

KIVA ANNUAL REPORT 2012 

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At Kiva, our sense of community isn't separate from our organization. Our sense of community is our organization. This report summarizes our collective achievements of the last year. In 2012 we strived to alleviate poverty in some of the most remote areas in the world and to create opportunity close to home. We're happy to report that great progress has been made – and we're just getting started.

The spread of information technology has opened up a world of opportunity for Kiva. Last year, we initiated a number of new kinds of partnerships – with schools, green energy providers, artisan co-ops and more. We're delighted by the reaction of our lenders who continue to rapidly fund these new loans, helping us grow our loan volume by 25% while we innovate.

Another innovation worth noting is Kiva Zip, an effort to lend directly to entrepreneurs through mobile money and electronic payments. Relying on a network of 'trustees' who endorse borrowers based on their character, Zip transfers funds instantly at 0% interest. So far, so good. Zip just crossed the \$1 million mark while maintaining a more than 85% repayment rate, but we'll continue to experiment and we hope you'll join us.

On behalf of the more than 1 million Kiva borrowers around the world, we want to say thank you for being part of this journey. We'll continue to experiment and we hope you'll join us.

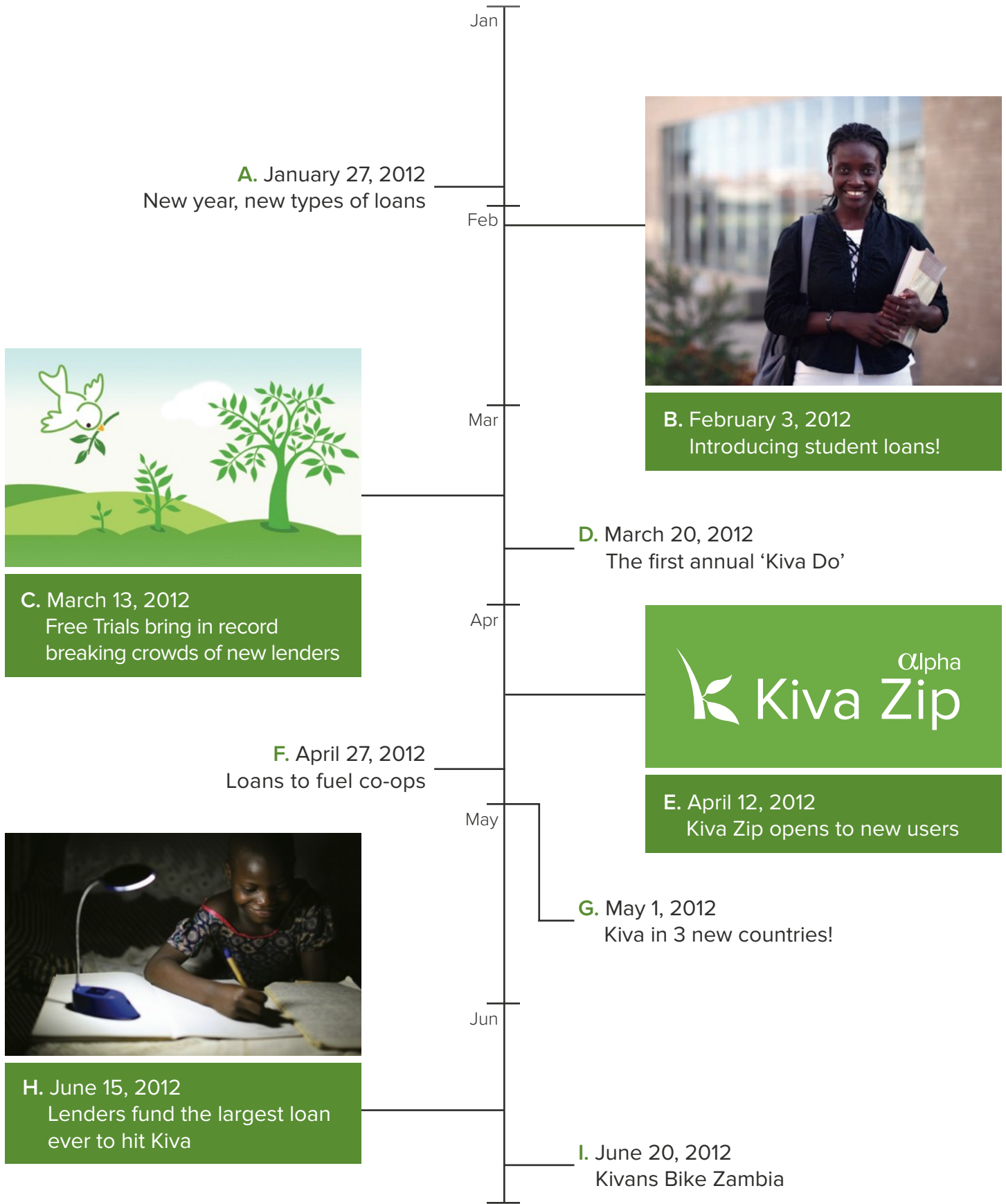


Matt Flannery,
Co-Founder and CEO



Premal Shah,
President

2012 Timeline



J. June 26, 2012
Hello, Los Angeles!

Jul



K. July 8, 2012
Reaching Middle Eastern youth



L. August 15, 2012
Namaste, India!

Aug

M. August 20, 2012
Everyone loves a bonus!

Sep



N. September 14, 2012
New types of partnerships

Oct

O. October 2, 2012
Dedicate that loan

P. October 17, 2012
Loan-a-thon raises \$509K!

Nov

Q. November 20, 2012
Kiva hits \$375 million!

Dec



R. December 30, 2012
200,000 volunteer hours!

2012 Timeline Details

A. January 27, 2012 – New year, new types of loans

Kiva kicked off 2012 by partnering with Zoono, an innovative mobile transactions company in Zambia that enables anyone to send money via mobile technology. Kiva loans help aspiring entrepreneurs open up their own Zoono kiosks and process transactions. As money transfer agents, they can make a solid income while helping people in even the most rural parts of the country send and receive cash – a vital need for many.

