Export Finance Australia

The ratings of Export Finance Australia (EFA) reflect the Australian government's legislative guarantee for all of EFA's debt obligations. This results in EFA's ratings being equalised with those of Australia (AAA/Stable) under Fitch Ratings' *Government-Related Entities (GRE) Rating Criteria*.

We believe the government's close oversight of EFA would ensure timely payment in the event the guarantee is called, and that the guarantee will remain in place at least for the medium term, given its legislative grounding within the Export Finance and Insurance Corporation Act 1991 (EFIC Act).

Key Rating Drivers

Responsibility to Support: EFA benefits from a 'Very Strong' government responsibility to support, underpinned by formalised oversight and strategic alignment. The government sets key parameters for EFA's National Interest Account (NIA) and imposes lending ceilings on its Commercial Account (CA). Ministerial board appointments and structured reporting reinforce oversight and transparency. EFA's debt is guaranteed, with a callable capital backstop, supporting a high likelihood of continued sovereign backing.

Incentive to Support: EFA plays a pivotal role in advancing Australia's strategic and economic agenda, with a mandate tightly aligned to national policy. Its failure would disrupt trade finance, regional infrastructure and sovereign credibility, creating strong incentives for continued support. As a frequent issuer in debt markets, a default by EFA would impair investor confidence and raise contagion risks across the public sector. Its state-owned status and execution of policy initiatives under the NIA reinforce its systemic importance.

Single Factor Leading to Equalisation: EFA's debt is fully guaranteed by the government, which leads to an equalisation of EFA's ratings with those of the Australian sovereign, irrespective of the support factors and EFA's standalone credit assessment.

Ratings

Foreign Currency

Long-Term IDR	AAA
Short-Term IDR	F1+

Local Currency

Long-Term IDR	AAA
Short-Term IDR	F1+

Outlooks

Long-Term Foreign-Currency IDR	Stable
Long-Term Local-Currency IDR	Stable

Debt Ratings

Senior Unsecured Debt - Long-Term Rating	AAA
Senior Unsecured Debt - Short-Term Rating	F1+

Issuer Profile Summary

EFA is Australia's export credit agency, providing financing to support the country's export trade and offshore infrastructure development.

Financial Data Summary

(AUDm)	FY24	FY25
Interest revenue	277	313
Net interest income	29	35
Net profit (loss)	27	37
Total assets	3,361	4,438
Total debt	2,325	3,371
Net interest income/earning assets (%)	1.2	1.0
Long-term debt/total equity and reserves (%)	189	334

Note: Commercial account only
Source: Fitch Ratings, EFA

Applicable Criteria

Public Policy Revenue-Supported Entities Rating Criteria (January 2024)

Government-Related Entities Rating Criteria (July 2025)

Related Research

Fitch Affirms Australia at 'AAA'; Outlook Stable (November 2024)

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Rating Synopsis

We believe extraordinary support from the government to EFA would be 'Virtually Certain' if needed, as reflected in a support score of 60 out of a maximum 60 under our GRE criteria. This is based on our assessment of the government's responsibility and incentive to provide support.

A Standalone Credit Profile (SCP) is not meaningful because we believe the entity cannot be effectively separated from the government, due to the structural, operational and financial factors that deeply embed it within the government's policy and fiscal framework. EFA's role is instrumental in executing national policy, particularly in strategic sectors, such as critical minerals, defence and regional infrastructure.

Export Finance Australia Rating Derivation

Summary	
Government LT IDR	AAA
GRE Standalone Credit Profile (SCP)	No SCP
Support category	Virtually certain
Notching expression	Equalised
Single equalisation factor	No
GRE LT IDR	AAA
GRE Key Risk Factors and Support Score	
Responsibility to support	20
Decision making and oversight	Very Strong
Precedents of support	Very Strong
Incentives to support	40
Preservation of government policy role	Very Strong
Contagion risk	Very Strong
Support score	60 (max 60)
Stylized Notching Guideline Table	
Support score	**Notching expression**
>=45	Equalised
35-42.5	Top down - 1
30-32.5	Top down - 2
20-25	Top down - 3
<=15	Not ratable

Government LT IDR	GRE LT IDR
AAA	AAA
AA+	AA+
AA	AA
AA-	AA-
A+	A+
A	A
A-	A-
BBB+	BBB+
BBB	BBB
BBB-	BBB-
BB+	BB+
BB	BB
BB-	BB-
B+	B+
B	B
B-	B-
CCC+	CCC+
CCC	CCC
CCC-	CCC-
CC	CC
C	C
RD	RD
D	D

Note: Refer to the GRE criteria for further details
LT IDR – Long-Term Issuer Default Rating; GRE – Government-related entity
Source: Fitch Ratings

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- EFA's ratings are at the highest level on Fitch's rating scale and cannot be upgraded.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Negative rating action on Australia would result in similar action on EFA's ratings.
- Removal of, or a material reduction in, the sovereign guarantee could also lead to a downgrade.

