

EXPORT FINANCING AND RISK SHARING SOLUTIONS FROM EXIM HUNGARY



exim

EXPORT BANK INSURANCE

ÉVA KABAI, SENIOR EXPERT

11th June 2015, Budapest

INTERGRATED SYSTEM TO SUPPORT FOREIGN TRADE AND ECONOMY



STATE OWNERSHIP RIGHTS EXERCISED BY THE MINISTRY OF FOREIGN AFFAIRS AND TRADE

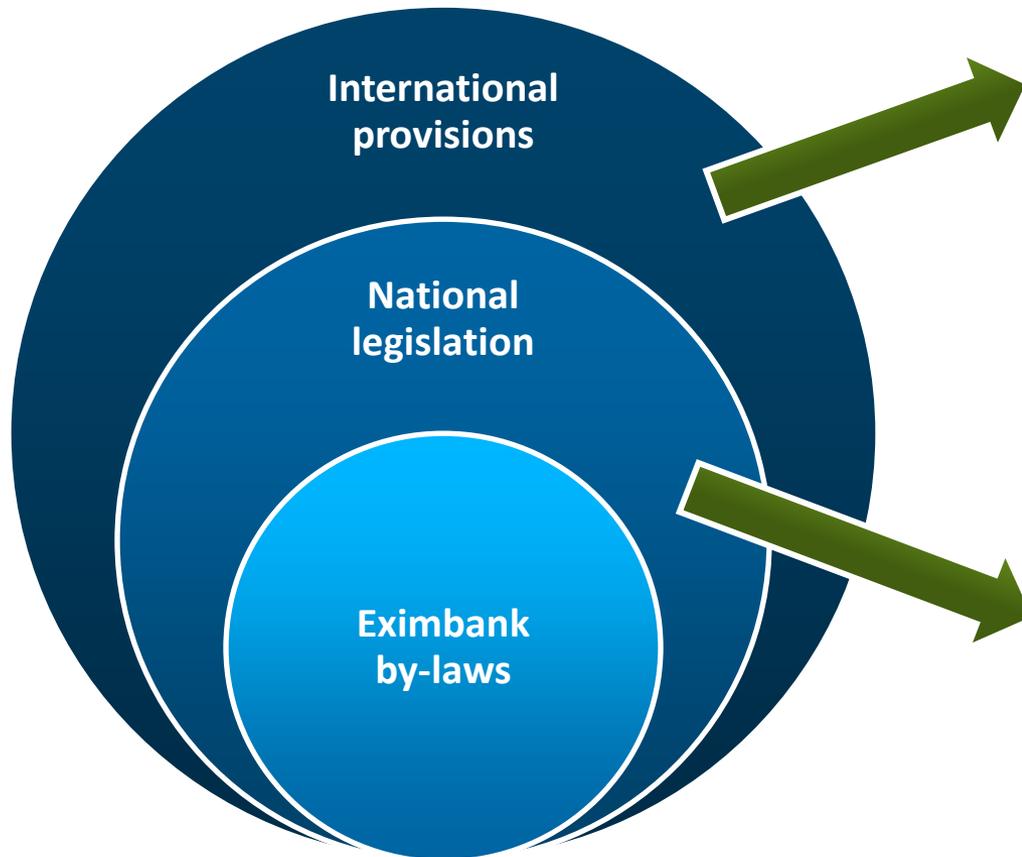


INSTITUTE FOR FOREIGN AFFAIRS AND TRADE



20 YEARS IN SERVICE OF HUNGARIAN EXPORTERS

REGULATORY FRAMEWORK



WTO AGREEMENTS

OECD ARRANGEMENT

EU REGULATIONS, DIRECTIVES,
ETC.