B. February 3, 2012 – Introducing student loans!

Kiva launched its first education partnership with Strathmore University in Nairobi, Kenya. By offering tuition loans with 11-year terms and multi-year grace periods, Strathmore is helping bright students who couldn't otherwise afford higher education earn competitive degrees and find jobs. Some Kiva loans are even designed to help Strathmore students afford laptops to help with their studies, or pay living expenses during tough times.

C. March 13, 2012 – Free Trials bring in record-breaking crowds of new lenders

Kiva announced \$1 million in Free Trials for new users to try out the site and make a loan at no cost. Funded by LinkedIn founder and Kiva board member Reid Hoffman, the Free Trial program drove the greatest number of sign ups ever in a single week – and many more loans for borrowers!

D. March 20, 2012 – The first annual 'Kiva Do'

Kiva joined forces with the Milepoint lending team – one of the most active teams on the site – to host its first ever lender conference, 'Kiva Do.' The one-day event brought together engaged team members and Kiva staff to learn about the power of loans to make change, to share ideas about how to grow Kiva's mission, and to fund thousands of dollars in loans to borrowers worldwide.

E. April 12, 2012 – Kiva Zip opens to new users

Previously a private pilot project, Kiva Zip opened to new users interested in making zero-interest loans to small businesses and entrepreneurs in Kenya and the U.S. Since its inception in fall 2011, Kiva Zip has grown steadily and is now open to anyone to join and make loans.

F. April 27, 2012 – Loans to fuel co-ops

Kiva launched its partnership with Union Regional de Huatusco, a growing agricultural cooperative of over 2,000 coffee growers in Mexico, to bring new types of funding to farmers. Selling farmers' beans to well-known roasters like Green Mountain Coffee, Union Regional is owned by its members, processes their crops, and helps them secure fair prices. This is the first time Kiva loans have been offered through a co-op, helping growers boost their crop yields and switch to organic practices.

