

Press release

Belgrade, November 16th 2017.

UniCredit Bank starts approving loans to SME within COSME program

After signing guarantee agreement with European Investment Fund in May 2017, UniCredit approves first transactions under COSME from the total portfolio of EUR 100 million.

Thanks to EIF's support via the COSME programme, UniCredit Bank has the opportunity to support more than 2,400 SMEs in Serbia by offering not only more favorable terms, but also less collateral requirements and longer repayment period.

For coordination of the activities within COSME program Ministry of Economy is in charge, while the aim of this programme is to contribute to better promotion of entrepreneurship, easier access to financing and improvement of internationalization and competitiveness of small and medium enterprises. Assistant minister of Economy, Katarina Obradović Jovanović has stated that she is very happy for larger interest of the banks for using guarantee schemes within COSME programme, with the goal to offer better conditions for financing the small and medium enterprises. „Ministry of Economy will, as it did so far, do everything in order that Serbia continue to participate in COSME programme, we will pay membership that opens the possibility for banks to benefit from this programme. We hope that this arrangement of UniCredit Bank will be realized very fast and that it will be an example which other banks will follow“, said Jovanović Obradović.

The maximum amount SMEs can apply for under COSME is EUR 150,000. For working capital loans the repayment period ranges from 37 to 42 months and the only required collateral is the promissory note. On the other hand, investment loans are approved with down payment of 5%, with repayment period from 61 to 84 months and with mortgage, namely the pledge on the subject of financing.

Csilla Ihász, Chairwoman of the Management Board of UniCredit Bank Serbia, has stated: "We are all well aware of the importance that SME segment, as key engine for economic growth and job creation, has for all developing economies. We are pleased that this is in line with the stance of the Serbian Government and Ministry of Economy who see the development of private entrepreneurship as one of

the priority goals of the economic policy, as evidenced by the program „The decade of the entrepreneurship”. Thanks to COSME we can now contribute to better exploiting the potential of this vital segment of economy. “

About UniCredit Bank Serbia JSC

UniCredit Bank Serbia JSC is part of UniCredit Group, a simple successful Pan European Commercial Bank, with a fully plugged in CIB, delivering a unique Western, Central and Eastern European network to our extensive client franchise: 25 million clients. UniCredit offers local expertise as well as an international one reaching and supporting its clients globally, providing them with unparalleled access to leading banks in its 14 core markets as well as in other 18 countries worldwide. UniCredit European banking network includes Italy, Germany, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Serbia, Slovakia, Slovenia and Turkey.

About EIF

The European Investment Fund (EIF) is part of the European Investment Bank Group. Its central mission is to support Europe's micro, small and medium-sized businesses (SMEs) by helping them to access finance. EIF designs and develops venture and growth capital, guarantees and microfinance instruments which specifically target this market segment. In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment.

About COSME

COSME is the EU programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (SMEs) running from 2014 to 2020 with a total budget of EUR 2.3 billion. At least 60% of the programme will be devoted to easing access to finance for SMEs in Europe, with two financial instruments. The COSME Loan Guarantee Facility supports guarantees and counter-guarantees to financial institutions to help them provide more loans and lease finance to SMEs. This facility also includes securitisation of SME debt finance portfolios. The COSME programme also invests through the COSME Equity Facility for Growth in equity funds that provide risk capital to SMEs mainly in the expansion and growth stages. The COSME programme builds on the success of the Competitiveness and Innovation Framework Programme (CIP) (2007-2013) which helped to mobilise more than EUR 21 billion of loans and EUR 3 billion of venture capital to almost 400,000 SMEs in Europe.