

EFSE and Garanti BBVA Leasing expand access to financing for Romanian entrepreneurs

Investment of EUR 7 million to support ability of micro and small enterprises to confront economic effects of COVID-19 crisis

Luxembourg and Bucharest, 27 August 2020 – The European Fund for Southeast Europe (EFSE) has provided a senior loan of EUR 7 million to its partner Garanti BBVA Leasing to expand financing opportunities for micro and small enterprises (MSEs) in Romania. The investment aims to boost the ability of this vital business segment to preserve their operations as well as sustain and generate employment and income in light of the COVID-19 crisis.

An EFSE partner since 2014, Garanti BBVA Leasing is among the top leasing providers in Romania and has shown strong commitment to serving EFSE's target group of MSEs. The new funding will be used to expand the institution's leasing offer for local small businesses, a segment that has been severely negatively impacted by the economic effects of the coronavirus pandemic. Leasing provides an important source of long-term financing to smaller businesses which may not have the extensive collateral necessary for bank loans.

EFSE Board Chairman Christoph Tiskens said: "Access to finance remains a key priority during and after the COVID-19 crisis. As a top player in the non-banking financial sector, Garanti BBVA Leasing is well positioned to continue supporting MSEs so that they may maintain their operations, and thus continue to generate income and employment in these difficult times. We are glad to be building on our successful partnership to help stabilise the financial situation for hardworking Romanian entrepreneurs."

Okan Yurtsever, General Manager, Garanti BBVA Leasing said: "During these uncertain and challenging times, we continue standing by our clients' side, as a strong and trustworthy business partner. We are here to support the MSEs with the appropriate leasing solutions for overcoming the current context generated by the pandemic and further develop their companies. This new agreement reinforces our long-term collaboration with EFSE for supporting Romanian businesses with appropriate financing tools."

About EFSE

An impact investment fund established in 2005, the European Fund for Southeast Europe (EFSE) aims to foster economic development and prosperity in Southeast Europe and the Eastern Neighbourhood Region by investing in the success of micro and small enterprises as well as improved living conditions for private households. As access to financial services is key to developing this segment, EFSE focuses on helping local financial sectors strengthen their ability to provide responsible financing for this target group. Alongside its investment activities through local partners, EFSE multiplies its impact through the EFSE Development Facility, which provides technical assistance, training, and other nonfinancial support to entrepreneurs and institutions.

EFSE was initiated by KfW Development Bank with the financial support of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission. As the first public-private partnership of its kind, EFSE draws its capital from donor agencies, international financial institutions, and private institutional investors.

Finance in Motion GmbH, Germany, serves as EFSE's advisor and Hauck & Aufhäuser Fund Services S.A., Luxembourg, acts as manager.

For more information on the European Fund for Southeast Europe, please visit: www.efse.lu

For more information on Finance in Motion, please visit: www.finance-in-motion.com

About Garanti BBVA Leasing

Garanti BBVA Leasing (the brand under which the company Motoractive IFN SA operates) is part of the financial group Garanti BBVA Romania. The Group also brings together Garanti BBVA and Garanti BBVA Consumer Finance (the brand under which Ralfi IFN operates).

With a tradition of over 20 years on the Romanian leasing market, Garanti BBVA Leasing completes Garanti BBVA Group's range of products and services with offers for vehicles, equipment and real estate leasing, sale & lease-back.

Garanti BBVA Group Romania is held by Garanti BBVA Turkey (TGB), whose majority shareholder is the Spanish financial group Banco Bilbao Vizcaya Argentaria (BBVA).

For further details, please visit: www.garantibbvaleasing.ro

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