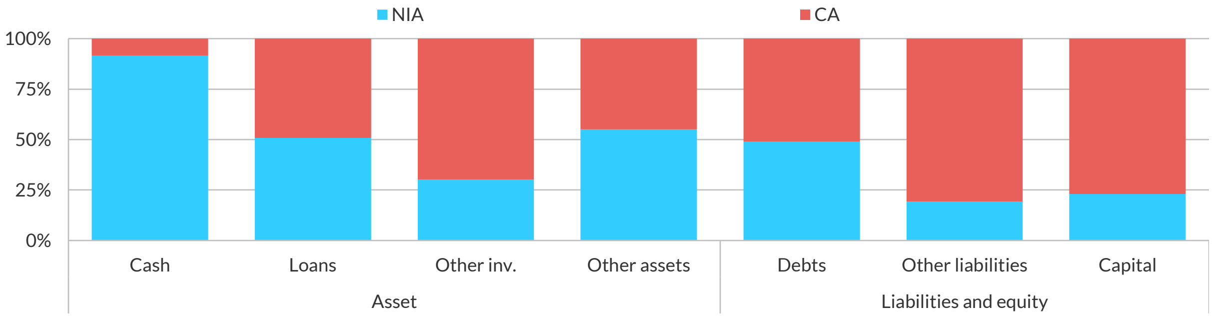
Issuer Profile

EFA, established under the EFIC Act, is Australia's export credit agency with a purpose to support export trade and overseas infrastructure development. EFA provides financial solutions, and information aimed at sector growth.

EFA's finance solutions cater to a broad spectrum ranging from small and medium-sized enterprises to large corporates, foreign governments and various infrastructure projects. EFA partners with banks and other financial institutions, and government departments and agencies, such as the Department of Foreign Affairs and Trade, and the Australian Trade and Investment Commission, to mitigate financing risks and expand business opportunities.

EFA administers the Australian government's NIA, including the Critical Minerals Facility, Defence Export Facility, the Southeast Asia Investment Financing Facility and loans for the Australian Infrastructure Financing Facility for the Pacific. EFA is pivotal in fostering Australia's export competitiveness and infrastructure growth, particularly in scenarios where traditional private-sector financing is inaccessible.

Composition of CA and NIA (FY25)



Source: Fitch Ratings, EFA

Support Rating Factors

Summary

Responsibility to support		Incentives to support			
Decision making and oversight	**Precedents of support**	**Preservation of government policy role**	**Contagion risk**	**Support score**	**Support category**
Very Strong	Very Strong	Very Strong	Very Strong	60 (max 60)	Virtually Certain

Source: Fitch Ratings

Decision Making and Oversight

EFA operates under the close and formalised direction of the government, primarily through the NIA. The account is strategically important and represents a large share of EFA's portfolio, with the government setting its key parameters. The government also places the ceiling on EFA's loans and contingent liability for the Commercial Account, which EFA also operates.

EFA's governance is further reinforced by ministerial appointment of board members and by regular, structured reporting to the government on EFA's operations and outcomes. This framework allows the government to set expectations, approve key financial limits and align EFA's activities with national economic and trade objectives. The depth of control and transparency embedded in these arrangements supports a 'Very Strong' assessment for decision-making and oversight.

Precedents of Support

EFA operates within a stable, well-defined government support framework that underpins its funding flexibility and balance-sheet strength. The government provides an explicit guarantee over EFA's debt obligations and maintains a callable capital backstop – that had yet never been called – to bolster the Commercial Account as needed. We believe the depth and consistency of sovereign backing signal a policy commitment and consider continued support to be highly probable.

Preservation of Government Policy Role

EFA is central to advancing Australia's economic and strategic agenda, with a mandate to support trade, facilitate priority projects and deliver initiatives aligned with national policy objectives. We believe EFA's failure would reverberate widely, disrupting trade finance flows and regional infrastructure projects and would undermine confidence in government-backed development efforts. Policymakers have strong incentives to sustain EFA's creditworthiness and operational continuity, as it aims to further Australia's geopolitical and institutional priorities.

Contagion Risk

EFA is an active issuer in domestic and international debt markets, reflecting its role in channelling funding to Australia's export sector and executing policy initiatives under the NIA. Its status as a state-owned corporate entity anchors strong investor confidence and facilitates regular market access. Given this close sovereign linkage, we believe a failure by EFA would have negative implications for other government-related entities, damaging the market's perception of the government and raising funding risks across the public sector.

