



European Investment Bank financing for loans to SMEs

Through an agreement signed with the European Investment Bank (EIB; www.eib.org), we are supporting small and medium-sized enterprises (SMEs) [*and companies with fewer than 3,000 employees (mid-caps)*] by providing them with access to a valuable source of financing at a very low cost and with flexible amortisation terms.

European cooperation in support of SMEs

The EIB is the European Union's long-term financing bank. Its aim is to contribute to the integration, balanced development and social and economic cohesion of the Member States of the European Union. With its experience and expertise, the EIB finances sound and sustainable projects targeting innovation and skills, SMEs, climate action and strategic infrastructure in the EU. Thanks to its insuperable position on the capital markets (AAA rating), the EIB is able to obtain financing on exceptional terms, which it then passes on to SMEs and *mid-caps* through our intermediation. We specifically and individually inform SMEs and *mid-caps* about the EIB's involvement and its impact on the financial terms and conditions of the loan received. Detailed information on EIB Group financing for SMEs and *mid-caps* can be found on the EIB website (www.eib.org).

What is EIB financing?

The EIB is stepping up its support for European SMEs and *mid-caps* by providing this important sector with access to vital new credit lines. The duration of these loans is at least 2 years (the final duration of the loan will depend on the economic and technical life of the financed project) and can be used to finance small-scale projects up to investments with an expected maximum cost of EUR 25 million. However, the EIB's contribution cannot exceed EUR 12.5 million.

Who can apply for an EIB loan?

- The companies that can apply are SMEs located in one of the EU Member States with fewer than 250 employees on a consolidated level prior to the investment;
- *mid-cap companies* located in one of the EU Member States with fewer than 3,000 employees on a consolidated level prior to the investment;
- almost all economic sectors and activities are eligible with some exceptions, including production of armaments, weapons or ammunition; explosives, equipment or infrastructure specially designed for military use, and equipment or infrastructure intended to limit individual rights or freedom of persons; activities generating environmental impacts that are not substantially mitigated and/or offset; activities which are controversial on ethical or moral grounds (infrastructures, services and facilities for the sex trade or similar; animal testing¹, research on cloning of human beings); activities that are prohibited by national legislation (Genetically Modified Organisms [GMOs]; clinics where abortions are performed; nuclear energy, etc.);

¹ Activities involving the use of live animals for experimental or scientific purposes are eligible insofar as they comply with Directive 2010/63/EU of the European Parliament and of the Council of 22 September 2010 on "the protection of animals used for scientific purposes".

gambling; tobacco-related industries; activities whose sole purpose is real estate speculation; purely financial transactions and consumer finance.

What can an EIB loan be used for?

An EIB loan can be used to finance all investments and expenses necessary for the development of an SME or a *mid-cap company*, including:

- Investments in tangible assets: acquisition, renewal or extension of tangible assets, with some restrictions related to the purchase of land.
- Investments in intangible assets: in particular, expenditure related to R&D, the purchase of processing and software licences, as well as expenditure related to the acquisition of a business in the context of a generational change or business transfers related to personnel in order to ensure the continuity of the company's economic activity (the cost of acquisition may not exceed EUR 5 million).
- Medium and long-term working capital requirements that are necessary for the operating activities of the SME or *mid-caps*.

What are the advantages for your company?

- The possibility of receiving advantageous interest rates compared to the usual interest rates in force for business loans.
- The possibility to negotiate the terms or frequency of loan amortisation according to your company's economic situation and cash flow needs.
- It allows you to make significant investments in your business without negatively affecting your liquidity or cash flow.

What is expected in return?

- (a) to allow, upon reasonable notice, representatives of the EIB to visit and inspect all sites, installations and works involved in the project for which the loan is intended; and
(b) to grant us permission to provide the EIB with any information concerning you, in the event that the EIB so requests.

Please do not hesitate to contact our Customer Relations Manager or visit our local branch to determine whether your company is eligible for loans granted by the EIB under its "Loans for SMEs" or "Loans for mid-caps".