

PRESS RELEASE

Luxembourg, 20 November 2014

EIB and BGL BNP Paribas renew their partnership

New EUR 50 million loan for SMEs in Luxembourg



Seated from left to right: Carlo Thill, Country Manager and Chairman of the Management Board of BGL BNP Paribas (signatory), Pim Van Ballekom, EIB Vice President (signatory), Kik Schneider, Member of the Management Board, BGL BNP Paribas (signatory), Elodie De Recy (EIB)

Up from left to right: Yvon Antoni (BGL BNP Paribas), Jean Pfeiffenschneider (BGL BNP Paribas), Romain Girst (BGL BNP Paribas)

On 20 November 2014, the European Investment Bank (EIB) and BGL BNP Paribas signed a new partnership agreement involving a EUR 50 million EIB loan targeting small and medium-sized enterprises (SMEs) and midcaps.

Following on from a first EUR 50 million loan for SMEs provided in 2009, which has now been entirely used up, this new partnership agreement will enable BGL BNP Paribas to continue actively supporting the financing of Luxembourgish firms and fostering their development.

This “EIB loan for SMEs” consists of a credit line that BGL BNP Paribas will deploy in support of small businesses with fewer than 250 employees trading in a broad range of sectors eligible for EIB financing. The new agreement will extend this facility to midcap companies (with up to 3 000 employees). Projects financed must be located within the European Union and have an investment cost of a maximum of EUR 25 million. Borrowing firms are assured of enjoying the benefits of EIB funding, particularly in the form of reduced interest rates.

Carlo Thill, Country Head and Chairman of the Management Board of BGL BNP Paribas, said: “As Luxembourg’s leading corporate bank, we are delighted to be able to continue participating in this EIB financing operation. Having supported our SME customers with the proceeds of the first loan since 2009, today’s new loan will enable us to continue providing businesses with the opportunity not only of funding themselves at reduced rates but also of benefiting from other favourable terms.”

Pim Van Ballekom, EIB Vice President: “This new operation – and the success of the previous one – testify to the essential close cooperation between the EIB and the European Union’s banks: in this particular case BGL BNP Paribas, a key institution for Luxembourg’s economy. These agreements to finance SMEs and midcaps are vitally important because such firms are still underserved due to the current economic situation. We have been by their side both before and during the crisis and we shall continue to support them. By giving them the means to develop and become more competitive we are fostering job creation and a return to growth.”

With its “loans for SMEs and midcaps” programme, the EIB, the EU’s financing institution, supports the economic development and competitiveness of such firms. To this end, it works together with commercial banks that act as intermediaries, utilising their branch networks and knowledge of SMEs and midcaps.

Since the start of 2014, the EIB has disbursed EUR 14.3 billion worth of loans for SMEs and midcaps in the European Union and its partner countries. In the first ten months of the year, new signatures – with 112 partner banks in 24 countries – amounted to EUR 16.4 billion. This represents substantial support and assures businesses of the ongoing availability of financing for their projects.

As well as BGL BNP Paribas, BNP Paribas in France, BNP Paribas Fortis in Belgium and BNL in Italy have also renewed their partnership agreements with the EIB, enabling the BNP Paribas Group to continue offering favourable lending terms to its SME and midcap customers in its four domestic markets.

Background information

The **European Investment Bank** (www.eib.org) is the long-term financing institution of the European Union (EU). Its shareholders are the Member States of the EU. The EIB provides long-term finance in support of quality projects to contribute to the achievement of the EU’s key objectives. For further information see www.eib.org, in particular www.eib.org/sme

BGL BNP Paribas (www.bgl.lu) is one of the largest banks in the Grand Duchy of Luxembourg. It offers an especially wide range of financial products to individuals, professionals, private banking clients and businesses. BGL BNP Paribas is Luxembourg’s number-one provider of banking services to professionals and small- and medium-size companies, and number two in services for individuals. It is also the leader for bancassurance. For the third time in five years, Euromoney has named BGL BNP Paribas “Best Private Bank in Luxembourg” in 2014.

BNP Paribas (www.bnpparibas.com) has a presence in 75 countries with more than 180,000 employees, including more than 140,000 in Europe. It ranks highly in its three core activities: Retail Banking, Investment Solutions and Corporate & Investment Banking. In Europe, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the leader in consumer lending. BNP Paribas is rolling out its integrated retail banking model across Mediterranean basin countries, in Turkey, in Eastern Europe and a large network in the western part of the United States. In its Corporate & Investment Banking and Investment Solutions activities, BNP Paribas also enjoys top positions in Europe, a strong presence in the Americas and solid and fast-growing businesses in Asia-Pacific.

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