G. May 1, 2012 – Kiva in 3 new countries!

In a spurt of breakout growth, Kiva added three new countries to its ranks: Albania, Kosovo and Timor-Leste. In each, it works with field partners that emphasize social services alongside loans. Tuba Rai Metin, the partner in Timor-Leste, is especially interesting, having survived the collapse of microfinance in the country during civil wars in 2006 and 2007 that wiped out 13 other institutions. It targets both the rural and urban poor.

H. June 15, 2012 – Lenders fund the largest loan ever to hit Kiva

In just days, 1,034 Kiva lenders funded the largest loan ever to be posted on Kiva: \$49,525 for Martin to bring solar lighting to rural Tanzania through Barefoot Power. A testament to the power of Kiva lenders to make change, the loan was used to supply affordable solar lamps to poor, off-the-grid communities.

I. June 20, 2012 – Kivans Bike Zambia

A group of Kiva staffers helped organize and joined a 305-mile bike ride across Zambia to raise awareness about and raise funds to fight poverty and HIV/AIDS. The trek took them through rural and urban areas where they met with people along the way to understand the issues shaping their lives and relay them to people back home. The ride is becoming an annual event with more information at chooda.org.

2012 Timeline Details, cont'd

J. June 26, 2012 – Hello, Los Angeles!

Kiva launched its first Kiva City of 2012 in Los Angeles, working with Visa, the Mayor's Office of Small Business and local microfinance institution Valley Economic Development Center to offer loans to metro-area borrowers who have great ideas but aren't able to access credit through commercial banks. The Kiva City program launched in Detroit in 2011 to expand microfinance to small businesses in the U.S.

K. July 8, 2012 – Reaching Middle Eastern youth

Kiva teamed with Silatech, an initiative to strengthen entrepreneurship and create jobs in the Middle East, to offer loans to borrowers aged 30 and younger in the region. This is especially important in Middle Eastern countries where opportunity is limited, unemployment is sky high, and youth make up the bulk of the population. Where too many institutions see young people as too risky to take out loans, Kiva and Silatech see opportunity.

L. August 15, 2012 – Namaste, India!

Kiva launched in India in response to demand from lenders, and to work with three remarkable partners: People's Forum, Mahashakti Foundation and WSDS-Initiate. Each of these microfinance institutions work tirelessly to reach marginalized borrowers, including the disabled, widows, leprosy-affected families and more. Not surprisingly, loans in India are still among the fastest to fund on Kiva almost a year after our launch.

M. August 20, 2012 – Everyone loves a bonus!

To reward users for sharing Kiva with their friends and family, we launched a brand new Bonus Program. Now when a user invites someone who joins Kiva, they receive a \$25 bonus in their account that they can lend out to any borrower of their choice to make an even bigger difference around the world.

N. September 14, 2012 – New types of partnerships

Kiva introduced its Experimental Partnerships Program, an initiative to work with organizations offering innovative loan products, including schools, social enterprises, solar companies, NGOs, and more. To accommodate these new types of partners, we shifted to a lighter vetting process and smaller credit limits. This way, we can quickly and easily test what works best for borrowers, and scale the solutions that do make a difference.

O. October 2, 2012 – Dedicate that loan

Offering a new way to give the gift of Kiva, we launched loan dedications. Now, when you choose a loan, you have the option to dedicate it to someone special in your life. Your recipient receives an email and a customized dedication page sharing the borrower's story and what they plan to do with the loan. You can even include a personalized message. When the loan is repaid, the money goes back to Kiva to help us reach more borrowers.

P. October 17, 2012 – Loan-a-thon raises \$509K!

For our seventh anniversary, Kiva hosted its first ever Birthday Loan-a-thon, engaging 23 teams in a race to raise \$475,000 in loans. These enthusiastic lenders easily beat the goal, making \$509,825 in loans to borrowers worldwide in just one week. We also marked the date with lender parties in cities around the world, including New York, Paris, Austin and Sydney.

