



AIB introduces Job Creation Loan for SMEs

2nd February 2012

AIB today introduces the Job Creation Loan for small and medium businesses.

The announcement of this initiative comes after a successful pilot scheme which ran during the second half of 2011. During the pilot AIB received 962 applications from firms seeking total facilities of €36.5 million. At the end of December 2011, total facilities of €16 million for 480 applications had been sanctioned. A further €16.2 million or 391 applications are in progress.

The loan offers a leading market rate and is designed to support SMEs across all sectors who are investing in new projects or initiatives that result in the creation of jobs. To qualify for finance under the loan, customers need to invest in a new project or initiative which results in the creation of at least one permanent full-time job. They must also meet normal lending criteria and guidelines.

Typical projects that can be undertaken with the support of the AIB Job Creation Loan are:

- New business acquisition
- Financing for overseas sales
- Building acquisition/remodelling
- Purchase of vehicles, plant, machinery or equipment for use by customers' business that cannot be secured through normal leasing arrangements
- A project that has been approved grant funding by a state agency such as Enterprise Ireland, County Enterprise Boards or Bord Bia.

John Webb, Head Of Business Banking, AIB said:

“Small and medium size businesses are hugely important to AIB, representing more than 9 out of 10 of our business customers. By virtue of their size, these businesses tend to be flexible and responsive to a change in market conditions and are often to the forefront in leading the creation of new job opportunities and supporting economic recovery at local and national level. The introduction of this special loan rate should help incentivise expansion oriented businesses and we are ready and waiting to discuss eligible projects.”

Ian Talbot, Chief Executive of Chambers Irelandsaid:

“We at Chambers Ireland welcome the launch of AIB’s Job Creation Loan. It’s good news coming after the European Commission’s announcement about freeing up structural funds to support SMEs across Europe. This AIB initiative is another positive development that will help underpin stabilisation and rebalancing in the Irish economy.”

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Note to Editors:

Key features of the AIB Job Creation Loan are:

- This loan is priced competitively at 4.40% p.a. variable
- Minimum loan of €10,000 up to a maximum of €250,000