

IFD UPDATE

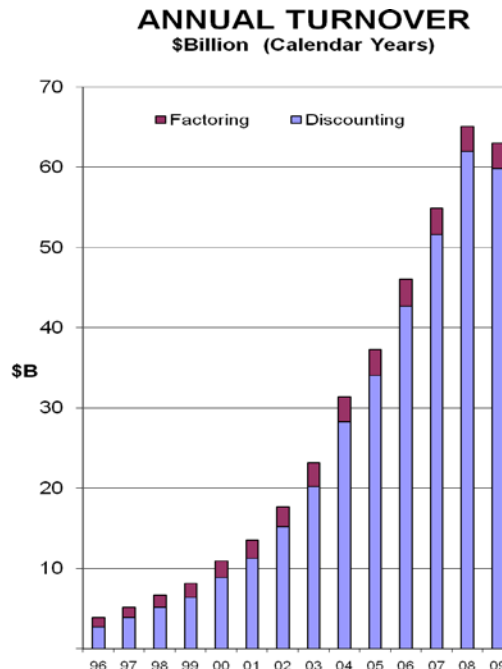
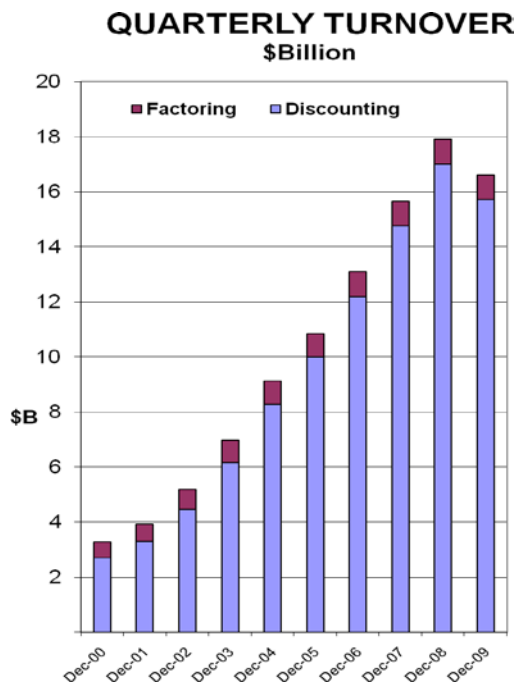
IFD Statistics

December Quarter 2009

Up to and including the September quarter 1999, the following IFD members participated in this survey: AGC, Cash Resources, Commonwealth Bank, Heller Financial Services, National Cash Flow Solutions, ORIX Factors (since acquired by Bank of Queensland), Scottish Pacific Business Finance, and St George Bank. ANZ Banking started participating in the December 1999 quarter, Bank of Queensland from June 2000 quarter, Benchmark Debtor Finance (now Scottish Pacific Benchmark) from March 2002. AGC ceased to participate in the June quarter 2002 and Westpac Debtor Finance is included from that time. Oxford Funding and Bibby Financial Services participated from June 2003, HSBC Bank Australia from September 2004, BankWest Invoice Discounting from June 2005, Cashflow Finance Australia from September 2006, Coface Finance Australia from March 2009 and Taurus Trade Finance from September 2009.

AUSTRALIAN MARKET

Total factoring and discounting turnover in the December 2009 quarter was \$16.6 billion, a reduction of \$1.3 billion (7.3%) on the same quarter in 2008, with factoring turnover of \$855 million (down 2.8%) and discounting \$15.7 billion (down 7.5%). However, total turnover increased \$630 million (4%) over the September 2009 quarter. Total turnover for the 12 months to the end of December 2009 was \$63.0 billion (down 3.2% from \$65.1 billion for the year ended December 2008).



Institute for Factors & Discounters

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23 February 2010

IFD/1003

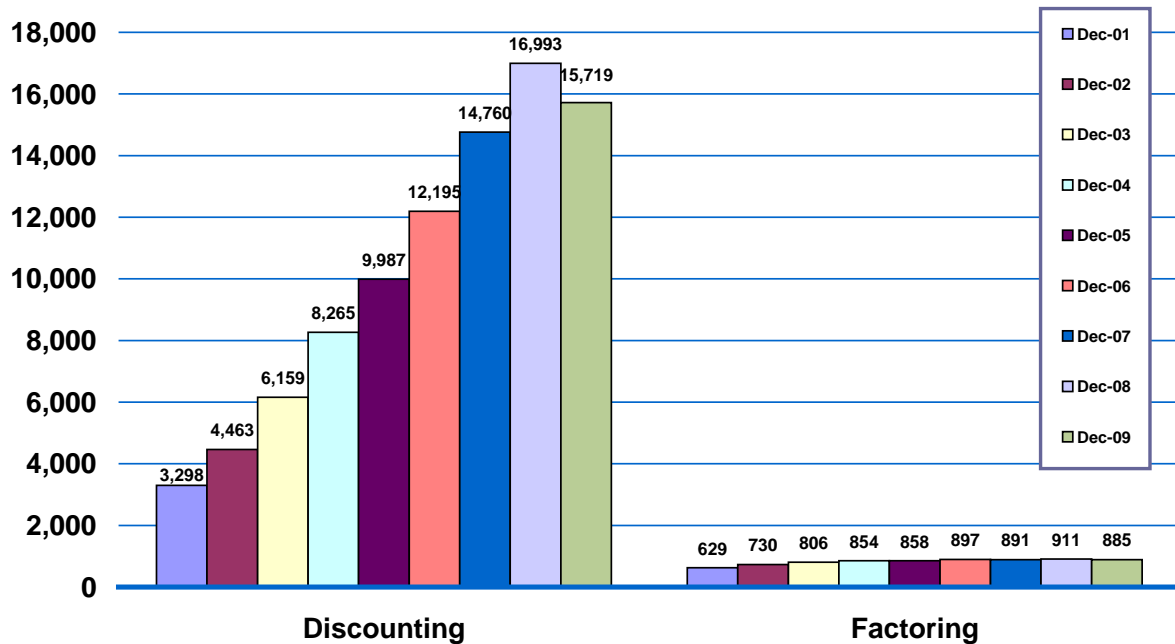
THE INSTITUTE FOR FACTORS AND DISCOUNTERS OF AUSTRALIA AND NEW ZEALAND INC.

