

EFSE, Garanti Leasing renew focus on Turkey's 'Priority Development Regions'

The latest EFSE investment of EUR 25 million will be used to bolster Turkish micro and small businesses and rural enterprises

Luxembourg and Istanbul, 24 January 2017 -- The European Fund for Southeast Europe (EFSE) today announced a EUR 25 million loan to Garanti Leasing for further support of micro and small enterprises and rural businesses in Turkey. Half of the investment has been earmarked for Priority Development Regions of Turkey.

The investment marks the EFSE's third senior loan to Garanti Leasing, a subsidiary of Garanti Bank, one of Turkey's largest financial organizations. Garanti Leasing – an EFSE partner since 2012 – is the second largest company in the Turkish leasing market in new business volume and has access to one of the country's most extensive networks of branch offices via its parent.

EFSE Board Chairman Christoph Tiskens said: "This continuation of our successful partnership with Garanti Leasing underlines our ongoing dedication to bolstering micro and small enterprises in the regions we serve."

Garanti Leasing's General Manager Unal Gokmen said: "In Turkey, leasing is a very important solution for SMEs because it serves the long-term financing needs of this segment. In the leasing sector, more than 75% of the clients are from the SME segment, and for Garanti Leasing, the SME segment customer ratio to total customers is above the sector average, making Garanti Leasing one of the biggest supporter of SMEs. This loan will contribute to our main strategy of supporting SMEs and strengthening our long-standing relationship with the EFSE."

About the European Fund for Southeast Europe

The European Fund for Southeast Europe (EFSE) was initiated by KfW Development Bank (KfW) with the financial support of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission. It aims to foster economic development and prosperity in Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, former Yugoslav Republic of Macedonia, Kosovo, Georgia, Moldova, Montenegro, Romania, Serbia, Ukraine and Turkey. As access to finance is a key success factor in developing the micro, small and medium enterprise segments, the

EFSE focuses on assisting local financial sectors in strengthening their ability to ensure adequate and sustainable financing. The funding the EFSE provides as long-term finance primarily for micro and small enterprises (MSEs) – but also for private households in the form of home improvement loans – is channelled to these loan customers through local partner lending institutions. Supporting the EFSE's investment activities is the EFSE Development Facility, which provides partner lending institutions with technical assistance, consulting and training services to build operational capacities and professional management.

Initiated by KfW Development Bank (KfW) on 15 December 2005 from four multi-donor programs under its management, the EFSE is the first public-private partnership of its kind and the first privately managed fund in development finance to leverage private funding for MSE finance in the target region. Capital is provided by donor agencies, international financial institutions and private institutional investors, including the German Federal Ministry for Economic Cooperation and Development (BMZ), the European Commission (EC), 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 (Oesterreichische Entwicklungsbank - OeEB), the Swiss Agency for Development and Cooperation (SDC), the Danish International Development Agency (Danida), KfW as Lead Investor, the International Finance Corporation (IFC), the Netherlands Finance Company (FMO), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), Sal. Oppenheim and Deutsche Bank. Oppenheim Asset Management Services S.à r.l., Luxembourg acts as the EFSE's Fund Manager and Finance in Motion GmbH, Germany as Advisor. For more information about the European Fund for Southeast Europe, please visit: <http://www.efse.lu/>

About Garanti Leasing

Founded in 1990, Garanti Leasing (Garanti Finansal Kiralama AŞ) has been the pioneer of its sector through its customer-oriented and innovative approach. As one of the biggest leasing companies in Turkey, Garanti Leasing, with its strategy to diversify its portfolio and focus on SMEs, is the first Turkish leasing company rated by two agencies, namely Fitch Ratings and Standard and Poor's, and it has an excellent reputation.

Media contact EFSE

Eric Culp

Press Officer

e-mail: press@efse.lu

Tel: +49 (0)69 271 035-307

Media contact Garanti Leasing

Treasury & Financial Institutions Department



Pinar Cumali
Sr. Specialist
e-mail: pcumali@garantileasing.com.tr
Tel: +90 212 365 48 39