

European Investment Bank chooses DenizBank to extend long term investment loans to Turkish municipalities for the first time...

Long Term Financing Opportunity
from
European Investment Bank & DenizBank
to
Municipalities and Local Administrations

Thanks to the cooperation between DenizBank and European Investment Bank, municipalities and local administrations providing public service will benefit from long term investment loans.

With the 'Municipality Global Loan Finance Contract' signed on Friday, 13 June in Swissotel by DenizBank and European Investment Bank, municipalities and local administrations providing public service are offered long term investment loans.

Signed for the first time in Turkey with DenizBank, the contract established a total loan package of € 150 mn, with a maturity of up to 12 years. The most important feature of the contract is that € 40 mn tranche of the subject facility the grant contribution of the European Commission.

The purpose of the grant scheme supported by the EU is to improve the access of small municipalities in Turkey to long-term credit financing for infrastructure investments and under which participating financial intermediaries qualify for financial incentives to expand their loan operations for eligible projects and beneficiaries.

Thanks to this incentive program in which DenizBank has been the first Turkish Bank to be eligible via European Investment Bank, and also with the support of Dexia, DenizBank will enhance its capacity to provide long-term lending to the municipal sector.

Giving a speech in the signing ceremony organized to share the details of the cooperation, DFSG CEO and President Hakan Ateş said: "As in every field, as DENIZBANK we are living the pride of breaking a new ground also in the financing of the projects of municipalities and local authorities. DenizBank is getting more and more ambitious in the field of public and project finance in which our main shareholder Dexia is a world leader. The main reasons for EIB's offering the first long term finance directed to Turkey through DenizBank is, in my opinion, DenizBank's proceeding very quickly and successfully in the domains on which it focuses in addition to the expertise and leadership of Dexia in this area. We are very pleased to make a contribution to the strengthening of our country's infrastructure with this credit facility."

During his speech in the signing ceremony held to share the details of the cooperation, Bruno Accou, Member of Board of Directors of DenizBank said: "As DenizBank we are particularly pleased and proud that we have signed today with the European Investment Bank this municipal Global Loan

facility. It is the first in its kind in Turkey. As a global leader in public finance, DenizBank/Dexia will through this facility support the development of the Turkish municipalities. For these municipalities it will not only be an additional source of financing for their investment projects but a unique one through its combination with the grant scheme of the European Commission. This facility is a further proof of the long standing commitment of Dexia to Turkey and of its strong partnership with the European Investment Bank.”

In his address to the audience during the ceremony, Mathias Kollatz-Ahnen, Vice-President of European Investment Bank stated: “: “This loan allocated to DenizBank is the first facility that we establish for the first time exclusively for the financing of Turkish municipalities. The loan in which is incorporated financial support of the European Commission will assist with development of long term financing in this sector. European Investment Bank is glad to work cooperate with DenizBank, whose main shareholder is Dexia having very long experience in public finance”.