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www.factorsanddiscounters.com

Turnover
\$million per quarter



1. National Factoring and Discounting

Table 1: National Factoring & Discounting Profile

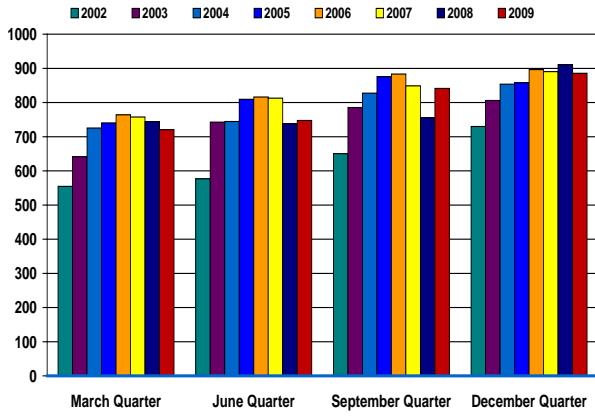
1. INDUSTRY PROFILE

Factoring	Dec-08 Quarter	Mar-09 Quarter	Jun-09 Quarter	Sep-09 Quarter	Dec-09 Quarter	Latest 12 Months
Turnover (\$M)	911.0	720.6	747.4	841.2	885.5	3,194.7
Receivables (end of qtr -\$M)	436.3	398.8	383.6	431.1	458.1	
Number of Clients (end of qtr)	1,597	1,544	1,621	1,586	1,552	
Number of Debtors (end of qtr)	61,264	59,572	61,565	66,104	65,652	

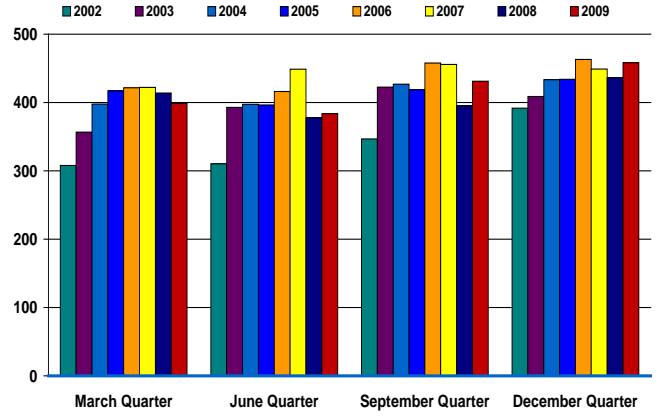
Discounting	Dec-08 Quarter	Mar-09 Quarter	Jun-09 Quarter	Sep-09 Quarter	Dec-09 Quarter	Latest 12 Months
Turnover (\$M)	16,993.4	14,141.0	14,837.4	15,131.6	15,718.6	59,828.6
Receivables (end of qtr-\$M)	7,982.2	6,986.5	7,098.6	6,981.6	7,193.1	
Number of Clients (end of qtr)	4,310	4,287	4,335	4,139	4,030	

Total	Dec-08 Quarter	Mar-09 Quarter	Jun-09 Quarter	Sep-09 Quarter	Dec-09 Quarter	Latest 12 Months
Turnover (\$M)	17,904.4	14,861.6	15,584.8	15,972.8	16,604.1	63,023.3
Receivables (end of qtr-\$M)	8,418.5	7,385.3	7,482.2	7,412.7	7,651.3	
Number of Clients (end of qtr)	5,907	5,831	5,956	5,725	5,582	

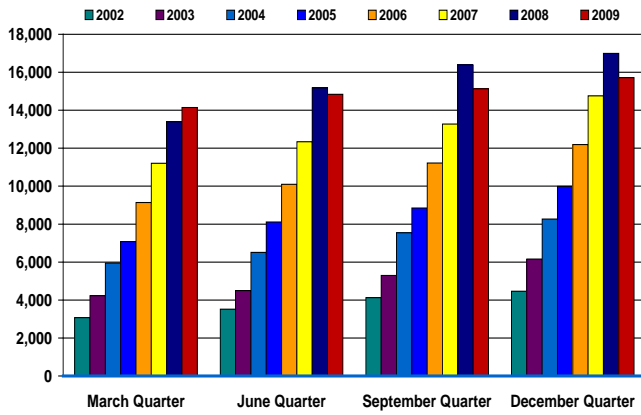
Factoring : Turnover \$million per quarter



