

PRESS RELEASE

Banca Intesa starts receiving applications for subsidized agriculture loans

Favourable loans and benefits for young people and women in agri-business

Belgrade, June 30, 2017 – Banca Intesa today started receiving applications for loans for investments in agricultural production as part of this year's subsidized loan programme for agriculture, which is being implemented in cooperation with the Ministry of Agriculture and Environmental Protection.

The offer includes short-term and long-term dinar loans for investments in livestock, crop, fruit and vegetable growing, loans with even more favourable interest rates for young people and women holders of farming households, as well as a special long-term dinar loan for agricultural machinery purchase.

“As a long-standing partner of the Government of the Republic of Serbia in fostering agricultural development and as one of the leading banks on the market in terms of providing support of the agriculture, Banca Intesa is traditionally one of the most active participants in the implementation of the state-subsidized agriculture loan programme, which is confirmed by the fact that we supported registered farming households with more than RSD 800 million in subsidized loans last year. We pay great attention to the economic integration of women through our offer of special loans for female entrepreneurs, which is why we are particularly pleased with the fact that this year's subsidized loan programme brings significant benefits for young people and women in agriculture,” said Predrag Milenović, Head of the Small Business Department.

The subsidized loans have a 3% fixed interest rate per annum and are available in amounts of up to RSD 6 million for holders of registered farming households, or up to RSD 18 million for cooperatives. The repayment period is up to three years and there is a possibility of using up to a 1-year grace period. For farmers under the age of 40 and women holders of farming households, as well as for farms located in areas with difficult working conditions when agriculture is concerned, an interest rate of 1% per annum is envisaged, while the loans intended for investments in certain types of agricultural machinery are granted with a repayment period of up to 5 years.

Loans can be used for investments in working and fixed assets, namely for purchase of raw materials, livestock, agricultural machinery and equipment, and stock feed and is intended for owners of registered farming households, agricultural cooperatives and legal persons registered as farming households, regardless of whether they are Banca Intesa's clients or not.

In 2016, Banca Intesa approved approximately 8,000 loans totalling over 35.4 million euro to registered farming households. Good results continued through the first six months of 2017, when some 4,750 loans were approved in the cumulative amount of over 20.5 million euro, with an increase in investments of around 10 percent compared to the same period in 2016.

Representative example for clients EIR June 28, 2017

Loan type	Loan in association with Ministry of Agriculture and Environment Protection
Loan currency	RSD
Indexing criteria	No indexation
Loan amount	1,000,000 RSD
Repayment term	12 months
Repayment method	Upon maturity
Annual annuity	1,030,000.00 RSD
Interest rate (on annual basis)	3%
Loan application processing fee	1.5%
EIR (on annual basis)	4.67%
Fees charged to the user are known at the moment of announcement and are included in calculation of effective interest rate	
2 promissory notes	100 RSD
Credit Bureau's report	246 RSD (for entrepreneur)
Certificate of tax liabilities	580 RSD
Certificate of the state of tax liabilities (for entrepreneur)	

*Fees charged to the beneficiary, included in calculation of effective interest rate, the amount of which is not influenced by the Bank. We underline that those are approximate (average) amounts, not under influence of the Bank, depending on fees and court charges, Geodetic Bureau, insurance premiums of insurance companies, etc.



Banca Intesa ad Beograd, a member of **INTESA  SANPAOLO**, is the leading bank on local market, a reliable partner of 1.43 million clients, physical and legal persons. With net balance assets of 4.6 billion EUR, total deposits of 3.1 billion EUR and total investments of 2.4 billion EUR, Banca Intesa Beograd is on top of the list of the biggest banks in Serbia. Owing to developed business network composed of 165 branch offices all over Serbia, the most developed network of ATMs and POS terminals, the professional team of around 3,000 employees, the bank records a significant increase in all fields of operations. Banca Intesa develops its business activities in four directions: retail operations and small business operations, industry, local self-governments and investment banking