Q. November 20, 2012 – Kiva hits \$375 million!

With close to a million borrowers funded, Kiva celebrated \$375 million in loans made on the website in just seven years. All of that money represents thousands of borrowers empowered, businesses built, families supported, and lives changed.

R. December 30, 2012 – 200,000 volunteer hours!

Kiva hit an incredible milestone, logging 200,000 hours of time volunteered by courageous and motivated interns, editors, translators and fellows. For every 1 staff member, we have 10 unpaid volunteers without whom we could never help the many thousands of borrowers who have achieved financial empowerment through Kiva loans.





Photo Highlights

1. Anastazia - Tanzania

The mother of 3, Anastazia sells goods 12 hours a day to bring in \$80 a month. Her dream is to keep her children in school and save enough money to build a house. (Photo: Marion Walls)

2. Aurora - Mexico

Aurora is a member of the Laz Cazuelitas borrower group through VisionFund Mexico. She used her portion of the group's Kiva loan to buy clay, glaze and firewood for her ceramics business. (Photo: Emmanuel von Arx)

3. Adela - El Salvador

At 68, Adela has worked hard her whole life selling produce and dairy products door to door, and raising 6 children. Now, though, all she wants is a new roof to stay dry during the winter. (Photo: Juan Barbed)

4. Paugata - Samoa

At age 74, Paugata owns and runs her own business making and selling hand-woven products. After being turned away by traditional banks four times, she got a Kiva loan to buy materials and grow sales. (Photo: Adria Orr)

5. Tsetsegmaa - Mongolia

A new mother, Tsetsegmaa lives in a traditional Mongolian yurt and sells yogurt and milk from her two cows. She used her loan to buy better livestock feed, and plans to grow her herd soon. (Photo: Jon Hiebert)

6. Santilata - India

Santilata struggles with physical disability, but hasn't let it prevent her from building a strong business making terracotta sculptures. Her loan put her on track to own her own shop and employ other local workers. (Photo: Suneetha Kanchustambham)

7. Margarita - Philippines

Margarita has worked as a fisherwoman for more than 10 years. She used her Kiva loan to buy new nets and hooks, and to pay school fees for her children. (Photo: Jamie Greenthal)

8. Odisha, India

In Odisha, one of India's poorest states, women often spend hours of their day collecting firewood for heat and cooking fuel. Kiva works with two partners to offer loans in this region. (Photo: Irene Fung)

9. Aisulu - Kyrgyzstan

Aisulu and her husband (pictured), now in their 70s, have been raising livestock for 30 years. They used their loan to add to their herd of cows and sheep and boost their monthly income from milk sales. (Photo: Jacob Schultz)

10. Yacine - Senegal

Yacine is a 60-year-old mother of six who buys millet to turn into couscous for sale at market. She used her loan to diversify into fruit, boosting her profit and helping her support her children. (Photo: David Suk)

11. Gudelia - El Salvador

Proud mother of four, Gudelia has been selling seafood at her local market, but only stocks the best. She took out a Kiva loan to buy fresh fish whenever it's available to boost her family's income. (Photo: Juan Barbed)

Photo Highlights, cont'd

12. Alice - Uganda

Alice used her Kiva loan to buy baby chicks, which she sold full-grown at a good price. Her profit enabled her to buy a couple apartments that she now rents out to support her family of 5. (Photo: Jon Hiebert)

13. Juan Carlos - El Salvador

A \$750 Kiva loan was the kick start Juan Carlos needed to buy a new bicycle – a major upgrade for his bread delivery business. (Photo: Juan Barbed)

14. Entrepreneurs du Monde - Burkina Faso

Entrepreneurs du Monde is using loans to accelerate adoption of clean-burning, metal cookstoves. These alternatives to indoor fires save on expensive fuel costs and help prevent respiratory diseases and burns. (Photo: Diana Biggs)

15. Clorinda - Peru

For 13 years, Clorinda has farmed guinea pigs as the breadwinner of her family. She's also very active in her local village bank, working with other rural women taking out loans. (Photo: Carrie Nguyen)

