

PRESS RELEASE

Banca Intesa signed agreements with Serbian Development Fund

Continuing to support lending to corporate and retail

Belgrade (Jan 27) – Lead by the belief that the program of measures of the Government of the Republic of Serbia for mitigating negative effects of crisis is a good way to incite and accelerate economic flows and minimize negative effects of the crisis in 2010, Banca Intesa rejoined the Program aimed at providing significant contribution to its implementation and enable financing the economy and citizens under conditions more favorable than those provided by the market.

To that end, Banca Intesa signed yesterday with the Serbian Development Fund three agreements on subsidizing interest rates in pursuance of the Government's provisions for 2010 aiming for aimed at mitigating effects of the global economic crisis. It concerns subsidizing interest rates for loans:

- For maintaining liquidity and financing durable working assets and for export operations for entrepreneurs and economic entities,
- financing entrepreneurs and economic entities and
- for acquisition of specific durable consumer goods for individuals and legal entities.

As early as this week the Bank will start to accept applications for all three types of loans under the following conditions:

- short-term loans for liquidity and financing of durable working assets, and export loans for entrepreneurs and legal entities will be granted with 12-months tenor and 4,4 interest rate p.a.,
- long-term investment loans will be granted with 5-year tenor and grace period between 6 and 12 months and weighted interest rate for entrepreneurs and corporate from 3mEuribor+4% p.a. These loans may be granted with the guarantee issued by the Serbian Development Fund at the level of 75% from the loan amount approved by the Bank. In that case the weighted interest that the Bank charges from the beneficiary would be 3mEuribor+2% p.a.
- as for retail and corporate consumer loans, i.e. financial leasing, the Bank shall continue to lend subsidized loans for cars, tractors, construction machines, commercial vehicles-trucks, agricultural mechanization, furniture, carpets, floor coverings and home appliances. Repayment period for these loans is 7 i.e. 5 years, and interest rate for the purchase of Fiat Punto cars, tractors, construction machines and commercial vehicles is fixed 4,5% p.a., while for other purposes it is 6% p.a.

“Focusing on clients and constant finding of solutions to provide clients with more favorable and flexible financing is the backbone of our business priorities in 2010. This is exactly why Banca Intesa welcomes the Government’s decision to continue to apply subsidized interest rates in 2010 by supporting corporate and individuals; this time, as it was the case in 2009, the Bank plays an active role right from the beginning in the realization of the stated Government’s programs, with a view to contribute to successful overcoming of economic issues caused by the crisis”, says Mrs. Draginja Đurić, CEO of Banca Intesa. Throughout 2009 the Bank placed subsidized retail and corporate loans totaling EUR 300 m, which is one third of total placements of the banking sector.