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Camatic Pty Ltd – Submission regarding EFIC Direct Lending Proposal

Camatic Background:

Camatic Pty Ltd is a major supplier of Cinema, Stadium and Educational Seating Worldwide. Based in Melbourne Australia for over 50 years, the company entered the North American market in 1994, when it supplied more than 85,000 seats to the Main Stadium for the 1996 Atlanta Olympic Games. That stadium was later converted into Turner Field, the home of the Atlanta Braves and now some 20 years later the stadium is due for Refurbishment / Replacement.

Since this entry into the international market, Camatic have supplied some of America's and the World's most prestigious stadiums, including:

○ San Jose Earthquakes CA	October 2014
○ San Francisco 49ers CA	June 2014
○ Kazan Arena (Russia)	July 2013
○ Red Bull Arena NJ	March 2010
○ Donbass Arena (Ukraine)	August 2009
○ Dallas Cowboys (AT & T Stadium TX)	May 2009
○ AELTC Wimbledon Tennis (Court 2 & 3)	February 2010
○ AELTC Wimbledon Tennis (Centre Court)	February 2008
○ Chicago Fire (Toyota Park IL)	September 2006
○ Royal Ascot Racecourse	June 2006
○ Melbourne Cricket Ground (Northern Stand)	March 2005
○ Benfica Stadium of Light (Portugal)	October 2003
○ Chicago Bears (Soldier Field IL)	March 2003
○ Seattle Seahawks (Century Link Field) WA	July 2002
○ AutoZone Park (Memphis TN)	April 2000
○ Etihad Stadium	March 2000
○ Pasadena Rose Bowl CA	April 1998
○ Chula Vista Amphitheatre (San Diego CA)	July 1998
○ Turner Field (Atlanta Braves GA)	April 1997
○ Centennial Olympic Stadium GA)	July 1996

Camatic have also enjoyed international success in the Cinema / Movie Theatre markets and today have several large Cinema Exhibition Companies as it clients. These include:

○ VUE Cinemas	United Kingdom
○ VOX Cinemas	United Arab Emirates
○ Pacific Cinemas	North America
○ Studio Movie Grill	North America
○ Golden Village	Singapore
○ TGV Cinemas	Malaysia

Today over 20 years after entering the international market, Camatic earns in excess of 50% of its (+/-) \$ 30 Million Dollar revenue from overseas business.

Camatic / EFIC History:

In 1994 when Camatic was awarded the seating supply contract for the Atlanta Olympic Games, Camatic required the assistance of EFIC to provide security to a North American Surety Company, who provided the \$USD 4,900,000.00 security bond for the project. Without the backing of EFIC here it would not have been possible for Camatic to execute this contract.

In more recent times, EFIC provided Camatic's bank, NAB with security that enabled the bank to extend Camatic's trade facility by \$USD 1,500,000.00 to assist with the financing of its \$USD 9,700,000.00 contract for the San Francisco 49ers. Again this financing was required by Camatic to execute the contract.

International Contracts:

Many of the projects that Camatic are involved within international markets are contracts that are awarded with a standard building / construction type contract. With this type of contract, typically there is no provision for payment of goods offsite, and therefore the cash flow cycle can be very long. From procurement of materials to manufacture/ shipping / Installation it can be up to 6 months before Camatic receive payments for goods manufactured in Australia. For these types of projects it is difficult for Camatic to get increased funding facilities through the normal banking channels as the company has limited working capital – this is indeed the case with most privately owned and family businesses.

The requirement for trade finance in these international contracts combined with the limited working capital of small businesses significantly reduces the expansion opportunities that exist. In North America alone, Camatic could completely double the business it is currently doing if the company were in a position to finance the projects.

A number of contracts that Camatic enter into, require performance bonding (a standard building contractual requirement in North America) that EFIC have provided considerable assistance to Camatic in this area. Again there are a number of projects that Camatic do not bid, due to difficulties in obtaining security for bonding through the standard banking channels.

EFIC Direct Lending:

Obtaining additional short term funding from banks for international projects, is a difficult process for private companies with limited working capital. When some form of facility is eventually provided, the time taken can often be outside of an acceptable timeframe for the contract at hand. The additional complexity of working with two parties (bank for facility and EFIC as the security provider) can be tedious and require extended timeframes, that are often not available. These issues do not exist for Camatic's opposition who are often based in the country that we are tendering.

For Camatic to be able to deal directly with EFIC as a direct lending facility, there would be several significant advantages, being:

- Increased business from short term lending against contracts,
[Assuming some form of approved facility remains in place]
- Improved time frames to provide clients with security required.
- Improved trade facilities for larger projects.
- Less complexity in dealing with more than one party.
- Increased business through more competitive pricing.

Camatic have had a terrific working relationship with EFIC for many years now. Where the process has not always been easy, without it Camatic would not be as internationally recognised today as we are. Camatic see some great benefits in being able to borrow directly from EFIC and we would expect it will make our task of growing international business successful.

David Fisher

CEO

Camatic Pty Ltd