

Joint Press release

For business editors
19 February 2020

EIB Group and Commerzbank join forces for additional lending to SMEs and Mid-Caps

- **Up to EUR 400m fresh money for innovative businesses**
- **Support of EU bank provided under Investment Plan for Europe**

The EIB Group, consisting of the European Investment Bank (EIB) and the European Investment Fund (EIF), has provided a mezzanine tranche guarantee of around EUR 100m to Commerzbank AG on a EUR 1.500m granular portfolio of loans to SMEs and Mid-Caps originated by Commerzbank in its ordinary business. The guarantee will release regulatory capital for Commerzbank and will enable Commerzbank to provide further lending of up to EUR 400m to innovative SMEs and Mid-Caps in Germany.

The transaction was made possible by the support of the “European Fund for Strategic Investments” (EFSI). The EFSI is the central pillar of the “Investment Plan for Europe”, or Juncker-Plan, in which EIB Group and the European Commission are strategic partners to strengthen the competitiveness of the European economy. Under the guarantee, EIB takes on the mezzanine risk under a synthetic securitisation transaction with Commerzbank. EIF is fronting the operation by providing a guarantee to Commerzbank in relation to an existing portfolio of SME and Mid-Cap loans. EIB will provide a back-to-back counter-guarantee to EIF which will fully mirror EIF’s obligations under its guarantee.

EIB Vice President Ambroise Fayolle, in charge of innovation and operations in Germany, commented: “The transaction clearly leverages EIB Group synergies, and strengthens Commerzbank’s capacity to provide fresh funds to innovative companies. This is a top priority for the EIB Group as SMEs and Mid-Caps are responsible for the creation of one in every two new jobs. Only this new operation with Commerzbank is expected to support nearly 60000 jobs. Therefore I am very glad that we are continuing our long and successful cooperation with Commerzbank in providing fresh access to finance for innovative businesses in Germany.”

EIF Chief Alain Godard: “EIF is pleased to be working with Commerzbank and the EIB to provide additional access to finance for SMEs and Mid-Caps. The combination of EIF’s investment and structuring expertise and the EIB’s efficient deployment of EFSI funds offer a competitive financing solution for Commerzbank which will serve to boost the supply of finance in the real economy.”

Roman Schmidt, Head of Capital Markets, Commerzbank AG said: “Commerzbank is Germany’s leading bank for SME and mid-cap lending and has been proudly co-operating with promotional banks for many years. This innovative product helps us to satisfy increasing client demands whilst providing the opportunity to manage our capital. Closing this consecutive synthetic securitisation under EFSI is a further proof of Commerzbank’s innovative spirit as well as a commitment to further support the German Mittelstand at competitive conditions.”

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About Commerzbank

Commerzbank is a leading international commercial bank with branches and offices in nearly 50 countries. The Bank's two business segments – Private and Small-Business Customers and Corporate Clients – offer a comprehensive portfolio of financial services precisely tailored to their customers' needs. Commerzbank transacts approximately 30% of Germany's foreign trade and is the market leader in German corporate banking. The Bank offers its sector expertise to its corporate clients in Germany and abroad and is a leading provider of capital market products. Its subsidiaries, Comdirect in Germany and mBank in Poland, are two innovative online banks. With approximately 800 branches going forward, Commerzbank has one of the densest branch networks in Germany. The Bank serves more than 11 million private and small-business customers nationwide and over 70,000 corporate clients, multinationals, financial service providers, and institutional clients worldwide. Its Polish subsidiary mBank S.A. has around 5.6 million private and corporate customers, predominantly in Poland, but also in the Czech Republic and Slovakia. In 2019, Commerzbank generated gross revenues of €8.6 billion with approximately 48,500 employees.

About the European Investment Bank

The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals.

About the Investment Plan for Europe

The Investment Plan for Europe, the Juncker Plan, is one of the EU's top priorities to boost investment and to create jobs and growth by making smarter use of existing and new financial resources. The EIB Group is playing a vital role in this investment drive. Through guarantees from the European Fund for Strategic Investments (EFSI), the EIB and the EIF are able to take on a higher share of project risk, encouraging private finance providers to participate in the projects. In addition, EFSI is accompanied by a new advisory service, the European Investment Advisory Hub, which enables public and private project operators to structure their investment projects more professionally. The projects and agreements approved for financing under the EFSI so far are expected to mobilise €458.8 billion in investments and support around more than one million start-ups and SMEs across all 28 Member States.

Disclaimer

This release contains forward-looking statements. Forward-looking statements are statements that are not historical facts. In this release, these statements concern inter alia the expected future business of Commerzbank, efficiency gains and expected synergies, expected growth prospects and other opportunities for an increase in value of Commerzbank as well as expected future financial results, restructuring costs and other financial developments and information. These forward-looking statements are based on the management's current plans, expectations, estimates and projections. They are subject to a number of assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from any future results and developments expressed or

implied by such forward-looking statements. Such factors include the conditions in the financial markets in Germany, in Europe, in the USA and other regions from which Commerzbank derives a substantial portion of its revenues and in which Commerzbank holds a substantial portion of its assets, the development of asset prices and market volatility, especially due to the ongoing European debt crisis, potential defaults of borrowers or trading counterparties, the implementation of its strategic initiatives to improve its business model, the reliability of its risk management policies, procedures and methods, risks arising as a result of regulatory change and other risks. Forward-looking statements therefore speak only as of the date they are made. Commerzbank has no obligation to update or release any revisions to the forward-looking statements contained in this release to reflect events or circumstances after the date of this release.