Other Support Factors Considerations

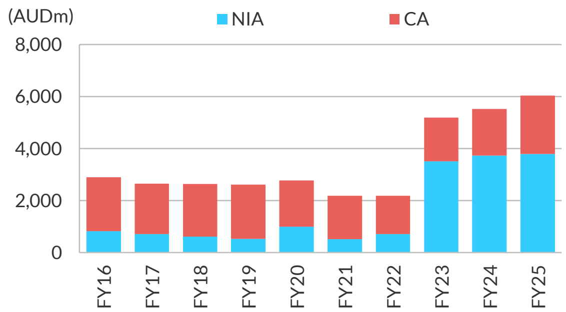
EFA's debt is guaranteed by the government, which leads us to equalise EFA's ratings with those of the sovereign, irrespective of the support factors or EFA's standalone credit assessment.

Operating Performance

EFA's fiscal year end-June 2025 (FY25) results reflect continued expansion of its strategic mandate, translating into robust growth in its outstanding facilities. The CA delivered improved profitability, enhanced cost efficiency, and maintained strong capital adequacy, underscoring the entity's resilience and operational discipline.

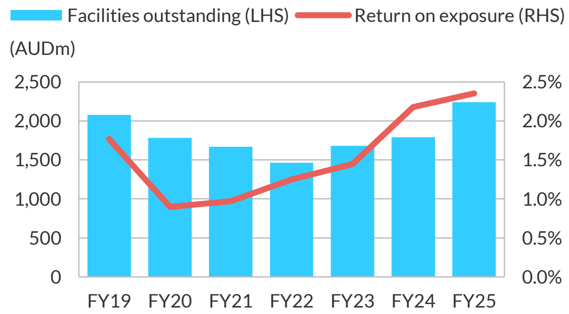
Total client facilities outstanding increased to AUD6.0 billion (FY24: AUD5.5 billion), driven mainly by a 25% yoy uplift in CA facilities to AUD2.2 billion. The CA signed AUD1.5 billion in FY25, marking a 48% yoy increase, while operating income rose 16% yoy to AUD109.8 million, driven by higher transaction volumes and annuity income from prior year signings. Cost discipline continued with operating expenses contained at AUD54 million, up just 1.3% yoy. This translated into a cost to income ratio of 49.4%, down from 56.3% in FY24, reflecting improved operational leverage.

Facilities Outstanding



Source: Fitch Ratings, EFA

Return on Exposure (CA)

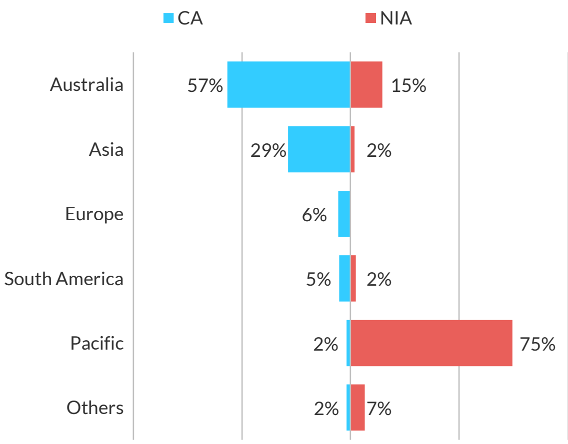


Source: Fitch Ratings, EFA

Return on exposure, defined as profit before tax over total CA exposure, improved to 2.4% (FY24: 2.2%), indicating stable risk-adjusted returns and portfolio performance. The capital adequacy ratio, inclusive of callable capital, stood at 45.9%, reinforcing EFA's capacity to absorb financial shocks and support high-risk sectors.

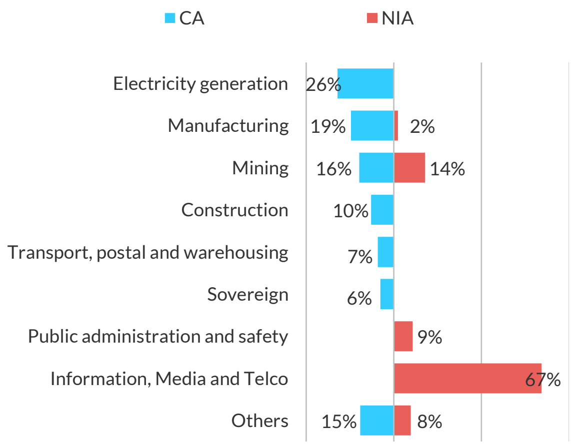
The NIA continued to support priority sectors including clean energy, critical minerals and defence exports. In FY25, EFA signed AUD635 million under the NIA, lifting total outstanding facilities to AUD3.8 billion, with notable exposure to telecommunications (67.3%) and the Pacific region (74.5%). The NIA recorded a loss of AUD209 million, driven by adverse fair value adjustments and elevated credit risk provisions, despite its strategic importance. These losses were fully absorbed by the government.

