

Press release

For immediate release

Deutsche Bank secures additional investments in EFSE microfinance fund

Luxembourg, 2 July 2012 – Deutsche Bank has successfully acquired new, private investors for a participation totalling EUR 51 million in the senior tranche of the European Fund for Southeast Europe (“EFSE”, or the “Fund”) microfinance fund. This will enable the EFSE to finance up to 10,000 additional loans to micro and small enterprises (MSEs) in the Fund’s target regions of Southeast Europe and the South Caucasus. Deutsche Bank has participated in the Fund’s financing since 2007, most recently with an investment totalling EUR 31.5 million.

The EFSE provides funding to banks and microfinance institutions in the Fund’s target region for the purpose of on-lending to local MSEs. Loans to MSEs play a pivotal role in fostering economic growth in developing and transforming countries, thus helping to create new jobs.

The EFSE was created in 2005 by the KfW with financial support from the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission. The privately managed fund is set up as a public-private partnership and registered in Luxembourg. Funding by public investors is complemented by private capital investments, providing a broader and more robust funding platform for development finance. The Fund’s structure builds on various investment classes with varying degrees of risk, enabling the cooperation of public donors, international financial institutions and ethically oriented private investors. The senior tranche with the lowest default risk is aimed at institutional private investors.

The Fund currently has EUR 828 million in outstanding commitments (as at 31 March 2012): public investors account for EUR 303 million (37 per cent); and EUR 525 million (63 per cent) have been mobilised from private sources. Since its inception, the EFSE has financed a total of over 309,000 loans for an aggregate value of EUR 1.9 billion (as at 31 March 2012). The Fund estimates that these loans have resulted in the creation of 315,000 jobs at MSEs throughout the target region over that period.

“We are extremely pleased that Deutsche Bank is reaffirming its commitment as a strategic partner of the EFSE, and that its activities on the capital markets in recent weeks have further broadened the Fund’s investor base. More and more investors are seeking solid, fair and sustainable vehicles, and the EFSE is an attractive opportunity. Also, foundations, church institutions and family offices in particular are showing a keen interest in responsible investing,” says Monika Beck, Chairperson of the EFSE. *“The combination of public and private capital is the best guarantee for ensuring that funds are invested in an efficient, effective and responsible manner. At the same time – as the Fund’s performance in recent years has made evident – the private-public partnership structure, combined with professional management, gives the EFSE a strong measure of stability and crisis-resistance.”*

The EFSE aims to continue diversifying its investor structure as well as to increase the share of private capital in covering the financing needs of MSEs in the target regions. *“In view of the high quality and solid reputation of the EFSE, we are more than confident that additional institutional investors from the private*

sector will follow the example of Deutsche Bank,” says Thomas Albert, Managing Director of Oppenheim Asset Management Services, which inter alia administers the EFSE and, together with Finance in Motion, the Frankfurt-based fund advisor specialised in developing and emerging countries, is the EFSE’s fund manager.

About the European Fund for Southeast Europe

The European Fund for Southeast Europe (EFSE) aims to foster economic development and prosperity in Southeast Europe and in the South Caucasus, including Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kosovo, Macedonia, Moldova, Montenegro, Romania, Serbia, Turkey and Ukraine. The EFSE focuses on assisting local financial sectors in strengthening their ability to ensure adequate and sustainable financing for micro and small enterprises (MSEs) as well as for private households in the form of home improvement loans. The funding the EFSE provides is channelled through local partner lending institutions (PLIs). In addition to funding, the EFSE provides PLIs with technical assistance, consulting and training services to build operational capacities and professional management. Initiated by the KfW with the financial support of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission – in 2005, the EFSE is the first public-private partnership of its kind and the first privately managed fund in development finance. The capital is provided by the BMZ, the European Commission, the Government of Albania, Small and Medium Business Credit Support CJSC (SMBCS), a subsidiary of the Central Bank of Armenia, the Development Bank of Austria (OeEB), the Swiss Agency for Development and Cooperation, the Danish International Development Agency (Danida), KfW, the IFC, the Netherlands Finance Company (FMO), the European Bank for Reconstruction and Development, the European Investment Bank, Sal. Oppenheim and Deutsche Bank as well as various family offices, foundations and funds of funds.

For additional information on the EFSE, please visit: <http://www.efse.lu>

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