

Factoring and Commercial Finance

Q & A

What is Factoring and Commercial Finance?

- Factoring and Commercial Finance are short term working capital solutions for business. They are about providing business finance to support real jobs in the real economy.

Who uses Factoring and Commercial Finance?

- It's usually but not exclusively used by SMEs looking for funding to finance growth.

Why is it different from Traditional Banking solutions?

- It is short term, flexible and adaptable funding which doesn't rely on the financial strength of the client but instead on that of its customers. So you don't need a strong balance sheet or be long established to use it.

Is it suitable for every business?

- It's best for businesses that sell on credit terms to other businesses; for example manufacturing, distribution and service sectors are typical users.

Why is it important?

- Because it provides a real win:win in finance. More funding for business at low loss rates for the providers.

What is the EUF?

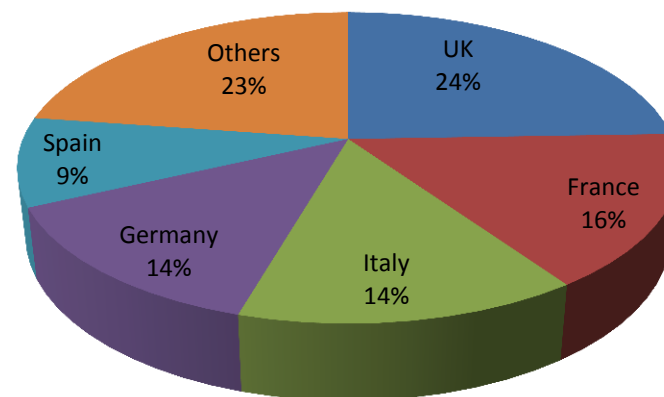
- The EU Federation for the Factoring and Commercial Finance is the Representative Body for the Industry in the EU. It comprises 14 national and 2 international Industry associations that are active in the EU 28.



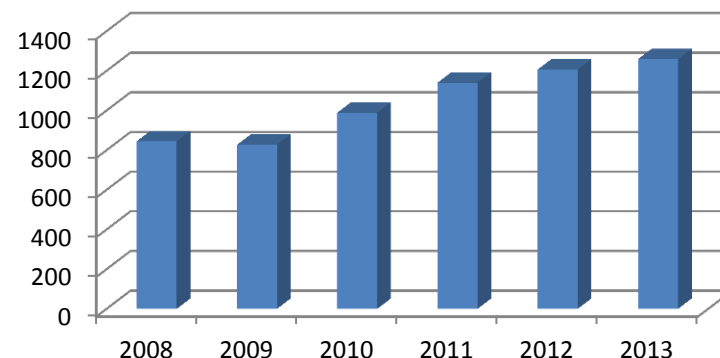
Statistics EU and Global for 2013

- €1.26 Tn EU client turnover through the Industry
- This represents 9.6% EU GDP
- This compares with €2.2 Tn client turnover globally
- Europe is 60% of global market

EU Client Turnover % 2013



EU Client Turnover History €Bn



EUF Members

