

PRESS RELEASE

NEW AGREEMENT INTESA SANPAOLO-CONFINDUSTRIA SMALL INDUSTRY TO FACILITATE ACCESS AND CREDIT CONTINUITY

10 BILLION EUROS TOWARDS GROWTH

New programme of interventions:

- Focus on three strategic areas: international business development, growth in terms of scale, new "quality" business projects;
- Strengthen firm-bank relationship and dialogue, promoting the facilitated use of credit;
- Stimulate demand for corporate loans that have development programs;
- 25 thousand companies will be contacted by Intesa Sanpaolo to provide credit to support business growth through the use of credit facilities;
- 10 thousand exporting companies will be met to provide consultation services and to present financial solutions and services to support export and hedging;
- €200 million will be dedicated to new business projects.

Milan, March 1, 2013 – During these times of economic crisis, strengthening the relationship and dialogue between companies and banks should be a priority. It is necessary to stimulate and support the demand for credit from many 'virtuous' small to medium-sized enterprises, which represent the backbone of the Italian production system, by using all the instruments of credit facility to make access to credit easier and more profitable.

This is the aim of the new, fourth agreement, which further reinforces the collaboration between Piccola Industria Confindustria and Intesa Sanpaolo. The agreement was presented today in Milan by **Giorgio Squinzi**, president of Confindustria, **Vincenzo Boccia**, president of Piccola Industria Confindustria and from Intesa Sanpaolo's Managing Director and CEO, **Enrico Cucchiani** and the Director General and Head of the Banca dei Territori, **Giuseppe Castagna**.

The new partnership will focus on the development prospects for SMEs as well as new quality projects. The partnership will provide a **credit line of €10bn**, of which **€200m** will be dedicated to the support of innovative start-ups. At the centre of the agreement, three areas are considered strategic for the development of small and medium-sized Italian firms:

International Business Development

The Italian industry is expected to become increasingly dependent on foreign markets. Export propensity stood at 37% in 2008, reaching 44% in 2012, and rising to 45% in 2013

with further growth expected. The markets to target, however, are further away from us geographically: in 2015, the weight of emerging countries on world markets will exceed 50%, and Italian companies will continue to focus on exports to developed countries. In order to compete in increasingly global markets, the agreement offers a **platform of products, events and consultancy services** (including the Trade Explore portals, Greentrade and a programme of meetings in the area) to support strategies of expansion and internationalization for SMEs. Among the most innovative financial solutions offered: **Easy Export** is a product devised to hedge the risk of insolvency of foreign debtors by up to 100% for the receivables sold without recourse. Easy Export also provides businesses with additional, alternative liquidity to traditional lines of credit, supporting the export strategies of firms and facilitating trade with foreign countries. With this in mind, 10,000 exporting companies that could benefit from such a solution have already been identified. Throughout 2013, the managers of the bank, with the assistance of specialists, will meet these industries.

Dimensional growth

In order to export more, firms need larger scale, size also aides the activation of new competitive levers; for small businesses compared to medium-sized ones, there is a cost difference of 70% for obtaining patents and trademarks, and of 50% to obtain quality/environmental certification. The agreement offers **specialized consulting services** for SMEs which currently face situations of discontinuity and change in terms of growth, and provides solutions for the starting of the aggregation processes. Other forms of collaboration are also expected, such as the establishment of a **Networks Business**, corporate finance transactions, M&A, generational transition, and the search for partners at the national and international level. This service will be provided by the Corporate & Investment Banking division - Banca IMI and the collaboration of appropriate specialists in the area, providing services traditionally available to large companies only.

New entrepreneurship

Economic growth must also focus on the consolidation and development of new businesses. The probability of survival for Italian start-ups is higher compared to similar start-ups in Germany. Our start-ups also grow more rapidly: in the last 6 years they created 2.76 million new jobs (equal to 17% of total employees).

Within Piccola Industria Confindustria's programme, called 'Adopt a start-up', which provides an active involvement of 'tutoring' by the member companies; today's agreement provides services and initiatives aimed at facilitating the creation and development of new businesses. The best business ideas, selected by the Joint Committee Intesa Sanpaolo-Confindustria, are in fact "adopted" by businesses selected by Confindustria, which are already established in the market. The aim is for the adopting businesses to act as "incubators"; to help the start-ups develop into sustainable businesses thanks to the **Neo Impresa and Training Workshops** initiatives from Intesa Sanpaolo.

Neo Impresa (New Enterprise) is a web portal (www.neoimpresa.com) divided into three functional sections which guide to the steps that an aspiring entrepreneur should take to start a business. **Officine Formative** (Training workshops) (www.officineformative.it) is a school and online laboratory that Intesa Sanpaolo offers to those who want to learn to build new businesses through a qualified training programme. The programme addresses all the steps needed to create a start-up, as well as providing a face-to-face period to develop the idea with the support of experts from Intesa Sanpaolo. Within the programme "Adopt a start-up," together with **Neoimpresa e Officine Formative**, the agreement also provides support for other initiatives of the Intesa Sanpaolo Group dedicated to new enterprises, such as **Start Up Initiative** and **Atlas Ventures**, as well as financial solutions for start-ups and the adopting businesses.

