

EFSE and UniCredit Bank Serbia strengthen their partnership

EUR 20 million credit line intended to support housing loan financing

Luxembourg and Belgrade, 6 February 2017 - The European Fund for Southeast Europe (EFSE) and UniCredit Bank have signed a credit line agreement in the overall amount of EUR 20 million to finance housing loans in Serbia.

The EFSE credit line is expected to support clients who buy their homes with housing loans, which will further strengthen UniCredit Bank's position in the housing market and expand access to long-term housing finance around Serbia as the majority of bank's portfolio is located outside Belgrade.

EFSE Board Chairman Christoph Tiskens said: "Citizens often need support when buying their first home, and the credit line will enable UniCredit Bank to finance such purchases, fulfilling the EFSE's mission to provide adequate housing terms in the regions it operates."

With regard to the signing of the agreement, **Nikola Vuletić, Head of Retail Division**, stated: "Solving the living space issue certainly represents one of the priorities of both individuals and families in Serbia. Thus, during the last year we focused on offering our clients a housing loan created in accordance with their needs. The EFSE credit line, in addition to enabling us to continue supporting citizens who wish to purchase a home, will also affect our growth in this market segment. "

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 acts as the EFSE’s Fund Manager and Finance in Motion GmbH, Germany as Advisor.

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

About UniCredit Bank Serbia

UniCredit is a strong Pan-European Group with a simple commercial banking model and a fully plugged in Corporate & Investment Bank, delivering its unique Western, Central and Eastern European network to its extensive 25 million strong client franchise. UniCredit offers local expertise as well as international reach and accompanies and supports its clients globally, providing clients with unparalleled access to leading banks in its 14 core markets as well as an another 19 countries worldwide. UniCredit European banking network includes of Italy, Germany, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Slovakia, Slovenia, Serbia, Turkey.