ACT XLII OF 1994
(EXIM ACT)

GOV. DECREE 85/1998.
(INTEREST MAKE-UP)

GOV. DECREE 435/2012. (STATE-
BACKED GUARANTEES)

GOV. DECREE 312/2001
(STATE-BACKED INSURANCE)

MOF DECREE 16/1998
(ACCOUNTING OFFICIAL SUPPORT)

EXIM'S MAIN STRATEGY



To support the export companies and their suppliers



Financing the enlargement and creation of export capacities

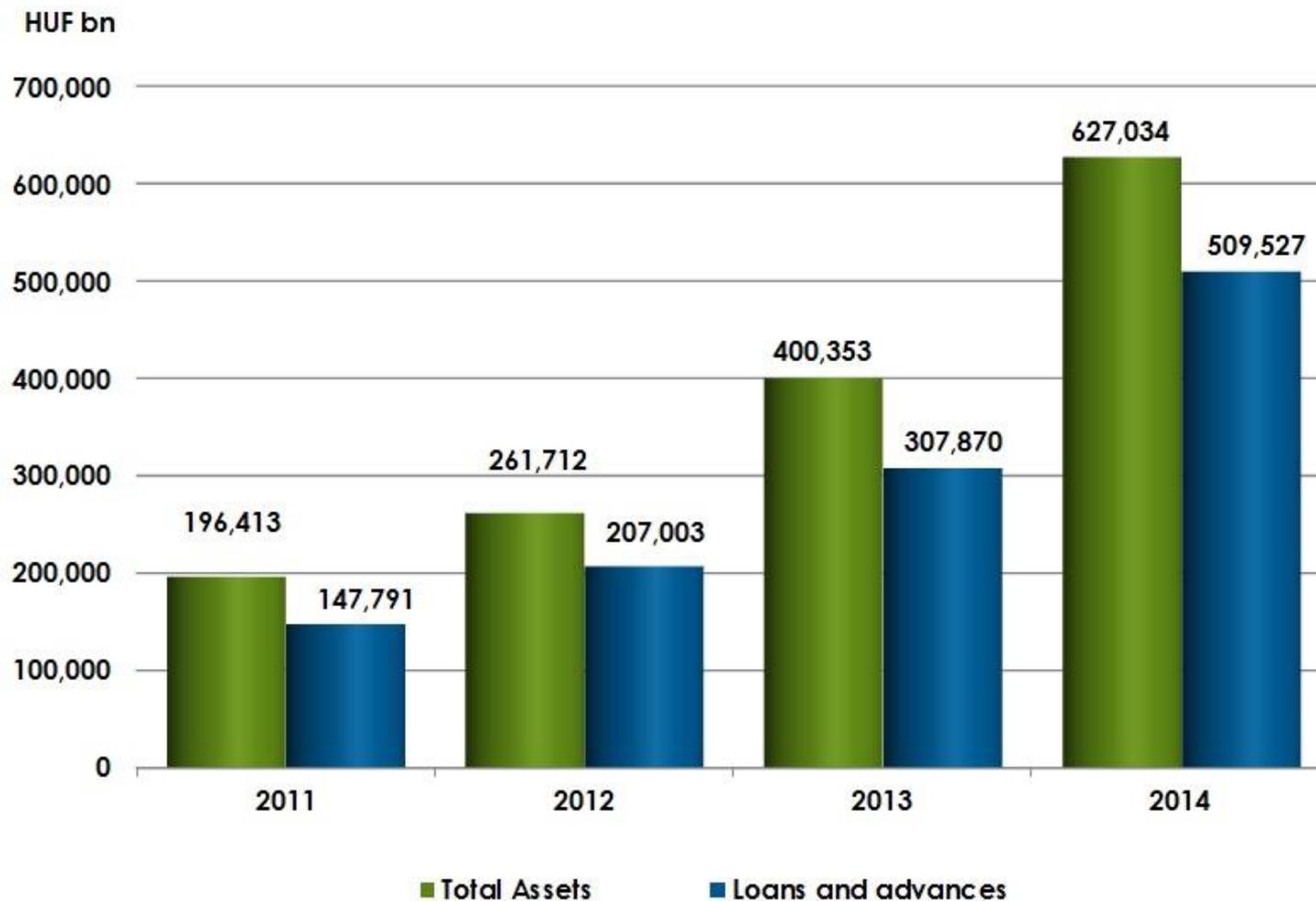


Dynamic growth and active credit finance determined in the export incentive strategy of EXIM



