We are big enough to say YES to the smallest.

Financing in Russia & CIS, Agro Business Park
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Content

1. Who we are
2. What we do
3. What we offer
4. What to do
Who we are
Danish Export Credit Agency

› 90 years of experience.

› Russia was first coverage in 1922, now 12% in Russia & CIS

› Owned and guaranteed by the Danish State.

› Operated on private business terms.
The Danish Government Strategy to enhance Danish export

Ministry of Foreign Affairs Global Industrial Team together with EKF has created a Financial Advisory service.
Key figures 2007-2011

- **NEWLY-ISSUED GUARANTEES**
  - DKK MILLION

- **GROSS PREMIUM INCOME**
  - DKK MILLION

- **NET PROFIT FOR THE YEAR**
  - DKK MILLION

- **EXPOSURE**
  - DKK BILLION
What we do
2011: EKF’s sectors

EKF, number of transactions

- Agricultural and food technology: 4%
- Oil and gas industry: 7%
- Infrastructure and supply: 7%
- Ships and ports: 13%
- Cement: 16%
- Wind energy: 48%
- Manufacturing industry: 4%
- Other: 1%

EKF’s guarantee exposure

- Agricultural and food technology: 20%
- Manufacturing industry: 18%
- Wind energy: 11%
- Cement: 5%
- Infrastructure and supply: 18%
- Oil and gas industry: 18%
- Ships and ports: 6%
- Other: 18%
Area of operation

Risk coverage/insurance

Private Banks & insurance

Financial guarantee

EKF

> 180 days in Russia/SNG

Time
Deal flow

The typical process

1. Contact with customer
2. Financing need estimation
3. Credit assessment
4. EKF issues guarantee
5. Export implementation
What we offer
Interconnection of the products

Credit risk

Credit risk / Liquidity

Liquidity

Suppliers credit guarantee

SME guarantee

Working capital guarantee

Buyers credit guarantee
Financing for the customer

Supplier credit guarantee
Case Holvrieka

What
Holvrieka is selling tanks for micro breweries. They sold 2 tanks to the Lyzkovo Pivazavod.

Need
Holvrieka accepted deferred payments and Holvrieka wanted insurance of the customer

EKF solution
Supplier Credit guarantee

How much
2 MEUR over 2 years
Financing for the customer

SME-guarantee
Case Ellipse

What
Ellipse was selling dermatologic equipment for beauty salons.

Need
A Russian beauty salon chain needed financing of equipment.

EKF solution
SME-Guarantee based on BoE

How much
1 MEUR over 5 years
Financing for the customer

Buyer credit guarantee
## Case Cimbria

<table>
<thead>
<tr>
<th><strong>What</strong></th>
<th>Eight silo facilities to Ukraine</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Need</strong></td>
<td>Financing for the customer</td>
</tr>
<tr>
<td><strong>EKF solution</strong></td>
<td>Buyer credit guarantee</td>
</tr>
<tr>
<td><strong>How much</strong></td>
<td>EUR 40 million</td>
</tr>
</tbody>
</table>
Financing for the customer

Shopping line

- Buyer
- Supplier
- Bank
- EKF
- Funding
- Loan, Interest & Yield
- Guarantee
Case Oil refineri Taneco

What
The TATNEFT daughter Taneco Oil Refining and Petrochemical Complex in Nizhnekamsk. Multiple suppliers of equipment.

Need
Loan facility to purchase at more suppliers.

EKF solution
Shopping line.

How much
54 MEUR
What to do
Doc’s to start the process

- Dunn & Bradstreet report
- 2 - 3 years Tax statements
- 3 years IFRS audited statements
- +2 - 3 years audited statements
- International rating + IFRS
- Amount of the guarantee
- Mother company guarantee?
- Budgets?
- Company description

Time
Contact

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Other products www.ekf.dk

- Working Capital Guarantee – providing bank facility
- Bond Guarantee – cover the risk of the foreign buyer’s unwarranted calling of a bond issued by the exporter
- L/C Guarantee – indemnifies your bank against the risk of loss when the credit period is up to 24 months
- Funding with Export Loan – Funding banks accordingly to guaranteed credit facility
- Project Financing Guarantee – big projects with long time horizon, e.g. building a harbor
- Project delivery guarantee – protects your company against loss if you are unable to deliver a project to a foreign buyer due to conditions in the country or if the buyer defaults on the contract - until you receive full payment for the project
- Pre-shipment guarantee – cover until delivery is made, for unwarranted cancellation of the contract by the buyer during your production period
- Investment guarantee – against loss when setting up subsidiaries in countries with unstable political conditions. War, expropriation or it becomes impossible to transfer the company’s money out of the country.
- Investment Loan Guarantee – guarantee the bank loan you have obtained to invest in your foreign daughter company
- Cleantech Guarantee /EPC Guarantee - guarantee financing through energy efficiency saving or carbon credits
Technical rules of thumb

Thumb rule of credit appraisal
› The sum of the guarantee should not exceed 1/3 of the equity of the one it is issued on.

Thumb rule of how much EKF can guarantee
› In all cases the Russian customer place minimum 15% down payment on the export contract sum. If local cost are included in the project they can be accepted as down payment.
› EKF can maximum guarantee 85% of the export contract sum.
› Local costs can be guaranteed with up to 30% of the export contract sum.
› Thereby EKF can maximum guarantee 115% of the export contract sum.

Thumb rule of dispensing above
If the tenor is less than 2 years we might be able and willing to dispense on above – e.g. guarantee a higher local work percentage if it is in Danish Economic Interest.