



20th November 2015

### **AIB announces its second €500 million Agri Loan Fund**

AIB has launched its second €500 million loan fund to support the development of Ireland's agri-sector throughout the country. AIB's previous fund of €500 million, launched in April 2014 and has seen more than 90% drawn-down by farming customers for use as working capital, capital expenditure and asset finance requirements.

The latest fund is supported by discounted SBCI (Strategic Banking Corporation of Ireland) funding for eligible projects.

The Minister for Agriculture, Food, the Marine and Defence, Simon Coveney T.D., welcomed the announcement, saying: "Today's confirmation that AIB is introducing a subsequent fund on this scale will help to support and grow all sectors of the farming industry. The fact that the first fund has seen such a high level of drawdown is indicative of the appetite for capital in the farming community and the necessity for ongoing banking support."

AIB's Managing Director of Retail, Corporate & Business Banking, Robert Mulhall said: "The launch of this additional fund demonstrates AIB's continued support to what is a vital part of the Irish economy and a key sector for the bank's activity. We are very conscious that 2015 has been a mixed year for farming with volatility a constant feature of the agri business generally. With the consistent decline in milk prices and another low year of margins in the pig sector, we know that farmers may be experiencing cash flow pressure into the Spring of next year. We urge farmers to come to AIB where they will receive advice and support."

**-ENDS-**

For further information, please contact: AIB press office, tele: 01-7721382

#### **Note to editors:**

In April 2014 AIB also announced a €500 million fund to support the growth and development of Ireland's agri sector at farm level. This fund was supported by discounted EIB funding for eligible projects. At the time AIB also announced that it was doubling its agri advisor team supporting customers on the ground. Since the 1970s, AIB has always maintained a specialist agri advisor team, qualified in Agricultural Science, to support the banks understanding of farm businesses. This strengthening of the team further built on AIB's knowledge and understanding of the sector as it develops and grows.