

Pacific Islands Development Bank

Establishment

- **July 5, 1989 by the Association of Pacific Island Legislatures (APIL)**
- **Corporate Office in Guam**

Purpose & Mission

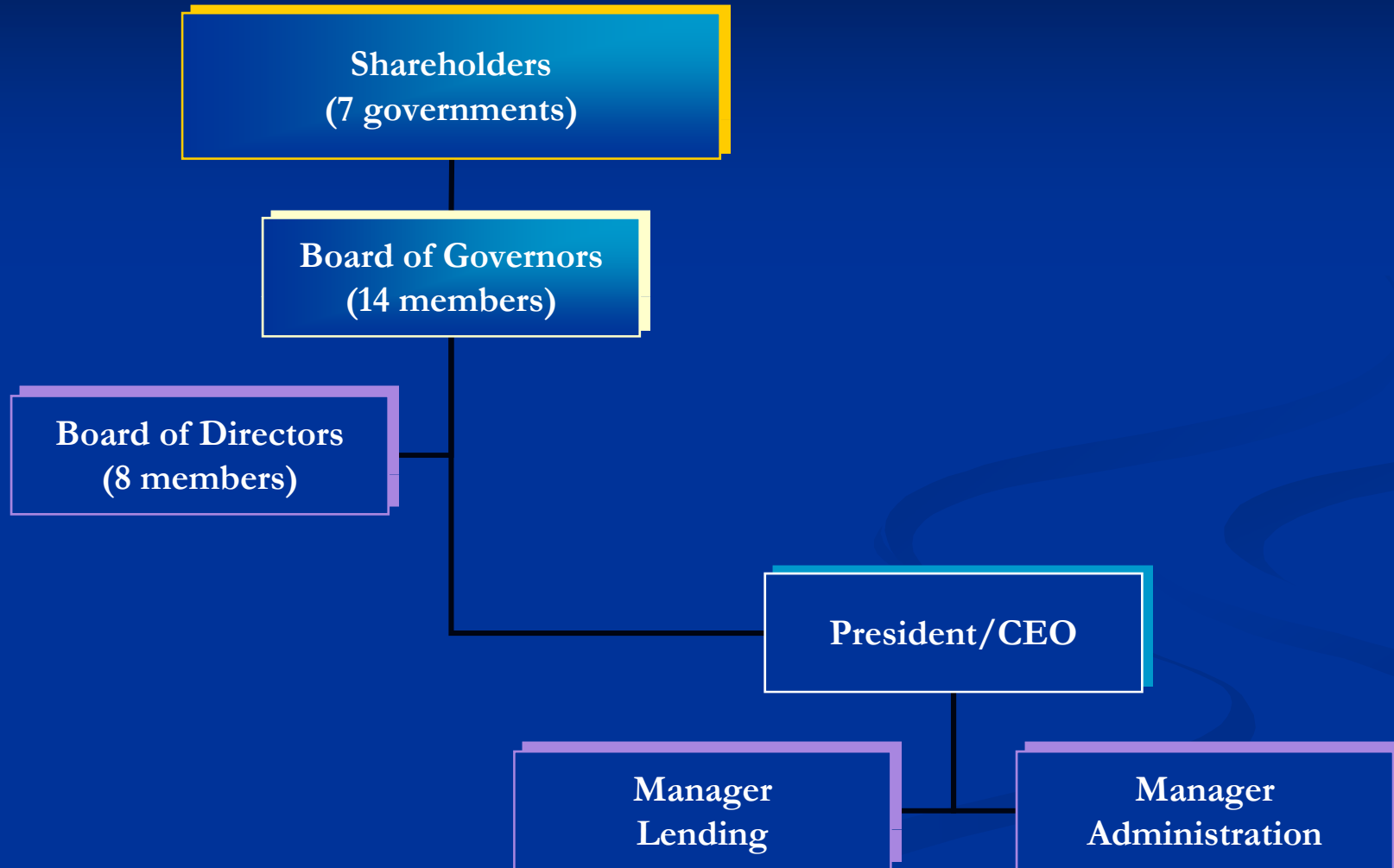
To contribute to the acceleration of the process of economic and social development of member countries and States, individually and collectively, and to promote regional cooperation

Shareholders/Membership

As of 9/30/08

- ⇒ FSM State of Chuuk
- ⇒ Commonwealth of Northern Mariana Is.
- ⇒ Island of Guam
- ⇒ FSM State of Kosrae
- ⇒ Republic of Palau
- ⇒ FSM State Pohnpei
- ⇒ FSM State of Yap

Organizational Chart



Products & Services

- Direct term loans
- Loan Participation
- Loan Guarantee
- Fund Administration
- Residential home loan
- Annual scholarship

Fund Sources

- Membership equity capital
- USDA IRP Soft Loan
- Earnings on Loans and Investment
- Available Option: External borrowing

Highlights, 2003 to 2007

- 55% total assets growth
- 20% growth in capitalization
- 193% loan growth
- 100% revenue growth
- Retired accumulated deficit in 2007
- Minimal loan charge offs (\$64,000)
- Delinquency reduced from 46% to 0.89%
- Unqualified audits

Issues / Challenges

➤ Internal:

- Capitalization and funding to sustain growth
- Corporate structure
- Shift focus on regional projects/financing

➤ External:

- Stagnant and slow economic condition
- Market size/isolation
- Transportation & high cost of fuel
- Land (access and collateral)
- Legal system (except Guam)
- Misunderstood role of DFI's

Opportunities / Outlook

- Military build-up in Guam
- Infrastructure development in the region
- Potential funding sources
- RMI & American Samoa membership
- Regional networking and synergies

Contact

Aren Palik

President & CEO

Suite 204 GCIC Building

414 West Soledad Avenue

Hagatna, Guam 96910

Phone (671) 477-0047

Fax (671) 477-0067

Email: aren@pacificdb.com

Website: www.pacificdb.com