



First InnovFin SME deal in Ukraine as EIF and ProCredit Bank JSC sign agreement for innovative businesses

Kyiv, 13 September 2016

The European Investment Fund (EIF) and ProCredit Bank JSC (Ukraine), have signed the first InnovFin agreement for SMEs as well as small mid-caps in Ukraine under InnovFin – EU finance for innovators, an initiative supported by the [European Commission](#).

The agreement, supported by InnovFin – EU finance for innovator's SME Guarantee facility, with the financial backing of the European Union under Horizon 2020 Financial instruments, will enable ProCredit Bank Ukraine to provide loans to innovative companies in Ukraine over the next 2 years. The EU support for innovative Ukrainian companies is expected to generate a portfolio of EUR 50 million in bank loans.

Commenting on the signature, EIF Chief Executive, Pier Luigi Gilibert said: "The promotional SME event in Kiev today provides a fitting forum for signing the first InnovFin agreement in Ukraine. This guarantee allows SMEs and mid-caps to benefit from new financing which can bring jobs and growth to the country".

Carlos Moedas, European Commissioner for Research, Science and Innovation, said: "I am pleased to announce that Ukrainian companies can now benefit from EU-guaranteed loans up to €50 million to boost their research and innovation potential. The deal signed today will support Ukraine's economy, and it is a testimony to the productive relationship between the EU and Ukraine under Horizon 2020, the EU's research funding programme."

Commenting on the InnovFin SME Guarantee agreement, CEO of ProCredit Bank Ukraine, Victor Ponomarenko said: "As one of the leading "Hausbank(s)" for small and medium-sized enterprises in Ukraine, we know that modern technology, innovative thinking and environmental orientation are key factors for future development. This programme will significantly increase our capacity to finance innovations and expand opportunities for local businesses that plan to invest in development".

Borislav Kostadinov, member of the Management Board of ProCredit Holding, added: "The signing today in Kiev is clearly an historic occasion for both ProCredit Bank and Ukraine. We are very pleased that our team at ProCredit Bank Ukraine is delivering such solid results even in times of economic volatility, and we are confident that the agreement will enable them to intensify their efforts to make a sustainable contribution to the economic, social and environmental development of the country. Since forming long-term relationships with clients and careful risk management are such important foundations of our distinctive approach, partnering with the InnovFin programme is beyond a doubt the right fit."

The aim of the InnovFin SME Guarantee is to encourage banks or other financial institutions to lend to SMEs and small mid-caps (firms with fewer than 500 employees) in need of investment and/or operating capital to finance research, development and innovation activities, with EU financial support. Financial institutions are being selected by the EIF following a call for expression of interest for financial intermediaries across Europe.

About the 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 ProCredit Bank Ukraine

ProCredit Bank is a development-oriented commercial bank, offering excellent customer service to small and medium-sized enterprises and to private individuals who would like to save. ProCredit Bank is part of the international ProCredit group, whose shareholders are large financial institutions and investment companies. The bank is not associated with any commercial or political group. Strong backing from the bank's shareholders, its membership of the international ProCredit group and supervision by the German Federal Financial Supervisory Authority (BaFin) are factors which guarantee ProCredit Bank's stability and reliability. In addition, Fitch Ratings has awarded the bank the highest rating available in Ukraine.

SMEs wishing to apply for finance under the InnovFin programme can directly contact ProCredit Bank Ukraine, at the following website: <http://www.procreditbank.com.ua> and e-mail address: contact_office@procreditbank.com.ua

About the ProCredit group

ProCredit Holding AG & Co. KGaA, headquartered in Frankfurt am Main, Germany, is the parent company of the international ProCredit group, comprising banks with a focus on Eastern Europe that have specialised in serving small and medium-sized enterprises. As of 30 June 2016, the group's total assets amounted to EUR 6 billion. The total outstanding loan volume was EUR 4.1 billion, against customer deposits totalling EUR 3.8 billion, and its equity base stood at EUR 608 million. The core shareholders of ProCredit Holding AG & Co. KGaA are the strategic investors Zeitinger Invest and ProCredit Staff Invest (comprising investment vehicles for ProCredit staff members), the Dutch DOEN Foundation, KfW and the IFC (World Bank Group). For additional information, visit: www.procredit-holding.com.

About InnovFin

"[InnovFin– EU Finance for Innovators](#)", the new generation of EU financial instruments and advisory services was developed under Horizon 2020 to help innovative firms access finance more easily. "InnovFin – EU Finance for Innovators" will help to inject up to EUR 48 bn in investments in Research and Innovation across Europe.

About Horizon 2020

On 1 January 2014, the European Union launched a new research and innovation funding programme called [Horizon 2020](#). Over the next seven years almost EUR 80 bn will be invested in research and innovation projects to support Europe's economic competitiveness and extend the frontiers of human knowledge. The EU research budget is focused mainly on improving everyday life in areas like health, the environment, transport, food and energy. Research partnerships with the pharmaceutical, aerospace, car and electronics industries also encourage private-sector investment in support of future growth and high-skilled job creation.

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