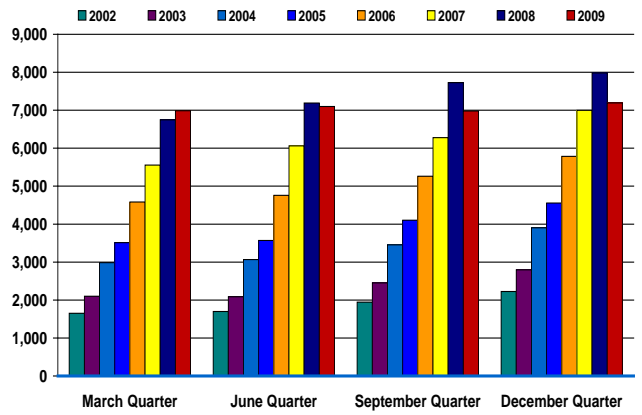
Factoring: Receivables \$million end of quarter



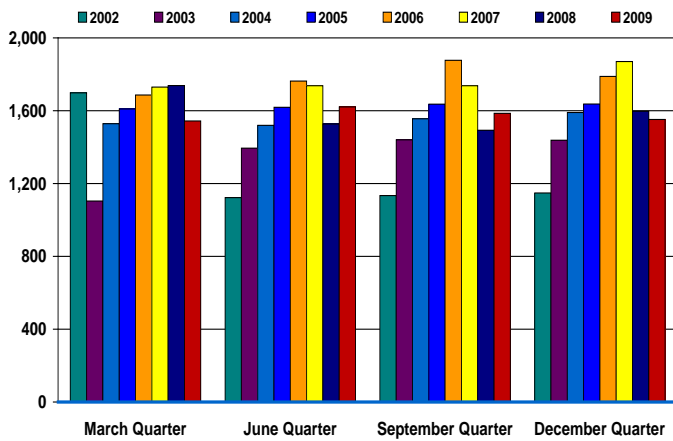
Discounting : Turnover \$million per quarter



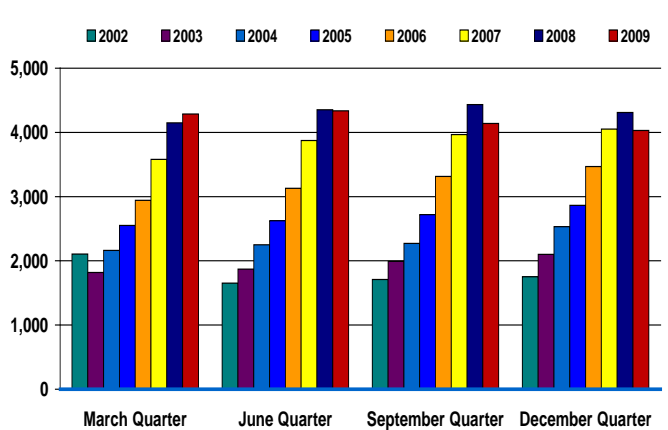
Discounting : Receivables \$million end of quarter



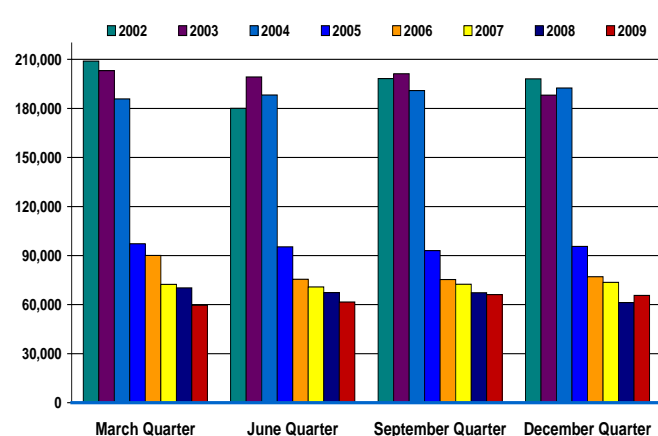
Factoring: Clients end of quarter



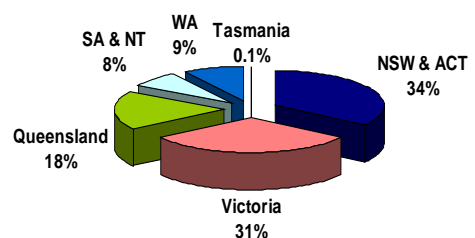
Discounting: Clients end of quarter



Factoring: Debtors Under Management end of quarter



States Turnover - Percentage of Turnover



2. State Factoring and Discounting - Turnover

Table 2: State Factoring & Discounting Profile \$Million

2. STATE TURNOVER

(All Figures-\$M)