Increase the lending capacity and willingness of the financial institutional sector

KEY FIGURES OF HUNGARIAN EXIM



GDP IMPACT OF EXIM'S ACTIVITY

M HUF	2013	2014	2015 (plan)
ANNUAL DISBURSEMENT	187	327	442
GDP-IMPACT	138 (0.5 %)	252 (0.8%)	341 (1%)
INLAND REVENUE	53	96	130

PRODUCT RANGE

MAIN ACTIVITIES

FINANCING

GUARANTEES

RISK SHARING



DIRECTLY

ARMS OF
ACTIVITIES



THROUGH
CREDIT
INSTITUTIONS

FINANCING & INSURANCE CONDITIONS



EU REFERENCE RATE

Tenor: 0-2 years
(refinancing credit line for
pre-financing: 2-5 years)

<i>(from 01.04.2015)</i>	EUR	HUF
	0.34%	2.21%

CERTIFICATE OF HUNGARIAN ORIGIN

Product: certificate of origin
issued by regional chambers
of commerce and industry

EXCLUDING REASONS

- unprocessed agricultural products,
- military equipment,
- re-export

PARTNER CREDIT INSTITUTIONS



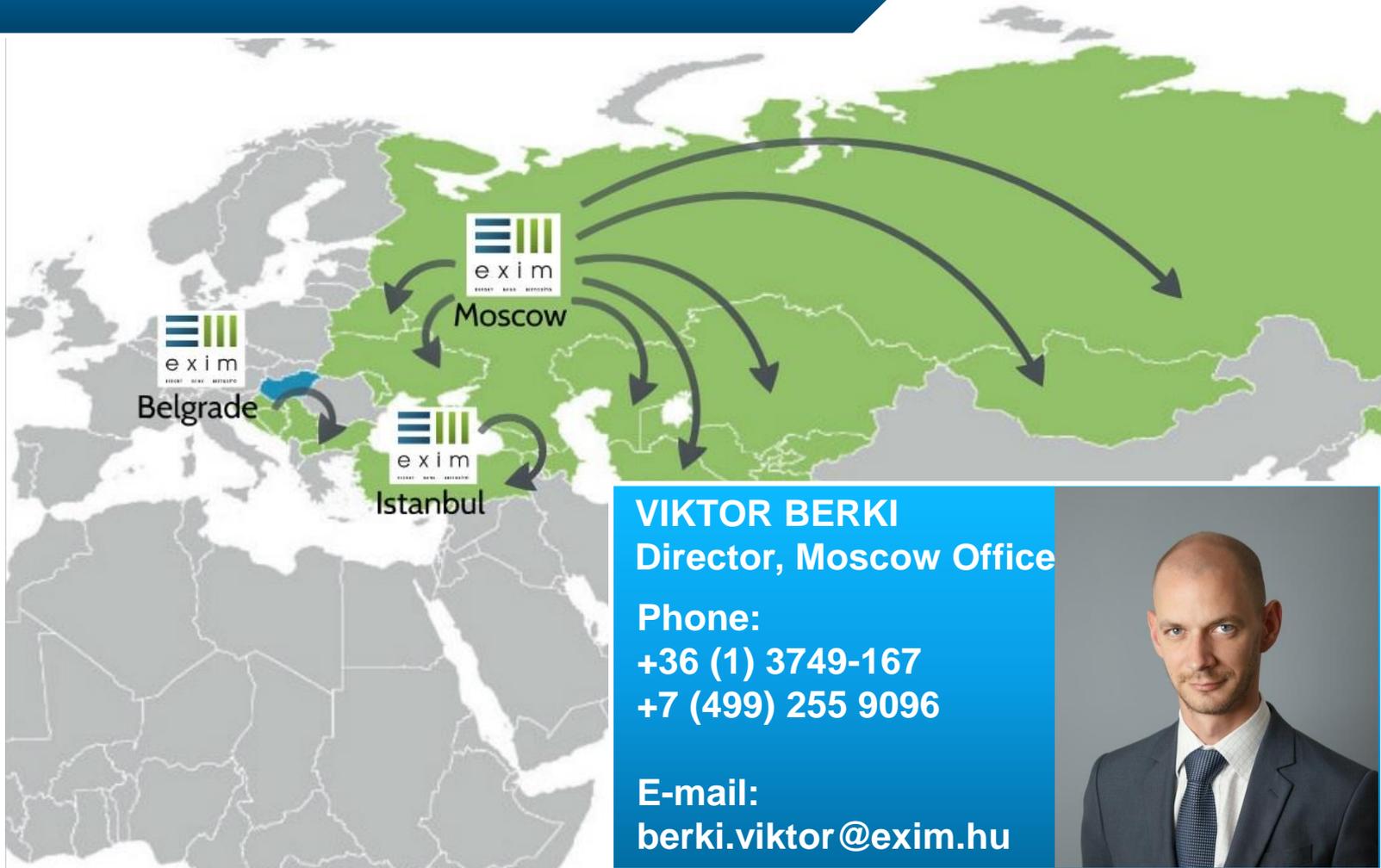
EXIM OFFICES

DOMESTIC REGIONAL OFFICES



EXIM OFFICES

FOREIGN OFFICES



