

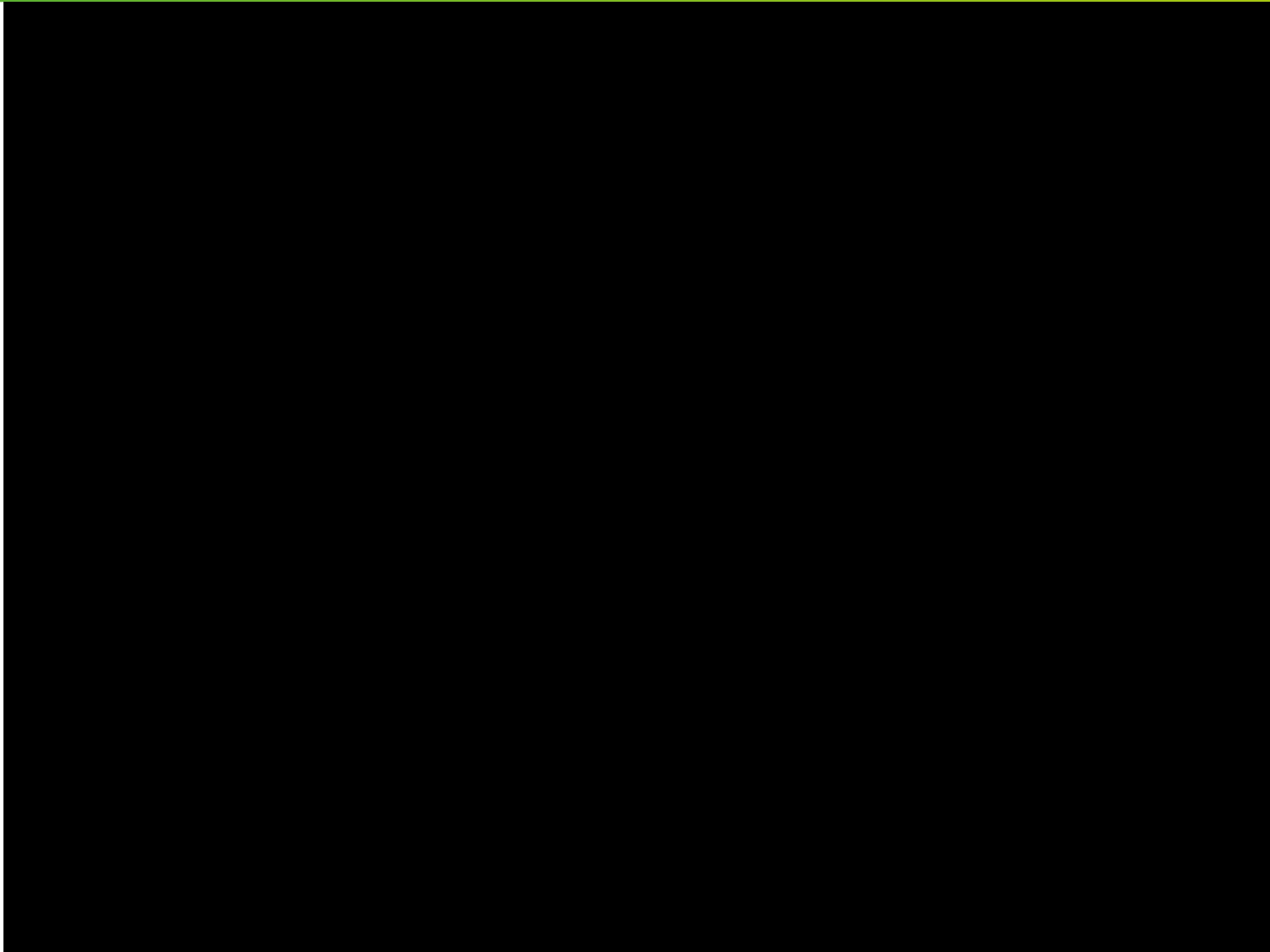
Efic

ECA Webinar 1 - EWCG

14 Oct 2014

Efic

Finance for
Australian
Exporters

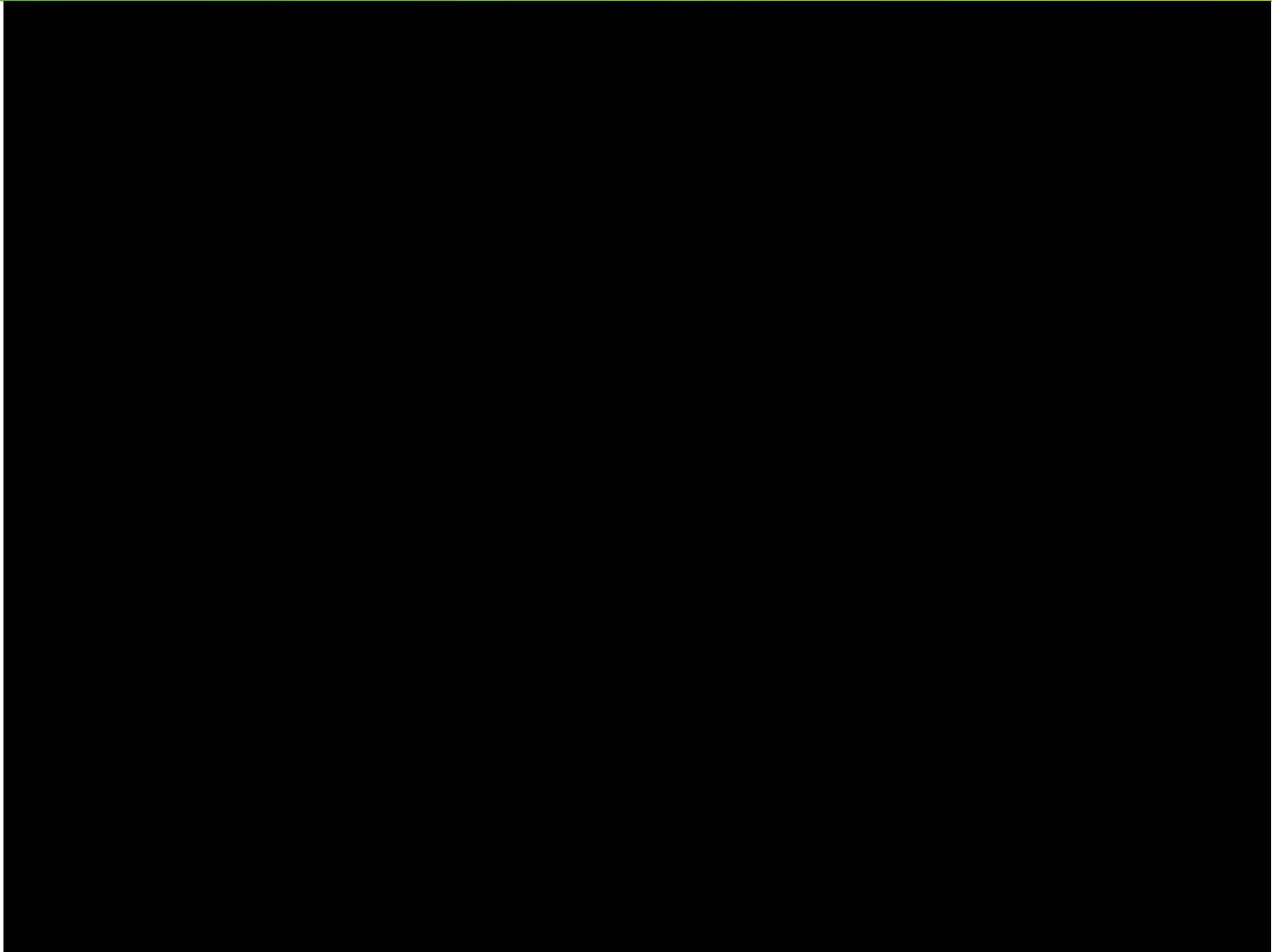


Exporting considerations

- Access to finance
- Upfront costs of establishing export operations
- Additional finance to help deliver on a new export contract
- Longer cash flow cycle
- Foreign exchange risk