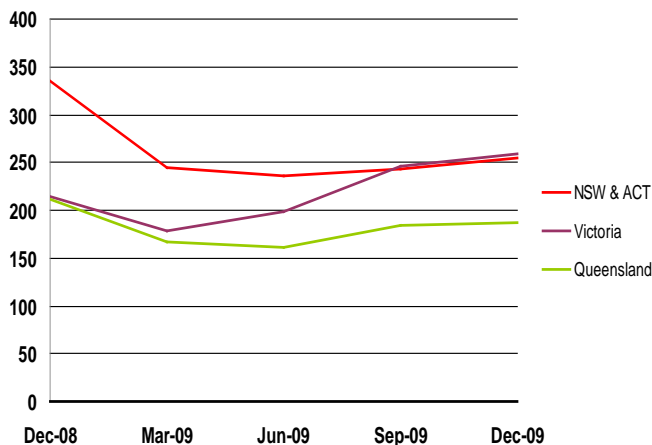
Factoring	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09
NSW & ACT	335.0	244.8	235.3	243.5	255.0
Victoria	214.9	177.9	197.9	246.1	258.9
Queensland	210.8	166.2	160.8	183.8	187.3
SA & NT	26.0	21.0	21.0	24.0	23.6
WA	113.2	102.4	124.1	138.3	158.0
Tasmania	11.1	8.3	8.3	5.5	2.7
National Factoring	911.0	720.6	747.4	841.2	885.5

Discounting	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09
NSW & ACT	5,769.4	4,859.7	5,104.5	5,280.5	5,498.2
Victoria	5,609.2	4,760.9	4,921.0	5,069.4	4,870.5
Queensland	2,893.3	2,267.2	2,354.6	2,496.5	2,809.9
SA & NT	1,316.3	1,134.2	1,292.8	1,239.2	1,233.7
WA	1,388.4	1,105.4	1,151.0	1,033.5	1,290.7
Tasmania	16.8	13.6	13.4	12.5	15.6
National Discounting	16,993.4	14,141.0	14,837.4	15,131.6	15,718.6

Total	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09
NSW & ACT	6,104.4	5,104.5	5,339.8	5,524.0	5,753.2
Victoria	5,824.1	4,938.8	5,118.9	5,315.5	5,129.4
Queensland	3,104.1	2,433.4	2,515.4	2,680.2	2,997.2
SA & NT	1,342.3	1,155.2	1,313.8	1,263.2	1,257.3
WA	1,501.6	1,207.8	1,275.1	1,171.8	1,448.7
Tasmania	27.9	21.9	21.7	18.0	18.3
National Factoring & Discounting	17,904.4	14,861.6	15,584.8	15,972.8	16,604.0

