

Australian Small Businesses Factoring Receivables to Access Funding

Tighter Bank Credit Driving SME's to Funding Offered by Factoring Companies

Sydney, NSW (PR Wire –25 November 2011) – The Interface Financial Group (IFG), a growing source of alternative funding for Australian small businesses, announced that the company offers support to small businesses who are finding it challenging to access business loans from the banking sector as credit criteria continues to tighten. IFG provides short-term financial resources including single and batch invoice discounting to companies in Australia, New Zealand, the UK, Ireland, the United States, Canada, and Singapore. The global economic challenges - particularly the debt crises in the Eurozone and the slow recovery in the United States - are making it more difficult for the Australian banks to obtain wholesale funding at attractive rates. A repricing of risk has occurred in international markets and the relative outperformance of the Australian economy has still left the local banks vulnerable to these headwinds. David Hechter, chief operating officer for IFG in Australia said that small businesses will continue to find it tough accessing credit from the banks as the offshore debt crises evolve. “Small businesses are unlikely to see any loosening of the credit criteria set by the banks in Australia because this segment is already viewed as quite risky. In the current environment, we would expect to see scarce bank capital be targeted toward the big end of town through corporate loans and residential mortgages. This is where the banks can earn the most reliable return on equity for their shareholders. As a result, we are seeing more small businesses exploring the benefits of factoring and invoice discounting.”By discounting invoices through one of Australia's factoring companies, SME's can realise superior benefits as compared to conventional bank loans. Invoice discounting allows a small business to use the facility only as required without having to be locked in for a particular term. In addition, a factoring or invoice discounting facility can grow in line with the value of the accounts receivable. Factoring belongs to the family of debtor finance products where a company can use one of its most valuable assets – its strong customer base – as a source of cash flow by selling these invoices to one of Australia's factoring companies. With invoice discounting, there are no minimums, no maximums, no long-term commitments and no lengthy application process.

About The Interface Financial Group (www.ifgnetwork.com.au)The Interface Financial Group (IFG) provides short-term financial resources including invoice factoring (invoice discounting). IFG launched the Australia operation in 2006 following the success of its New Zealand businesses which commenced in 2004. IFG's innovative products also include spot factoring – the purchase of a single invoice or number of invoices. IFG does not require the whole debtor book. The IFG Network is the funding arm of The Interface Financial Group providing capital and transactional support to IFG's international office network. IFG has grown to over (150) international offices in Australia, UK, the United States, Canada, Ireland, New Zealand, and Singapore. Each IFG office is managed on a local level, providing immediate service to clients with local knowledge and experience. This makes IFG unique to all other factoring companies in Australia. The IFG team has substantial business experience and expertise in numerous diverse areas, including accounting, finance, law, marketing, banking, etc.W: <http://ifgnetwork.com.au>/Headquarters: The Interface Financial Group Suite 1, Level 3, 179 New South Head Road Edgecliff, NSW 2027T: Toll Free: 1300 957 900