European Investment Bank

Financing investments in Poland
The EIB at a glance

• EU’s long term lending bank

• Largest multilateral lender and borrower in the world
  • Issue bonds at AAA rates
  • Not for profit
  • Lend longest tenors and at attractive terms

• EUR 70bn for 440 projects in over 160 countries

• Headquartered in Luxembourg and 28 local offices

• Around 2 100 staff, EIB Warsaw office with 18 staff
Total outstanding loans in Poland: EUR 34bn
50% of EIB lending in EU 13 goes to Poland
Main Beneficiaries 2013

- Republic of Poland
- SMEs/Banks
- Energy/Corporates
- Rail/Trams
- Municipalities, Regions
- NRF (roads)

Republic of Poland

06/11/2014

European Investment Bank Group
EIB lending to corporates in Poland

EIB provides corporates loans against investments such as:

- modernisation programme and environmental optimisation of **KGHM Polska Miedz**
- 4G Network Roll-out project of **T-Mobile** in Poland
- modernisation of glass container manufacturing plants of **Warta Glass**
- Acquisition of a fleet of rail freight wagons of **GATX Rail Austria**
- containerboard machine at **Stora Enso's** site in Ostroleka
- containerboard machine at **Mondi Śwecie's** site in Śwecie
- truck and bus tyre plant for **Bridgestone** in Stargard Szczecinski
- foundry plant placed of **Brembo’s** in Dabrowa Gornicza
- electricity networks of **ENEA Operator**
- 200 MWe biomass fired boiler at **GDF Suez**, Polaniec
- electricity distribution network of **ENERGA SA** in Northern and Central Poland
Benefits of an EIB loan

- Attractive pricing (AAA rating and non-for-profit institution)
- Long maturities
- Large amounts
- Different currencies, incl. PLN, EUR, USD
- Catalyst for participation of other banking or financial partners – signal of quality
# 2 routes to EIB financing

<table>
<thead>
<tr>
<th>Direct Loans</th>
<th>Intermediated Loans (SMEs)</th>
</tr>
</thead>
</table>
| Large-scale investments (min. EUR 25m, ideally above EUR 70-80m) | • Small and medium-scale projects (particularly to SMEs) via local intermediary banks  
• Lending decision remains with the financial intermediary |

**Diagram:**
- **Direct Loans**
  - EIB
  - Company
  - Investment
- **Intermediated Loans (SMEs)**
  - EIB
  - Bank/Leasing Company
  - Improved loan
  - Company
  - Investment
EIB loan amount

- Eligible cost: tangible & intangible assets, research staff cost, trainings, incremental working capital needs and other related operating expenses
- Investment budgets over 3-4 years
- up to 50% of investment cost
- up to 100% of eligible costs
- up to 90% investment costs EIB co-financing EU grants

**INVESTMENT COSTS**

<table>
<thead>
<tr>
<th>Year 1</th>
<th>€ 50m</th>
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<tbody>
<tr>
<td>Year 2</td>
<td>€ 30m</td>
</tr>
<tr>
<td>Year 3</td>
<td>€ 20m</td>
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</tbody>
</table>

**EIB ELIGIBLE COSTS:**

<table>
<thead>
<tr>
<th>Year 1</th>
<th>€ 40m</th>
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</thead>
<tbody>
<tr>
<td>Year 2</td>
<td>€ 20m</td>
</tr>
<tr>
<td>Year 3</td>
<td>€ 10m</td>
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**Total**

| € 100m | € 70m |
How to apply for an EIB loan

- No special formalities, no application forms
- What are your borrowing needs over 3 years?
- Which are your investments in various fields and countries?
- Initial contacts can be in any form, by telephone, fax, e-mail, letter or in the meeting
Initial information package to include:

- Description of Borrower
- Annual financial statements of Borrower for last 3 years
- Description, location of investments
- Rationale of investments
- Estimated cost, implementation period and main capex components
- Environmental impacts and adopted procurement practices
- Funding plan and envisaged EIB support
A  First Approval by EIB Management Committee

✓  Non-objection from the concerned Member State(s) and the European Commission

B  Final Approval by EIB Management Committee

C  Approval of EIB Board of Directors
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