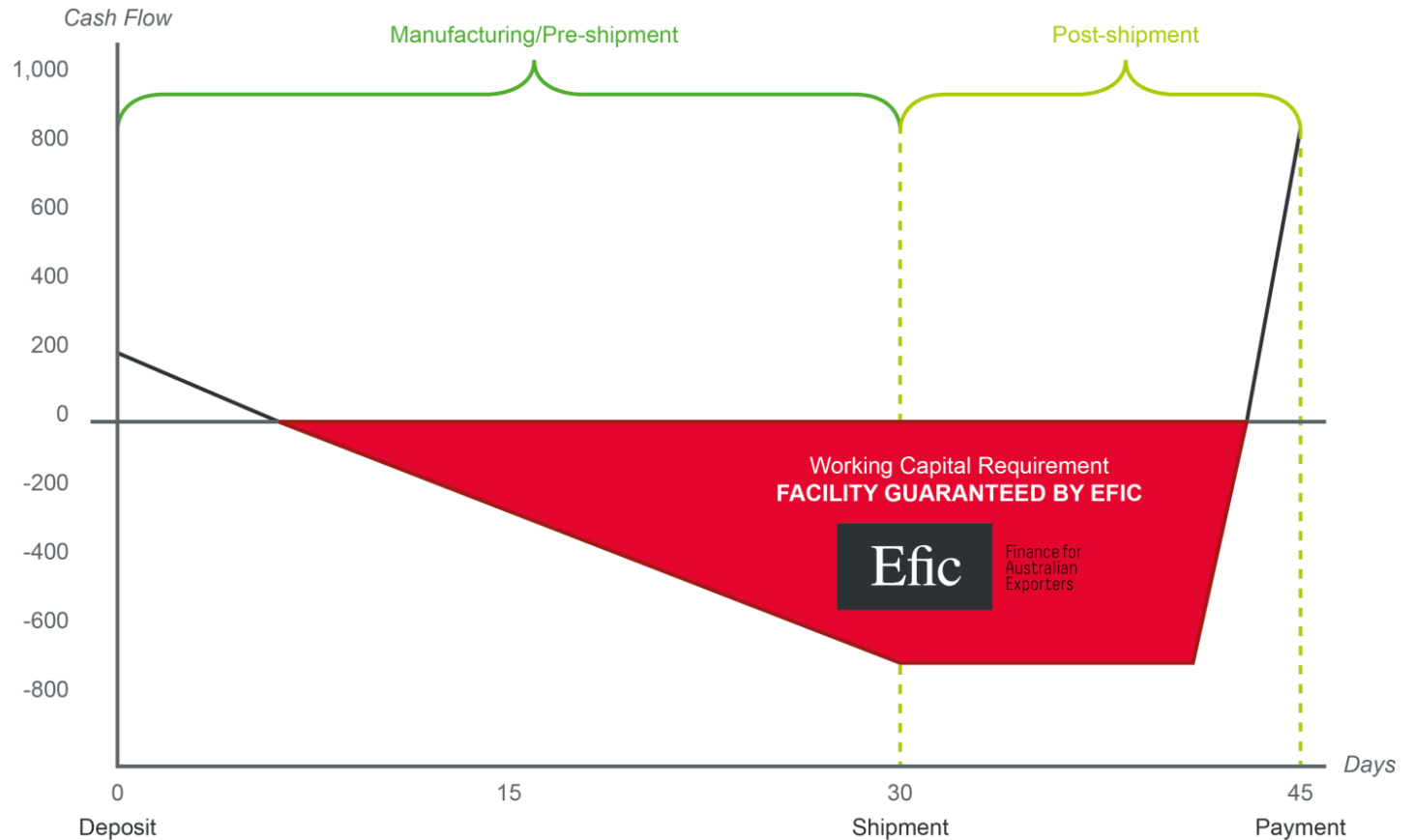
Working capital

- Finance for day to day operations
- Sources of working capital - bank loans, bank overdrafts, retained earnings, credit from suppliers, long-term loans from financial institutions, or proceeds from sale of assets
- SME Sentiment Index - 38% of SMEs reported their banks have either refused or curtailed a credit line



Working capital shortfall

- \$1 million contract
- \$200,000 deposit
- 30 day manufacturing period
- 10 days shipment
- Payment 5 days after arrival



How Efic can help

- Export working capital guarantee provided to your bank
- Provides security to your bank allowing them to lend you the additional working capital

Who does Efic assist?

TRADITIONAL EXPORTERS

- Bonds
- Working capital guarantees
- Documentary credit guarantees

DOMESTIC SUPPLIERS INTEGRAL TO EXPORTS

- Bonds
- Working Capital Guarantees

COMPANIES EXPANDING OFFSHORE

- Guarantees to support Australian companies establish operations overseas

Efic's criteria

- 'Market gap' where commercial finance unavailable/insufficient
- Goods or services for export with substantial Australian content
and/or
- Supplying goods or services integral to an Australian based export project
- Existing relationship with a participating bank
- \$2m turnover
- Operating for at least 2 years, preferably with export experience
- Minimum guarantee value \$200,000

Efic's assessment

- Exporter's performance - technical, managerial, financial & environmental
- Buyer's financial status
- Country political & economic risk

Client benefits

- Ability to continue to grow business
- Internationally competitive
- Provides point in time finance.

Contact us

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