DIALOGUE BETWEEN INDUSTRY, BANK AND TERRITORY

In order to activate and develop a successful relationship between the company and the bank, and to maintain continuity, any dialogue or support provided according to previous agreements will now be further enhanced and improved. With these tools, Intesa Sanpaolo aims to foster the creation of a strategic firm-bank partnership based on constructive and transparent dialogue aimed at providing SMEs with easier access to credit, and better terms and conditions. **Intesa Sanpaolo has already identified 25,000 SMEs**, which the bank evaluated in terms of adequacy of bankability requirements, and requirements in order to access to subsidized credit. These companies will be contacted in the next quarter, and will be offered financial solutions to support their growth.

The advisory tools which can be used by individual companies online, such as the Diagnostic tools, or, together with branch staff, the **simulator** and **Sales Presentation**, enhance the qualitative aspects of a company. They allow for a better assessment of the creditworthiness of the company, making it possible to evaluate their potential evolution. With this in mind, **Intesa Sanpaolo** also created a new tool: **Customer Relationship**, which aims to establish an on-going, lasting dialogue through the sharing and the gathering of qualitative information on the company.

The use of these tools allows the bank to improve the assessment of its creditworthiness and allows the company to gain a greater understanding of its degree of "bankability". It also promotes awareness and the possibility of accessing tools for credit facility, made available by the system (e.g. by the EIB and CDP, the ABI credit fund, and the Central Guarantee Fund).

Dialogue and conversation also characterized the **territorial reach of the agreements**, which last year reached more than 90 cities and involved around 10 thousand companies. This journey will continue throughout 2013 with the involvement of the local structures of Confindustria and Intesa Sanpaolo. The agreement also confirms the role of the **Tavolo Nazionale di Coordinamento e Monitoraggio** which has the role of analysing and coordinating the conversations, in order to ensure a timely response to the needs of the territories.

THE PREVIOUS AGREEMENTS

The agreement signed today represents the fourth phase of a journey that Piccola Industria Confindustria and Intesa Sanpaolo first undertook in July 2009, with an initial joint commitment to ensure the necessary liquidity to businesses hit by the crisis. The subsequent agreement, of September 2010, also increased the competitiveness of Italian firms by encouraging investment in R&D and internationalization, which are crucial to restoring growth. The agreement of 2011 presented a further step by pointing to some strategic areas for the companies in particular: **innovation, enterprise networks** and other forms of alliances; the value of "**human capital**", **energy efficiency** and **sustainability**, and **internationalization**.

Intesa Sanpaolo, through agreements with Piccola Industria Confindustria, has made €35 billion available to companies associated with Confindustria from 2009 to 2013.

Giorgio Squinzi, President of Confindustria *"Credit availability continues to represent one of the emergencies for industries, particularly SMEs, for which the liquidity problem remains a priority and requires extraordinary effort from banks in particular, but also from the companies themselves. Confindustria has never ceased to act decisively on this front, with the aim to provide companies with all the tools and contacts they need. Today's agreement, the fourth collaboration between Confindustria and Intesa Sanpaolo, is an important*

additional point of reference for companies, which offers basic tools to finance ordinary activities; to internationalize, develop new business and grow in size: three key necessities for the future of many of our SMEs."

Vincenzo Boccia, President of Piccola Industria Confindustria: *"This is the result of a collaboration established over the years, which finds a wide range of solutions towards more strategic financing to promote the competitiveness of our industries. Piccola Industria will be a strategic partner to the agreement, and will contribute to the success of the initiative, particularly by giving great relevance to the "Adopt a start-up" initiative, through which SMEs become incubators for start-ups and generate new business realities. With this agreement, training solutions, consulting and financial advice will be provided to start-ups and companies interested in their adoption, with the dual objective of supporting the birth and development of new business and the growth of innovation within SMEs."*

Enrico Cucchiani, Managing Director and CEO of Intesa Sanpaolo: *"This agreement confirms our Group as a Bank of Reference to support the growth of Italian firms. With this in mind, Intesa Sanpaolo, the leading bank for in terms of presence in the country, is ready to give further support to SMEs, which represent the connective tissue and vital industry for the future of the Italian economy. Demand for credit in recent times has been greatly reduced due to the recession. The performance of Italian firms shows a strong polarization: on the one hand, 20% of companies overall had a turnover in the period which grew by 40-50-60% or more, exporting heavily. On the other hand, in the same period, 20% of the less-performing companies registered a contraction in revenue that is not sustainable. We are determined to do our part to create and strengthen a strategic partnership between businesses and banks in order to trigger profitable growth: in this difficult economic climate, we help companies in their internationalization process, research and innovation, to strengthen their commercial performance. Intesa Sanpaolo plays the role of "connector" between the Italian companies that want to grow abroad and the opportunities offered by the global economy, thanks to our international network in growth hubs. Finally, a priority for us is to encourage the emergence of a new generation of entrepreneurs: to this end, Intesa Sanpaolo is particularly committed to creating an "ecosystem" for the development of new technology-based start-up community, in collaboration with major national research centres."*

Giuseppe Castagna, General Manager and Head of the Banca dei Territori division, Intesa Sanpaolo: *"This moment calls for a concerted effort to make the most of Italian creativity and the determination that characterizes our small business. The dialogue, which is the hallmark of these agreements with Confindustria, is essential in order to understand and investigate business potential. Small businesses need to be helped and urged to take a decisive cultural shift in order to prepare themselves to better compete in the international markets. Today's agreement aims to foster a dialogue between companies and to support the creation and development of new businesses, with a particular focus on young people who have ideas and entrepreneurial spirit, and that should be encouraged and supported in looking to themselves as an important opportunity for their future. Intesa Sanpaolo, with its comprehensive and diversified experience, is able to respond on the whole national territory, to the different needs of these companies"*

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