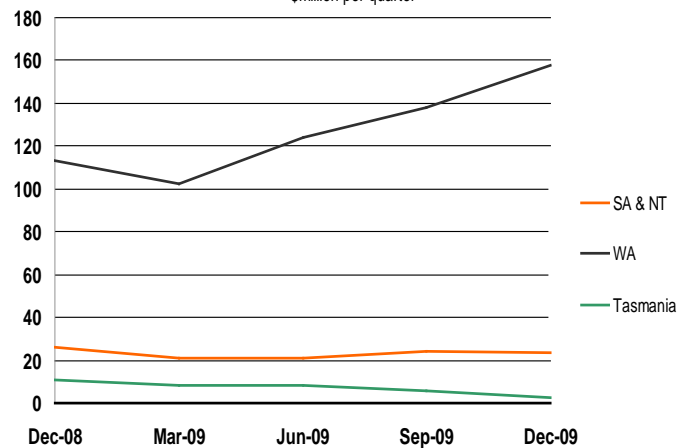
State Factoring: Turnover

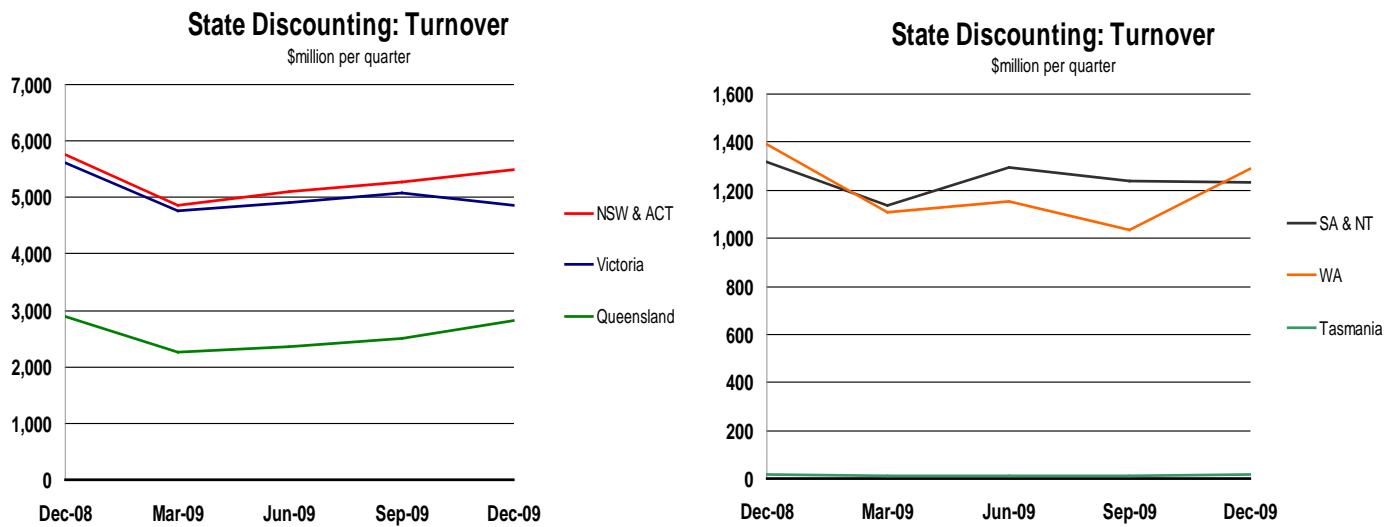
\$million per quarter



State Factoring: Turnover

\$million per quarter





3. State Factoring and Discounting – Receivables

Table 3: State Factoring & Discounting Profile \$Million

3. State Factoring and Discounting - Receivables

(All Figures-\$M)

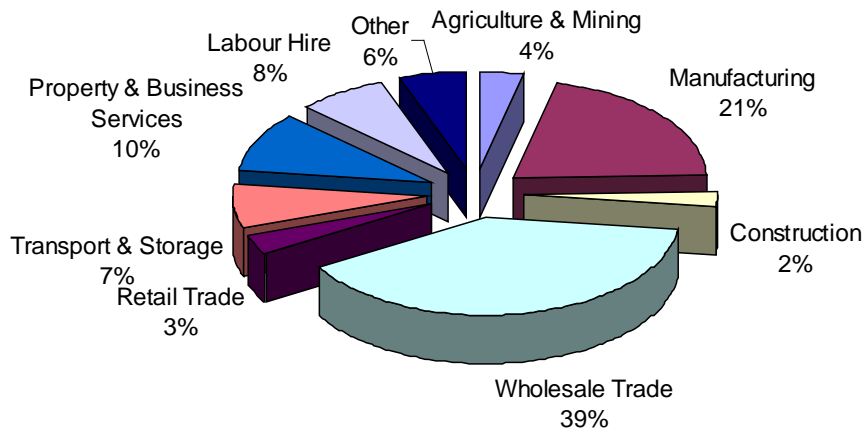
Factoring	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09
NSW & ACT	152.2	143.8	127.3	127.4	137.8
Victoria	106.3	99.7	104.6	127.1	138.9
Queensland	109.3	87.7	79.3	93.1	94.7
SA & NT	10.5	10.6	12.0	11.8	9.5
WA	53.6	53.7	57.1	69.2	76.1
Tasmania	4.4	3.3	3.3	2.5	1.1
National Factoring	436.3	398.8	383.6	431.1	458.1

Discounting	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09
NSW & ACT	2,732.7	2,307.6	2,448.9	2,361.9	2,327.9
Victoria	2,718.5	2,522.0	2,468.1	2,479.0	2,459.1
Queensland	1,281.9	1,057.4	1,096.8	1,087.9	1,252.2
SA & NT	635.2	615.8	603.7	607.3	608.1
WA	606.6	477.0	477.1	440.8	539.6
Tasmania	7.3	6.7	4.1	4.7	6.3
National Discounting	7,982.2	6,986.5	7,098.6	6,981.6	7,193.2

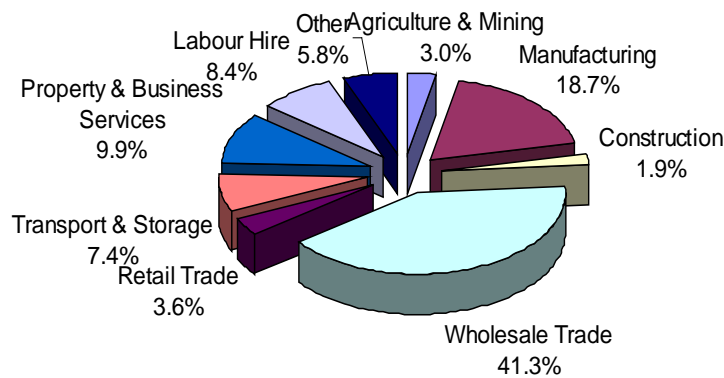
Total	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09
NSW & ACT	2,884.9	2,451.4	2,576.2	2,489.3	2,465.7
Victoria	2,824.8	2,621.7	2,572.7	2,606.1	2,598.0
Queensland	1,391.2	1,145.2	1,176.1	1,181.0	1,346.9
SA & NT	645.7	626.4	615.7	619.1	617.6
WA	660.2	530.7	534.2	510.0	615.7
Tasmania	11.7	10.0	7.4	7.2	7.4
National Factoring & Discounting	8,418.5	7,385.3	7,482.2	7,412.7	7,651.3

BY INDUSTRY:

