

- Have the recent economic changes affected your company's business?
- Has your company's profitability or liquidity temporarily declined?
- Do you need financing for working capital or investments when the economic situation improves?

Counter-cyclical Loan and Guarantee for working capital and investments

Finnvera's Counter-cyclical Loans and Guarantees are intended for enterprises whose profitability or liquidity declined because of the unfavourable economic situation and that faced difficulties in obtaining financing.

To be eligible for this financing, enterprises must have the potential for profitable business when the economic situation improves.

Counter-cyclical Loans and Guarantees are normally intended for companies that employ at most 1,000 people within the corporate group. For special reasons, Counter-cyclical financing can also be granted for companies with over 1,000 employees. The loan and the guarantee also suit starting enterprises deemed to have good potential for growth.

Where can a Counter-cyclical Loan and Guarantee be used?

A Counter-cyclical Loan and Guarantee can be granted for working capital, and for financing investments. A Counter-cyclical Guarantee can be granted for an ordinary loan based on a promissory note, a loan given by a pension

insurance company by virtue of the Employees Pensions Act, an account with an overdraft facility, and for an individual bank guarantee or a bank guarantee limit.

Counter-cyclical Loans and Guarantees cannot be used for repaying old loans or other commitments to Finnvera or other financiers.

Financing decision preceded by corporate analysis

Before making the financing decision, Finnvera conducts a corporate analysis, in which the enterprise's prerequisites for profitable business are assessed first by determining the enterprise's current status and the reasons for its difficulties. Thereafter the representatives of the enterprise and Finnvera together go through the actions that the enterprise will take to improve its profitability and competitiveness.

Terms of the Counter-cyclical Loan and Guarantee

For whom: Enterprises that employ at most 1,000 people within the corporate group. For special reasons, Counter-cyclical financing can also be granted for companies even bigger than this.

Amount: at most EUR 10,000,000.

May consist of several loans or guarantees. The maximum total amount of the loans and guarantees is EUR 10,000,000. For special reasons, the total amount of Counter-cyclical Loans and Guarantees granted for a company employing more than a thousand people can be even higher than mentioned above.

Share of financing: The share of Finnvera's Counter-cyclical Loan of the total financing granted is at most 50 to 70 per cent. The share can be larger for special reasons, for example, if the recipient is a fairly small company or the sum granted is small. By virtue of the EU rules on State aid, Finnvera can guarantee at most 80 per cent of a loan or other commitment granted by some other financier.

The principal financier's commitment: Before Finnvera disburses a Counter-cyclical Loan or notifies that a Counter-cyclical Guarantee has come into effect, the principal financiers must give Finnvera a commitment on the provision of additional funds to the enterprise or on the rescheduling of the enterprise's financing for at least one year. It is recommended that rescheduling aims at more long-term arrangements in order to ease the financial situation of enterprises. Rescheduling means grace periods, extensions of the credit period or lower interest rates. The contents of the commitment required of the principal financiers is considered separately in each case.

Interest Rate: The interest on Finnvera's loan may be fixed or tied to a reference rate (6-month euribor). A customer-specific margin is added to the interest. The margin depends on the

borrowing enterprise's operating risk, counter-security, and the credit period.

Guarantee commission: The guarantee-holder is required to pay an annual guarantee commission, which depends on the enterprise's operating risk, counter-security and the guarantee period.

Service fee: A service fee is collected on the loan and the guarantee.

Loan and guarantee period: 2 - 10 years, which may include 1 - 3 years of grace.

Security: Security is negotiated on a case-by-case basis.

Application procedure

You can apply for a loan or a guarantee by filling in an online application form on Finnvera's website (www.finnvera.fi>Online Services) or by using a printable application form (>Loans, >Guarantees), which is sent to our nearest Regional Office.

You can learn more about Counter-cyclical Loans and Guarantees by calling our Telephone Service (020 690 784) or our nearest Regional Office.

*Apply for Finnvera's financing online at www.finnvera.fi - Online Services.
Telephone Service 020 690 784 - advice on financing and on how to fill in applications.*

Finnvera plc, telephone (switchboard) 020 460 11,
www.finnvera.fi

Regional Offices: Helsinki, Joensuu, Jyväskylä, Kajaani, Kuopio, Lahti, Lappeenranta, Mikkelä, Oulu, Pori, Rovaniemi, Seinäjoki, Tampere, Turku, Vaasa

www.enterprisefinland.fi