

Byblos Bank and European Investment Bank Sign 5th Loan Agreement

Byblos Bank Headquarters, Tuesday 22 January, 2019: Byblos Bank and the European Investment Bank (EIB) have signed a loan agreement under which EUR 200 million will be made available to small and medium-sized enterprises (SMEs) and mid-cap companies in Lebanon. The agreement was signed by Semaan Bassil, Chairman - General Manager of Byblos Bank, and Marion Hoenicke, Head of the EIB's Neighboring Countries – Banks Division.

This global loan facility, which is aimed at supporting Lebanon's private sector under the EIB's Economic Resilience Initiative, is designed to finance projects that meet EIB eligibility criteria. As such, Byblos Bank will provide credits that help create jobs, grow the economy, and support local firms with their financing needs. These credits will be extended via Byblos Bank's network to firms operating in industry, tourism, services, healthcare, energy, telecommunications, information technology, education, and various knowledge-based industries among others. They can be used to offer local companies medium- to long-term financing at competitive interest rates, enabling them to cover their capital expenditure and working capital needs.

"Byblos Bank is proud of its long and healthy relationship with the EIB, which has been built on shared values and a common interest in seeing Lebanese SMEs grow and prosper," Mr. Bassil said after the signing. "This next step reaffirms the EIB's confidence in our management and staff, particularly the ability of our teams to maximize the impact(s) of these funds. When the private sector grows, it benefits the whole economy by creating more jobs at all career stages and reducing poverty," he added. "With a long and strong record of sound lending practices, a widely admired corporate culture, and a proven ability to maintain enduring relationships with its clients, Byblos Bank is ideally suited to support SMEs, and the new EIB deal will only increase our ability to produce positive results."

For her part, Ms. Hoenicke said: "With this new facility, the EIB reaffirms its willingness to step up its commitment in Lebanon and to bolster the Lebanese private sector by providing long-term support to build stability, resilience and prosperity in Lebanon. Together with Byblos Bank, one of our long-standing partners, the EIB will improve access to finance for SMEs, key drivers of Lebanese innovation, growth and employment. Through investment in the private sector and vital infrastructure, the EIB aims to create opportunities for employment and improve both people's daily lives and the business environment."

The relationship began in 2005 when Byblos Bank became the first private sector operator in the European Union's Mediterranean partner countries to receive a USD 60 million global loan from the EIB without a state guarantee. Having successfully on-lent the amount, Byblos Bank signed in 2007 a second agreement worth USD 87 million; in 2014 a third loan of USD 52 million; and in 2017 a fourth loan of USD 111 million. Thirteen years of successful cooperation between Byblos Bank and the EIB encouraged both entities to step up their collaboration, resulting in a fifth agreement this year of EUR 200 million, effectively increasing the total amount of credit granted to USD 540 million. Byblos Bank's strategic partnerships with the EIB and other multilateral financial institutions have enabled it to forge an even stronger reputation for market leadership and financial solidity, and therefore to earn greater confidence at the global level.

Background information:

About Byblos Bank:

Established in 1963, Byblos Bank is one of Lebanon's top three banks. The Bank provides extensive consumer banking, commercial banking, capital markets, and correspondent banking services to an ever-



growing clientele, both locally and internationally. Byblos Bank maintains a substantial presence in Lebanon through one of the country's largest and most evenly spread branch networks. The Bank also actively operates in 9 countries in the Middle East, Europe, and Africa. In all of these countries, the Bank is committed to adhering to international standards of corporate governance, customer satisfaction, and quality service, and to driving business growth while supporting social and economic development. Byblos Bank is listed on both the Beirut Stock Exchange and the London Stock Exchange. Its shareholders include the International Finance Corporation (or IFC, the private sector arm of the World Bank Group), as well as the Agence Française de Développement (or AFD, the French government's development agency), and its subsidiary, the Société de Promotion et Participation pour la Coopération Economique (PROPARCO).

For more information, please contact:

Rudy Sassine

Group Communication Department at Byblos Bank

Tel.: 01-335200 (Ext.: 0314)

Email: rsassine@byblosbank.com.lb

About the European Investment Bank:

The European Investment Bank (EIB) is the long-term lending institution of the European Union and is owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals. The EIB is one of the leading development finance players in the Mediterranean region. The Bank's goal is to support economic and social development by improving people's living conditions. The EIB aims to establish a tangible presence in the EU neighborhood countries, focusing on the economic and social priorities of the beneficiary countries, to which it not only contributes its financing capacity but also adds value in project implementation and modernization of public policies through its technical and financial expertise and advisory services. www.eib.org

Economic Resilience Initiative: <http://www.eib.org/about/global-cooperation/resilience-initiative.htm>

Press contacts:

Anne-Cécile Auguin: +352 621 36 19 48, a.auguin@eib.org

Khaled Elnimr: +352 4379 70482, k.elnimr@eib.org

Press Office: +352 4379 21000 press@eib.org