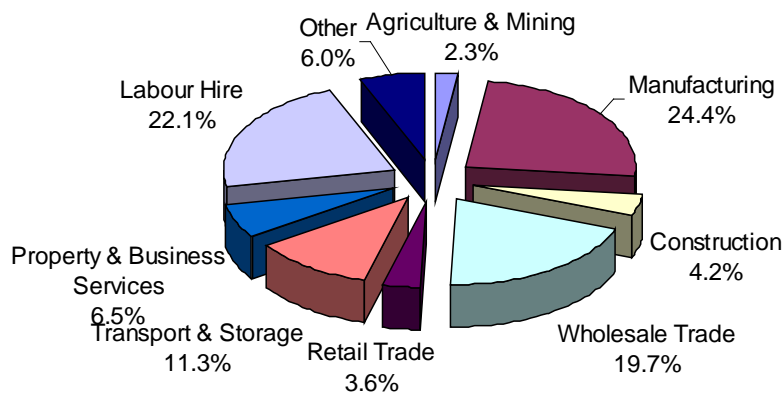
**December Quarter 2009
Percentage of Receivables**



**December Quarter 2009
Percentage of Discounting Turnover**



**December Quarter 2009
Percentage of Factoring Turnover**



4. Historical Data on Factoring and Discounting by Quarter

Quarter	Factoring	Discounting	Total
Dec-04	853.7	8,264.7	9,118.4
Mar-05	740.3	7,078.7	7,819.0
Jun-05	809.2	8,112.8	8,922.0
Sep-05	875.7	8,848.3	9,724.0
Dec-05	857.6	9,986.5	10,844.1
Mar-06	764.1	9,139.4	9,903.5
Jun-06	816.1	10,095.3	10,911.4
Sep-06	883.4	11,220.1	12,103.5
Dec-06	896.5	12,194.6	13,091.1
Mar-07	757.7	11,202.5	11,960.2
Jun-07	812.7	12,340.4	13,153.1
Sep-07	848.6	13,273.5	14,122.1
Dec-07	890.6	14,759.7	15,650.3
Mar-08	744.1	13,396.3	14,140.4
Jun-08	738.1	15,173.9	15,912.0
Sep-08	755.9	16,386.6	17,142.5
Dec-08	911.0	16,993.4	17,904.4
Mar-09	720.6	14,141.0	14,861.6
Jun-09	747.4	14,837.4	15,584.8
Sep-09	841.2	15,131.6	15,972.8
Dec-09	885.5	15,718.6	16,604.1

Quarter	Factoring	Discounting	Total
Dec-04	1,590	2,531	4,121
Mar-05	1,610	2,550	4,160
Jun-05	1,619	2,624	4,243
Sep-05	1,636	2,720	4,356
Dec-05	1,637	2,865	4,502
Mar-06	1,686	2,943	4,629
Jun-06	1,763	3,130	4,893
Sep-06	1,877	3,315	5,192
Dec-06	1,788	3,469	5,257
Mar-07	1,730	3,580	5,310
Jun-07	1,737	3,875	5,612
Sep-07	1,737	3,967	5,704
Dec-07	1,870	4,051	5,921
Mar-08	1,738	4,150	5,888
Jun-08	1,527	4,353	5,880
Sep-08	1,493	4,433	5,926
Dec-08	1,597	4,310	5,907
Mar-09	1,544	4,287	5,831
Jun-09	1,621	4,335	5,956
Sep-09	1,586	4,139	5,725
Dec-09	1,552	4,030	5,582

Quarter	Factoring	Discounting	Total
Dec-04	433.4	3,902.3	4,335.7
Mar-05	417.1	3,513.6	3,930.7
Jun-05	396.4	3,568.5	3,964.9
Sep-05	418.8	4,104.7	4,523.5
Dec-05	434.0	4,555.4	4,989.4
Mar-06	421.5	4,581.5	5,003.0
Jun-06	416.1	4,757.7	5,173.8
Sep-06	457.7	5,262.3	5,720.0
Dec-06	463.1	5,784.7	6,247.8
Mar-07	422.2	5,555.4	5,977.6
Jun-07	448.8	6,063.0	6,511.8
Sep-07	455.8	6,279.3	6,735.1
Dec-07	449.0	6,999.0	7,448.0
Mar-08	413.8	6,748.1	7,161.9
Jun-08	377.7	7,188.7	7,566.4
Sep-08	395.3	7,728.4	8,123.7
Dec-08	436.3	7,982.2	8,418.5
Mar-09	398.8	6,986.5	7,385.3
Jun-09	383.6	7,098.6	7,482.2
Sep-09	431.1	6,981.6	7,412.7
Dec-09	458.1	7,193.1	7,651.3