The map shows EXIM offices in Belgrade, Moscow, and Istanbul. Arrows indicate connections from Moscow to various regions in Europe and Russia.

VIKTOR BERKI
Director, Moscow Office

Phone:
+36 (1) 3749-167
+7 (499) 255 9096

E-mail:
berki.viktor@exim.hu



EXPORT RELATIONS

Overview of Hungarian exportation

- 85% of Hungary's exports are concentrated within Europe, with Germany (26.2%), Austria (5.9%), Romania (5.3%), Slovakia (4.7%), Italy (4.5%), France (4.3%), and the United Kingdom (4.1%) representing the largest shares
- Outside of Europe, Hungary's largest export trading partners are the United States (3.9%), Russian Federation (2.3%), **Ukraine (2.0%)**, and China (1.7%)
- Many of these Hungarian export companies are small and medium-sized enterprises (SMEs) with limited access to credit and liquidity due to the financial/banking crisis

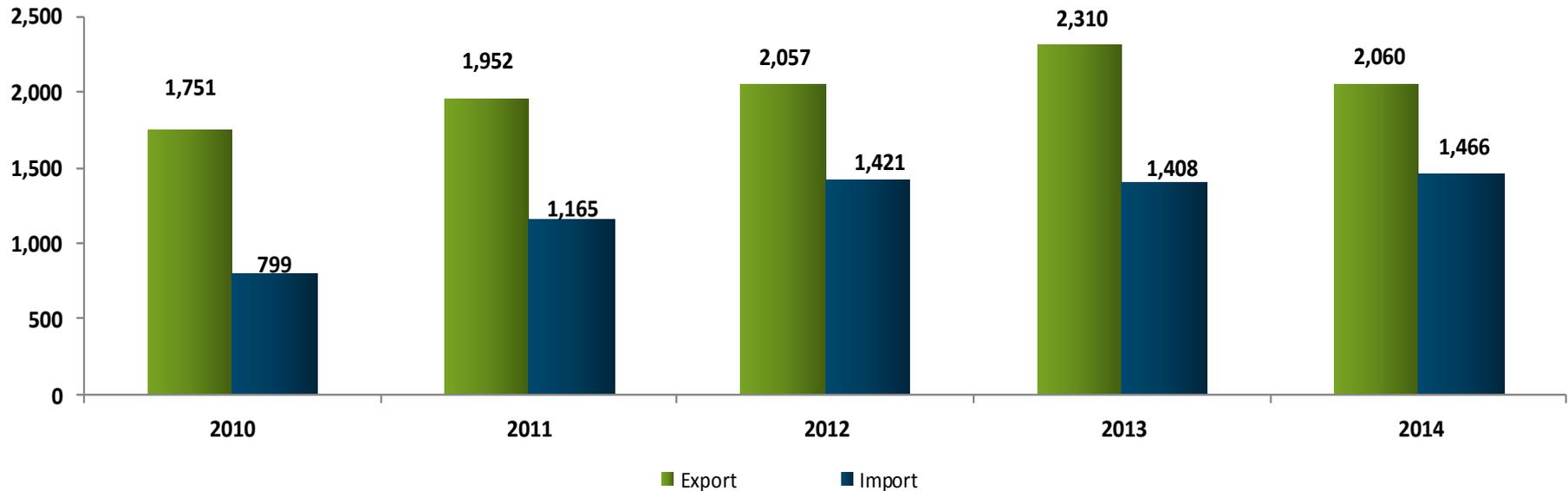
Hungary's top export partners (2014)

