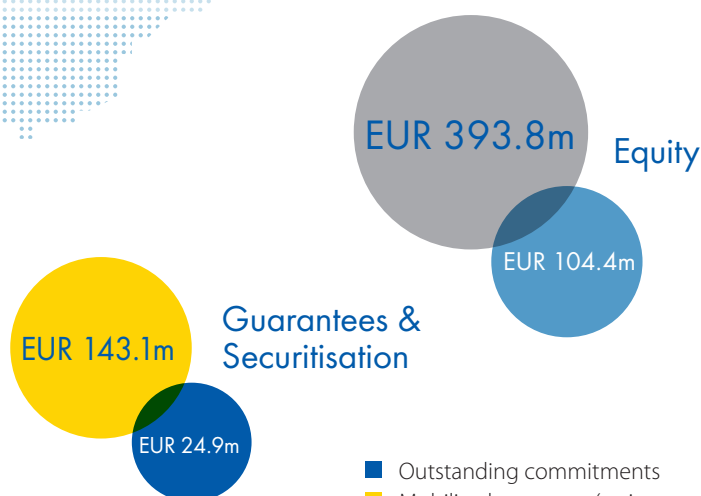


EIF in the Czech Republic



Key figures (at 31.12.2013)

- First EIF operation in the Czech Republic: 2001
- 9 supported private equity funds investing in Czech SMEs
- 5 partner finance and guarantee providers
- 2,720 Czech SMEs supported

- Outstanding commitments
- Mobilised resources (estimate since start of EIF operations)
- Amount invested by EIF in SMEs through portfolio funds
- Total mobilised amount, invested by portfolio funds

Guarantees & Securitisation

Under the EU Competitiveness and Innovation Programme (CIP), EIF has signed a guarantee agreement with GE Money Bank helping Czech companies to have easier access to finance while also benefiting from larger loan amounts and substantially reduced collateral requirements. This transaction allows GE Money Bank to substantially increase its lending volumes to SMEs and generate a new portfolio of loans worth up to EUR 160.0m.

Support to innovative SMEs and small mid-caps (enterprises with less than 500 employees) is also provided under the Risk Sharing Initiative (RSI), through agreements signed with both Česká spořitelna and Komerční Banka. Thanks to RSI, the two banks are able to provide up to EUR 190.0m of new loans to local businesses.

In addition, further support to Czech businesses has been provided through a securitisation transaction with Raiffeisenbank Czech Republic a.s.

Equity

EIF's exposure to the Czech Republic is mainly through commitments into funds targeting the Central and Eastern Europe region as a whole, such as Arx CEE III, Royalton Capital Investors II and Avallon II.

EIF at a glance

EIF's mission is to support Europe's micro, small and medium sized businesses (SMEs) by helping them to access finance. EIF primarily designs equity and debt financial instruments which specifically target this market segment through a wide range of selected financial intermediaries across Europe. In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment. EIF is a public-private partnership whose tripartite shareholding structure includes the European Investment Bank (EIB, 62.1%), the European Union represented by the European Commission (30%) and 25 financial institutions from 14 European Union Member States, and Turkey (7.9%).

The EIF manages resources on behalf of the European Commission, the EIB and further national institutions. Since 2000, EIF is part of the EIB Group. EIF has an authorised capital of EUR 3.0bn, divided into 3,000 shares of EUR 1.0m each.

CS-Beton is only one among many innovative companies across Europe which have been supported through the Risk Sharing Instrument (RSI).

Case study



Company:
CS-Beton, Czech Republic

Type of business:
Producer of goods for pavements, roads, highways and airports

EU-guaranteed loan under the RSI initiative from Česká spořitelna:
CZK 20.7m
(EUR 807,490 equivalent)

Keeping the streets can be costly for local authorities and most town planners would love to roll-out dirt free pavements across towns and cities. CS-Beton is doing exactly that. It is one of the biggest producers of concrete goods for pavements, roads, highways and airports and is the first company in Czech Republic to introduce a special spray - "Clean protect"- to prevent dirt sticking to its concrete. And this is not just any type of concrete: the special thing about this one is that it is highly resistant to frost as well as de-icing chemical agents. With its 160 employees, the company is currently developing some new concrete products providing completely new designs for bus stops, new solutions for road covers and large retaining walls with a view to continue growing the business across the Czech Republic and beyond.

The investment loan granted by Česká spořitelna with a 50% EIF guarantee under the RSI allowed CS-Beton to start working on larger projects and gave them access to international markets. The RSI guarantee funded by the EU Commission perfectly complements the national research promotion schemes in the Czech Republic and helps the company to implement additional R&D projects and to achieve faster growth.

European Investment Fund

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