Quarter	NSW/ACT	Vic	QLD	SA & NT	WA	TAS	Total
Dec-04	351.2	195.2	207.7	29.0	67.7	2.9	853.7
Mar-05	303.6	163.3	188.4	30.6	52.7	1.9	740.3
Jun-05	326.7	193.1	210.3	24.4	52.8	1.9	809.2
Sep-05	364.5	198.0	219.4	25.2	66.6	2.0	875.7
Dec-05	337.2	210.2	227.1	23.9	57.2	2.0	857.6
Mar-06	296.4	172.8	199.4	45.3	48.4	1.8	764.1
Jun-06	308.9	168.2	242.9	44.2	50.3	1.6	816.1
Sep-06	334.8	182.9	267.1	35.9	60.7	2.0	883.4
Dec-06	334.3	194.2	261.5	37.7	66.3	2.5	896.5
Mar-07	284.7	157.7	217.6	35.6	60.6	1.5	757.7
Jun-07	293.8	160.3	259.7	31.0	65.5	2.4	812.7
Sep-07	299.5	192.6	257.5	26.6	69.8	2.6	848.6
Dec-07	322.7	228.9	235.9	30.9	69.7	2.5	890.6
Mar-08	266.8	192.9	185.2	28.7	64.2	6.3	744.1
Jun-08	266.7	166.7	193.6	25.6	78.7	6.8	738.1
Sep-08	273.3	167.4	205.0	25.3	79.7	5.2	755.9
Dec-08	335.0	214.9	210.8	26.0	113.2	11.1	911.0
Mar-09	244.8	177.9	166.2	21.0	102.4	8.3	720.6
Jun-09	235.3	197.9	160.8	21.0	124.1	8.3	747.4
Sep-09	243.5	246.1	183.8	24.0	138.3	5.5	841.2
Dec-09	255.0	258.9	187.3	23.6	158.0	2.7	885.5

Quarter	NSW/ACT	Vic	QLD	SA & NT	WA	TAS	Total
Dec-04	2,550.1	3,114.4	1,361.3	608.8	630.2	0.0	8,264.7
Mar-05	2,173.3	2,622.5	1,229.5	497.1	556.3	0.0	7,078.7
Jun-05	2,660.7	2,899.2	1,296.8	538.7	717.4	0.0	8,112.8
Sep-05	2,710.2	3,371.8	1,451.3	565.9	749.1	0.0	8,848.2
Dec-05	3,057.5	3,803.2	1,530.5	668.6	926.7	0.0	9,986.5
Mar-06	2,902.3	3,332.5	1,410.1	662.7	811.3	20.5	9,139.4
Jun-06	3,236.9	3,694.2	1,539.8	720.1	867.1	37.2	10,095.3
Sep-06	3,558.4	4,278.6	1,621.5	782.7	940.9	38.0	11,220.1
Dec-06	3,888.0	4,444.0	1,820.1	872.7	1,137.8	32.0	12,194.6
Mar-07	3,723.8	3,821.9	1,767.6	805.6	1,052.5	31.1	11,202.5
Jun-07	4,108.3	4,094.1	1,947.0	963.3	1,193.5	34.2	12,340.4
Sep-07	4,364.1	4,524.1	2,078.2	924.7	1,339.5	42.9	13,273.5
Dec-07	4,846.9	5,136.4	2,448.9	1,044.6	1,228.9	54.0	14,759.7
Mar-08	4,362.5	4,609.1	2,175.2	1,067.1	1,147.5	34.9	13,396.3
Jun-08	4,962.9	5,200.7	2,468.2	1,238.2	1,258.5	45.4	15,173.9
Sep-08	5,521.5	5,546.1	2,727.6	1,255.3	1,284.3	51.8	16,386.6
Dec-08	5,769.4	5,609.2	2,893.3	1,316.3	1,388.4	16.8	16,993.4
Mar-09	4,859.7	4,760.9	2,267.2	1,134.2	1,105.4	13.6	14,141.0
Jun-09	5,104.5	4,921.0	2,354.6	1,292.8	1,151.0	13.4	14,837.4
Sep-09	5,280.5	5,069.4	2,496.5	1,239.2	1,033.5	12.5	15,131.6
Dec-09	5,498.2	4,870.5	2,809.9	1,233.7	1,290.7	15.6	15,718.6

Quarter	NSW/ACT	Vic	QLD	SA & NT	WA	TAS	Total
Dec-04	2,901.3	3,309.6	1,569.0	637.8	697.9	2.9	9,118.4
Mar-05	2,476.9	2,785.7	1,417.8	527.7	609.0	1.9	7,819.0
Jun-05	2,987.4	3,092.3	1,507.1	563.1	770.2	1.9	8,922.0
Sep-05	3,074.7	3,569.8	1,670.7	591.1	815.7	2.0	9,723.9
Dec-05	3,394.7	4,013.4	1,757.6	692.5	983.9	2.0	10,844.1
Mar-06	3,198.7	3,505.3	1,609.5	708.0	859.7	22.3	9,903.5
Jun-06	3,545.8	3,862.4	1,782.7	764.3	917.4	38.8	10,911.4
Sep-06	3,893.2	4,461.5	1,888.6	818.6	1,001.6	40.0	12,103.5
Dec-06	4,222.3	4,638.2	2,081.6	910.4	1,204.1	34.5	13,091.1
Mar-07	4,008.5	3,979.6	1,985.2	841.2	1,113.1	32.6	11,960.2
Jun-07	4,402.1	4,254.4	2,206.7	994.3	1,259.0	36.6	13,153.1
Sep-07	4,663.6	4,716.7	2,335.7	951.3	1,409.3	45.5	14,122.1
Dec-07	5,169.6	5,365.3	2,684.8	1,075.5	1,298.6	56.5	15,650.3
Mar-08	4,629.3	4,802.0	2,360.4	1,095.8	1,211.7	41.2	14,140.4
Jun-08	5,229.6	5,367.4	2,661.8	1,263.8	1,337.2	52.2	15,912.0
Sep-08	5,794.8	5,713.5	2,932.6	1,280.6	1,364.0	57.0	17,142.5
Dec-08	6,104.4	5,824.1	3,104.1	1,342.3	1,501.6	27.9	17,904.4
Mar-09	5,104.5	4,938.8	2,433.4	1,155.2	1,207.8	21.9	14,861.6
Jun-09	5,339.8	5,118.9	2,515.4	1,313.8	1,275.1	21.7	15,584.8
Sep-09	5,524.0	5,315.5	2,680.2	1,263.2	1,171.8	18.0	15,972.8
Dec-09	5,753.2	5,129.4	2,997.2	1,257.3	1,448.7	18.3	16,604.0