16. Rural Village - Honduras

In Honduras, many Kiva borrowers live in villages so remote that loan officers drive up to four hours to meet with them. Kiva is fortunate to work with partners that prioritize financial access for the poor. (Photo: Wesley Schrock)

17. Manas - India

Manas, 24, is a young husband and father of a 1-year-old daughter. Today, he lives with his parents, but is quickly growing his idol carving business. He used his loan to buy inventory storage and raw materials. (Photo: Rachael Caine)

18. Alberta - Dominican Republic

Alberta makes her living selling traditional woven garments worn on special occasions like weddings and Quinceañera celebrations. She used her loan to buy more supplies and boost her inventory. (Photo: David Gorgani)

19. Dar Salaam Bus Depot - Tanzania

In Tanzania, almost everyone takes buses, sometimes several hours into rural surrounding areas. It's one way remote Kiva borrowers make it into the city to take out and repay loans.

20. Merlinda - Philippines

Merlinda was widowed years ago, leaving her to support her family. After 7 loans through partner NWTF, she's built a solid living selling sundries and farming sugarcane. Her new goal is to start saving. (Photo: Jamie Greenthal)

21. Guadalupe - Mexico

Not only does Guadalupe run her own flower pot business and lead the Las Cazuelitas borrower group, she's also raising four daughters. All of them are in school, and the oldest, Rosalia, is in college. (Photo: Emmanuel von Arx)

The Year in Stats

\$111,078,600

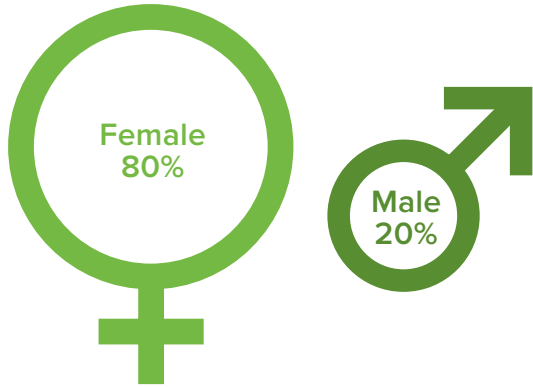
TOTAL BORROWED

↑ vs 2011
\$89,481,825

250,704

TOTAL BORROWERS

↑ vs 2011
226,913



BORROWER GENDER

79% & 21%
in 2011

\$211

LENT PER MINUTE

↑ vs 2011
\$170



↑ vs 2011
\$399

Avg loan size (\$458)



FAVORITE ARTIST
OF KIVA KARAOKE

6,834*

EXPIRED LOANS

↑ vs 2011
26

*roughly 5% of loans posted in 2012

102

FULL TIME EMPLOYEES

↑ vs 2011
83

47

NEW FIELD PARTNERS

↑ vs 2011
24

30

NON-MFI PARTNERS

↑ vs 2011
1

1,838

HIGHER EDUCATION BORROWERS

895

CLEAN ENERGY BORROWERS

ACTIVE LENDERS

567,492

↑ vs 2011
457,739

NEW LENDERS

210,457

↑ vs 2011
152,483

LENDING TEAMS

14,083

↑ vs 2011
12,783



KIVA EMPLOYEE
BABIES, ENGAGEMENTS, MARRIAGES

Financial Health

\$17,394,130

TOTAL REVENUE & SUPPORT

↑ vs 2011
\$13,582,629

\$14,165,585

TOTAL EXPENSES

↑ vs 2011
\$11,684,353

61% Self-sufficiency

KIVA'S ONLINE REVENUE/TOTAL EXPENSES

↓ vs 2011
65%

ASSETS

Current assets \$13,100,232

Property and equipment \$3,764,022

Other assets \$330,930

Total Assets \$17,195,184

LIABILITIES

Current liabilities \$775,754

Deferred rent \$170,792

Net assets \$16,248,638

Total liabilities & net assets \$17,195,184

The data above is a summary balance sheet. Our full balance sheet and our Form 990 are available online at kiva.org/about/finances

Kiva.org

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