Rank	Countries	Export (HUF bn)	Share (%)
1	Germany	25,506	26.2%
2	Austria	5,782	5.9%
3	Romania	5,157	5.3%
4	Slovakia	4,570	4.7%
5	Italy	4,419	4.5%
6	France	4,186	4.3%
7	UK	3,975	4.1%
8	USA	3,809	3.9%
9	Poland	3,630	3.7%
10	Czech	3,506	3.6%
11	Netherlands	2,988	3.0%
12	Spain	2,530	2.6%
13	Russia	2,285	2.3%
14	Ukraine	1,196	2.0%
15	Belgium	1,728	1.7%
16	China	1,666	1.7%
17	Turkey	1,631	1.6%
18	Serbia	1,484	1.5%
	Others	16,249	16.7%
	Total	97,079	100.0%

HUNGARIAN-UKRAINIAN TRADE RELATIONS

EXPORTS AND IMPORTS OF GOODS AND SERVICES EUR M

EUR Millions



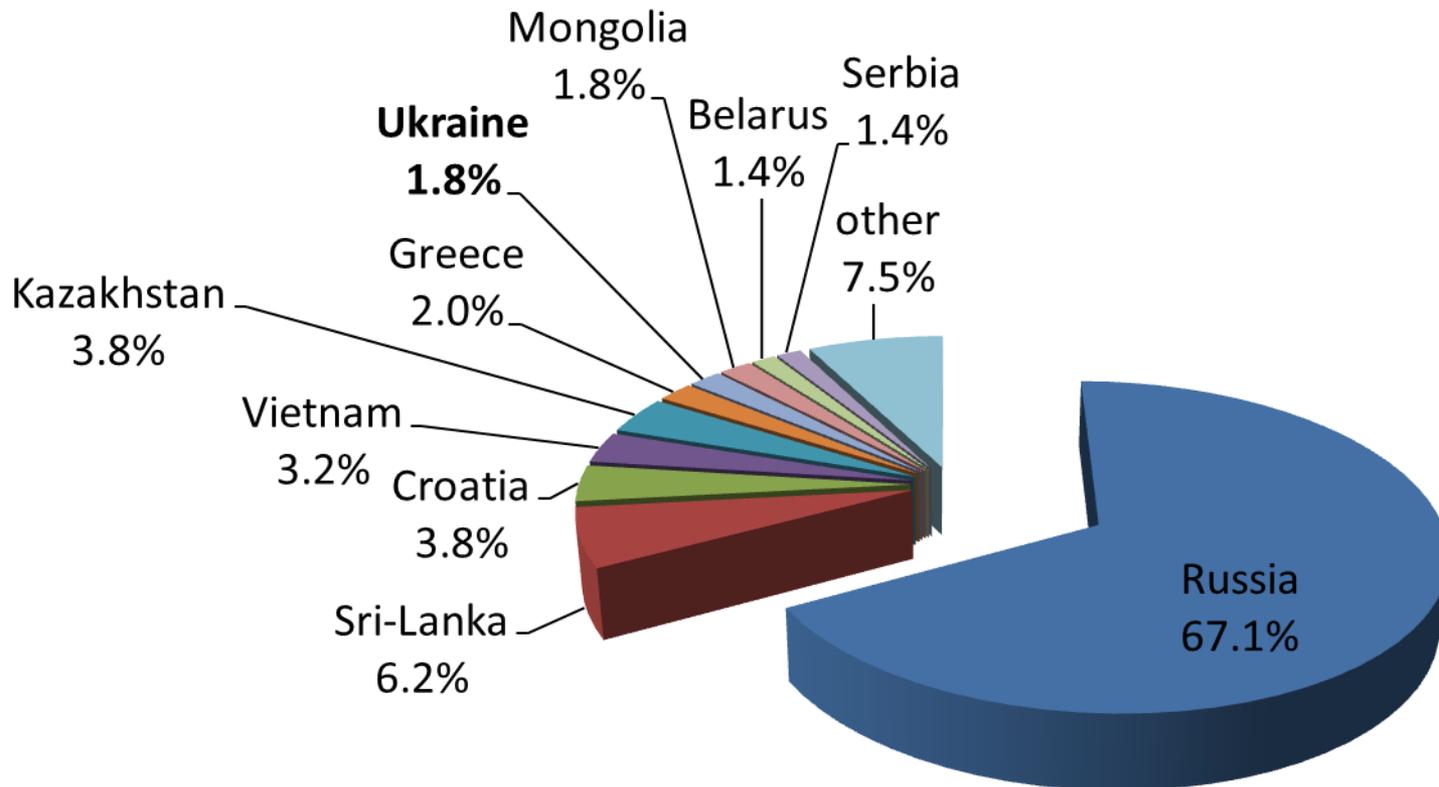
SHORT OVERVIEW OF THE UKRAINIAN FINANCIAL SITUATION



- The Ukrainian national currency, the hryvnia decreased in value by 54% by the end of 2014, in the meantime the Ukrainian GDP shrank by 7,6% in 2014.
- In 2014 the foreign currency reserves of the National Bank of Ukraine dropped by 57%, reaching a 10 year's low.
- 10 out of the 15 biggest Ukrainian banks failed during the latest stress test of the Ukrainian National Bank including Ukreximbank, Prominvestbank, Ukrasotsbank, Nadrabank and VTB bank.
- The Hungarian EXIM maintains country limit for Ukraine, the sovereign credit risk is 6 out of 7, with negative outlook. Country limit: **17,94 M EUR, which is almost unutilized. Mehib country limit 54 M EUR, out of which 12,5 M EUR is utilized.**