Table 5: Debtor Finance Index**Table 5 - Debtor Finance Index**

	\$m Turnover in 12 Months to End of Quarter			Index
	Factoring	Discounting	Total	
Dec-00	2078.3	8883.6	10961.8	100.0
Mar-01	2124.6	9557.2	11681.8	106.6
Jun-01	2188.0	10246.2	12434.2	113.4
Sep-01	2230.4	10632.7	12863.1	117.3
Dec-01	2280.9	11232.3	13513.2	123.3
Mar-02	2323.3	11863.3	14186.6	129.4
Jun-02	2360.5	12804.2	15164.6	138.3
Sep-02	2410.3	14014.6	16424.9	149.8
Dec-02	2511.3	15180.0	17691.3	161.4
Mar-03	2597.9	16337.3	18935.2	172.7
Jun-03	2763.8	17315.7	20079.4	183.2
Sep-03	2898.9	18487.1	21386.0	195.1
Dec-03	2975.0	20182.8	23157.7	211.3
Mar-04	3059.4	21901.2	24960.6	227.7
Jun-04	3061.4	23914.0	26975.4	246.1
Sep-04	3103.4	26162.6	29266.0	267.0
Dec-04	3151.1	28268.4	31419.5	286.6
Mar-05	3165.9	29398.2	32564.2	297.1
Jun-05	3230.6	31000.8	34231.5	312.3
Sep-05	3278.9	32304.5	35583.4	324.6
Dec-05	3282.9	34026.3	37309.2	340.4
Mar-06	3306.6	36087.1	39393.7	359.4
Jun-06	3313.5	38069.5	41383.1	377.5
Sep-06	3321.2	40441.3	43762.5	399.2
Dec-06	3360.1	42649.4	46009.5	419.7
Mar-07	3353.7	44712.5	48066.2	438.5
Jun-07	3350.3	46957.6	50307.9	458.9
Sep-07	3315.5	49011.0	52326.5	477.4
Dec-07	3309.6	51576.1	54885.7	500.7
Mar-08	3296.0	53769.9	57065.9	520.6
Jun-08	3221.4	56603.4	59824.8	545.8
Sep-08	3128.7	59716.5	62845.2	573.3
Dec-08	3149.1	61950.2	65099.3	593.9
Mar-09	3125.6	62694.9	65820.5	600.5
Jun-09	3134.9	62358.4	65493.3	597.5
Sep-09	3220.2	61103.4	64323.6	586.8
Dec-09	3194.7	59828.6	63023.3	574.9

DEFINITIONS

Invoice Discounter – Company buying the debt

Factor – Company buying the debt

Client – Business selling the debt

Debtor – Party liable for paying the debt

Debt – Trade debts payable by the debtors

Invoice Discounting: The sale by a business (the Client) and the purchase by the Discounter of trade debts on a continuing basis. The Client retains the sales accounting functions and is responsible for collection of the debts. The Debtors are usually unaware of the involvement of the Discounter.

Factoring: The sale by a business (the Client) and the purchase by the Factor of trade debts on a continuing basis. The Factor will carry out some part of the sales accounting function, as agreed between the Client and the Factor. The Debtors are aware that the debts have been assigned to the Factor, and that payment must be made to the Factor to discharge the debt.

Turnover: The face value of Debts purchased (including GST).

Receivables: The total of amounts due from Debtors at a point in time.

Net Payments: The balance of payments and charges made to Clients at a given point in time.

SECTORAL DEFINITIONS

Agriculture & Mining: Includes all clients engaged in providing related services such as sheep shearing, aerial agricultural services, harvesting or forest protection, mineral exploration on own account, in provision of services to mining or mineral exploration, and mining enterprises under development.

Manufacturing: Includes all clients engaged in manufacturing products, where ‘manufacturing relates to the physical or chemical transformation of material or components into new products’.

Construction: Includes all clients engaged in special trade construction such a plumbing, earthmoving and dredging, painting etc.

Wholesale Trade: Includes all clients engaged in the resale of goods to retailers or other wholesalers, or to institutional (including Government), professional or other business users.

Retail Trade: Includes all clients engaged in the resale of goods to final consumers for personal or household consumption.

Transport & storage: Includes all clients engaged in providing terminal and storage facilities; services related to transport, booking, travel, forwarding, material handling etc.

Property & Business Services: Includes all clients engaged in valuing, purchasing, selling, renting, leasing or managing real estate; developing or subdividing land; scientific research and meteorological services; providing technical, legal, accounting and other business services; and renting and hiring equipment (except cars, trucks and other transport equipment).

Other: All clients engaged in enterprises not elsewhere classified.