

UniCredit Bank Serbia and EFSE sign EUR 15 million senior loan agreement

Loan will be dedicated to financing housing and home improvements for retail clients

Frankfurt and Belgrade, January 21st 2014 - The European Fund for Southeast Europe (EFSE) and UniCredit Bank Serbia signed a EUR 15 million senior loan facility agreement, which is aimed at further strengthening the bank's housing and home improvement lending business with retail clients. This is the second credit agreement these two parties have signed within a year, and it will serve to finance more than 400 new loans.

UniCredit Bank, Serbia's third largest bank in terms of total assets, is one of the country's leading banks. Year after year, the bank has been continuously enlarging its customer base, which now exceeds 200,000 retail clients, by offering a wide range of products and services. More than half of all loans for home acquisition and improvement are issued to customers outside Belgrade.

"Our partnership with UniCredit is growing continuously, and we are pleased to build on our already good cooperation and to further strengthen the bank's funding base for long-term housing and home improvement loans", says Monika Beck, Chairperson of the Board of EFSE. "With its extensive branch network, UniCredit is able to cover the whole country and thus substantially contribute to development finance in Serbia. This makes UniCredit a very good fit for the EFSE in helping to fulfil our mission of improving living conditions in the EFSE's target region".

Claudio Cesario, CEO of UniCredit Bank Serbia states: "By signing the second agreement within a year with the EFSE, we are just confirming the success of our existing collaboration. This credit line will allow us to further strengthen our support to retail clients where their living space is concerned, which represents one of the main issues that middle aged and young people are facing, not only in Serbia but all over the world."

About the European Fund for Southeast Europe

The European Fund for Southeast Europe (EFSE) was initiated by KfW Development Bank (KfW) with the financial support of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission. It aims to foster economic development and prosperity in Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, former Yugoslav Republic of Macedonia, Kosovo, Georgia, Moldova, Montenegro, Romania, Serbia, Ukraine and Turkey. As access to finance is a key success factor in developing the micro, small and medium enterprise segments, the EFSE focuses on assisting

local financial sectors in strengthening their ability to ensure adequate and sustainable financing. The funding the EFSE provides as long-term finance primarily for micro and small enterprises (MSEs) – but also for private households in the form of home improvement loans – is channelled to these loan customers through local partner lending institutions. Supporting the EFSE’s investment activities is the EFSE Development Facility, which provides partner lending institutions with technical assistance, consulting and training services to build operational capacities and professional management.

Initiated by KfW Development Bank (KfW) on 15 December 2005 from four multi-donor programs under its management, the EFSE is the first public-private partnership of its kind and the first privately managed fund in development finance to leverage private funding for MSE finance in the target region. Capital is provided by donor agencies, international financial institutions and private institutional investors, including the German Federal Ministry for Economic Cooperation and Development (BMZ), the European Commission (EC), the Government of Albania, Small and Medium Business Credit Support CJSC (SMBCS), a subsidiary of the Central Bank of Armenia, the Development Bank of Austria (Oesterreichische Entwicklungsbank - OeEB), the Swiss Agency for Development and Cooperation (SDC), the Danish International Development Agency (Danida), KfW as Lead Investor, the International Finance Corporation (IFC), the Netherlands Finance Company (FMO), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), Sal. Oppenheim and Deutsche Bank.

Oppenheim Asset Management Services S.à r.l., Luxembourg, and Finance in Motion GmbH, Germany, are, respectively, the EFSE’s Fund Manager and Fund Advisor.

For more information about the European Fund for Southeast Europe, please visit: <http://www.efse.lu/>

About UniCredit Bank Serbia

UniCredit Bank Serbia is member of UniCredit, one of Europe's leading commercial banks with strong roots in 20 European countries. Its network, which spans approximately 50 markets, includes around 9,080 branches and more than 150,000 employees (as at 30 June 2013). In the Central and Eastern Europe region, UniCredit operates the largest international banking network with nearly 3,600 branches. The Group operates in the following countries: Austria, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Germany, Hungary, Italy, Latvia, Lithuania, Poland, Romania, Russian Federation, Serbia, Slovakia, Slovenia, Turkey and Ukraine.

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