- New financing is only arranged for short-terms and with case by case setting of limits. Secured by collaterals of foreign financial Institutions or Ukrainian state owned banks under very tight monitoring of credit.

OVERVIEW OF EXIM PRODUCTS AND PORTFOLIO

EXPORT CREDIT INSURANCE PORTFOLIO, 2015



CO-OPERATION WITH INTERNATIONAL FINANCIAL INSTITUTIONS



IFC TRUST FUND

- USD 20 million (2014)
- Master Cooperatin Aggrement (MCA)

IFC FIG FUND

- USD 50 million (2015)
- Financial Institutions Growth

EU-AFRICA INFRASTRUCTURE TRUST FUND

- EUR 3 million (2015)
- Manager: European Investment Bank

CONTACTS

GÁBOR SZŐCS
Director, Customer Aquisition



Phone: +36 1 374-9145

E-mail:
szocs.gabor@exim.hu

ÉVA KABAI
Senior Relationship Manager



Phone: +36 (1) 3749-190

E-mail:
kabai.eva@exim.hu

NÁNDOR KUGLER
International Policy Advisor



Phone: +36 1 374-9346

E-mail:
kugler.nandor@exim.hu



exim

EXPORT BANK INSURANCE

Hungarian Export-Import Bank Plc.
Hungarian Export Credit Insurance Plc.

Thank you very much for your attention!

Address: Hungary, H-1065 Budapest, Nagymező street 46-48.

Phone: +36 (1) 374 9100 / Phone: +36 (1) 374 9200

Fax: +36 (1) 269 4476 / Fax: +36 (1) 269 1198

Web: www.exim.hu Email: exim@exim.hu

