



## **PRESS RELEASE**

2024-345-EN

Luxemburg/Bad Homburg, 21 October 2024

## Germany: EIB and Deutsche Leasing support the green transformation of small businesses and mid-caps

- Deutsche Leasing will provide new leases on favourable terms to small and medium-sized companies (SMEs) and mid-caps in Germany and countries in Eastern Europe.
- The second tranche of this operation, started in February, has been signed.
- The loan has a two-fold focus on cohesion, accounting for 50% of the projects, and green investments, with 30% of green leases.

The European Investment Bank (EIB) and Deutsche Leasing have announced the second tranche of a project designed to support small business and mid-cap leases for a total project cost of €560 million, with a total of €200 million of EIB financing approved. A first tranche of €50 million of the €200 million has been signed in February.

Under the cooperation programme, Deutsche Leasing will finance machinery and technologies that lead to energy savings, low-carbon mobility and other environmental solutions, thereby supporting the green transformation of small businesses and mid-caps.

Deutsche Leasing will use the EIB loan to finance small and medium-sized companies (SMEs, with fewer than 250 employees) and midcaps (with up to 3 000 employees) in Germany and countries in Eastern Europe. The beneficiaries will be able to use the funds for long-term investment projects. The focus of the second tranche lies on climate investment. It is foreseen that at least 30% of the EIB funds will be used to support climate and the environment, such as financing of energy efficient industrial equipment and agricultural machinery, including climate adaptation measures.

As the EIB has the highest possible credit rating (AAA), it can raise funds on the capital markets on favourable terms. The advantages of the EIB-backing will be passed on to the SMEs and midcaps to enable them to invest into growing their businesses and investing in their green transition. By facilitating access to financing, this partnership will promote long-term economic growth as well as job security. This operation should support approximately 570 SMEs and thus approximately 47,300 employees.

"SMEs and MidCaps are the backbone of our European economy", EIB-Vice-President **Nicola Beer** said. "Supporting them is one of the core missions of the EIB. Together with financing partners like Deutsche Leasing, we provide long-term, stable financing for the Mittelstand to invest in innovative projects for the green and digital transition and help foster the European competitiveness."

Deutsche Leasing supports SMEs and midcaps in successfully managing the upcoming transformation to a Green Economy that lies in innovative technologies, by disseminated those technologies largely in its target markets across the EU and beyond. Deutsche Leasing will also provide advisory expertise for corporates and public entities in the sustainable transformation and plays a key role in the circular economy.

The use of intermediated lending via Deutsche Leasing will provide EIB financing to reach smaller scale projects that are often unable to demonstrate sufficient volume for a standalone EIB-financed project.

"We are pleased to continue our good cooperation with the EIB, as well in the context of financing the green transformation. With the EIB's refinancing, we as the Deutsche Leasing Group offer our SME customers the opportunity to realize green transformation projects on the European market", Deutsche Leasing CEO **Kai Ostermann** said.

This operation continues the EIB's cooperation with Deutsche Leasing and complements the synthetic securitisations of 2020 and 2023 signed with Deutsche Leasing Romania, part of the same group, consisting of guarantees for financing small businesses and mid-caps.

## **Background information**

The <u>European Investment Bank</u> is the long-term lending institution of the European Union. It finances sound investments that contribute to <u>EU policy objectives</u>. EIB projects strengthen competitiveness, sustainable development, and social and territorial cohesion. They promote innovation and accelerate the transition to climate neutrality. The EIB Group – which also includes the <u>European Investment Fund</u> – signed a total of <u>€88 billion in new financing for over 900 projects in 2023</u>. These commitments are expected to mobilise around €320 billion in investment, supporting 400 000 companies and 5.4 million jobs.

The <u>Deutsche Leasing Group</u> is the solution-oriented asset finance partner for the German SME sector. The company provides support for investment projects in Germany and other countries and offers a wide range of financing solutions (asset finance) and supplementary services (asset services) for current and non-current assets. The company helps its customers to finance change and innovation when it comes to the key transformative issues of our time – in the areas of decarbonisation, digitalisation and forward-looking infrastructure. As a central and international group partner, the Deutsche Leasing Group is Sparkassen-Finanzgruppe's centre of excellence for leasing, factoring as well as other alternative forms of financing.

## Press contacts:

**EIB:** Donata Riedel | d.riedel@eib.org | Tel.: +352 4379 86192 | Mobile: +49 151 1465-9021 Website: www.eib.org/press | Press Office: press@eib.org



**Deutsche Leasing:** Dorina Gutberlet I <u>dorina.gutberlet@deutsche-leasing.com</u> I Tel.: +49 6172 88-1170 I Mobile: +49 160 8979212 I Website: <u>Deutsche Leasing: Press contact (deutsche-leasing.com)</u> I

Press Office: presse@deutsche-leasing.com I