prisma to piggyback on FINACCOOP’s backoffice infrastructure, enabling Prisma to operate inexpensively and expand easily in the region.

Prisma’s CEO David Satterthwaite states, “This partnership is based on years of trust between Prisma’s CFO, Dr. Kendall Mau, and FINACCOOP. Dr. Mau led FINACCOOP’s successful turnaround in 2002, and his credibility with them will help us build strong ties with our new partner.”

FINACCOOP is a strong performer in the region, with a diverse, very stable portfolio of SME and agricultural loans, and is capitalized at close to 90%. Prisma’s management team is confident in the strong operational and financial performance of its new partner. Management chose a partner offering products to complement, and not compete with, Prisma’s own products, and believes that FINACCOOP’s focus on agricultural and larger business loans is a productive, synergistic fit with Prisma’s portfolio of micro- and housing loans.

Prisma’s business model is designed to scale through partnership and acquisition, and the company will use this acquisition strategy to expand further in Central America. Because Prisma uses international banking standards to pick the best-value microfinance institutions (MFIs) as subsidiaries and to set benchmarks for their achievement, its model is highly replicable. Prisma management looks forward to working with FINACCOOP as one partner among many in the region.

About Prisma Microfinance, Inc.

Prisma MicroFinance, Inc. is a leading microenterprise financial services firm with US headquarters in Boston and operations in Nicaragua and Honduras. Prisma’s mission is to become a leading provider worldwide of commercial microfinance services, linking unbanked entrepreneurs in developing countries with the developed world’s financial resources. The Company has a loan portfolio of \$1 million and is currently offering financial services to over 1,000 individual entrepreneurs and small businesses. Prisma’s portfolio represents private investor capital on which Prisma offers both compelling social returns and competitive financial returns. For more information visit the Prisma website at www.prismamicrofinance.com.

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