Exposure Breakdown by Region



Source: Fitch Ratings, EFA

Exposure Breakdown by Sector



Source: Fitch Ratings, EFA

Interest Income Summary (FY25)

(AUDm)	CA	% of interest revenue	NIA	% of interest revenue	Combined	% of interest revenue
Interest on loans	107.2	34	109.7	49	216.9	40
Interest on deposits	54.8	18	0.9	0.4	55.7	10
Interest on securities	37.1	12	0.0	0	37.1	7
Other interest revenue	113.6	36	113.9	51	227.5	42
Interest revenue	**312.7**	**100**	**224.5**	**100**	**537.2**	**100**
Interest expenditure	-277.8	-	-276.5	-	-554.3	-
Net interest income	34.9	-	-52.0	-	-17.1	-
Net interest margin (%)	1.0		n.m.		n.m.	

Source: Fitch Ratings, Fitch Solutions, Export Finance Australia

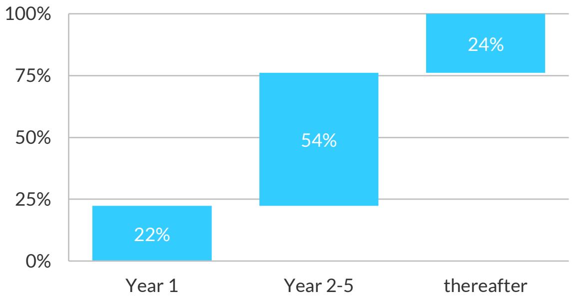
Debt and Liquidity Analysis

Total borrowings expanded by 22% yoy to AUD6.6 billion in FY25, comprising AUD3.4 billion under the CA and AUD3.2 billion under the NIA. The increase was primarily driven by growth in CA lending activity, which necessitated increased funding through debt markets. Around 71% of borrowings were US dollar-denominated, aligned with the currency composition of EFA's loan book, ensuring natural hedging and alignment with borrower needs. Funding is sourced predominantly through medium-term notes and euro commercial paper programmes.

EFA's liquidity position remains robust, underpinned by AUD1.2 billion in callable capital, AUD1.3 billion in deposits, and AUD800 million in investment securities. The government guarantee on borrowings continues to be a distinctive advantage, supporting investor confidence and enabling access to competitively priced funding. Hedging strategies — including cross-currency swaps and interest rate swaps — are deployed to mitigate risks in foreign exchange and interest rates across the portfolio.

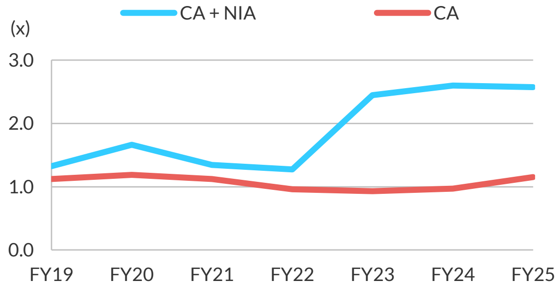
The CA's maximum liability cap of AUD6.5 billion imposes regulatory discipline and risk containment. The ratio of net debt to equity in CA edged up slightly to 1.1x in FY25 from 1.0x in FY24 (inclusive of callable capital), while loans to equity rose to 1.2x from 1.0x, reflecting the scale-up in CA activity. EFA's capital structure, combined with sovereign backing and conservative risk management, positions the entity well to withstand market volatility and to pursue its mandated support for higher-risk strategic sectors.

Debt Maturity (FY25)



Source: Fitch Ratings, EFA

Net Debt to Equity



Note: equity including callable capital
Source: Fitch Ratings, EFA

Debt Analysis

(AUDm)	FY25	% of total debt
Total debt	6,620	-
Issued debt	5,710	86.3
Short term debt	1,480	22.4
Government-related debt	0	0.0
Debt in foreign currency	4,797	72.5

Source: Fitch Ratings, Fitch Solutions, Export Finance Australia

Short-Term Rating Derivation

EFA's Short-Term IDRs are equalised with those of Australia under our criteria, given the equalisation of the Long-Term IDRs.

Debt Ratings

EFA's long-term debt programmes are rated in line with its Long-Term IDR, and the short-term programme rating is aligned to its Short-Term IDR.

Peer Analysis

Peer Comparison

	Risk profile	Financial profile	SCP	Support category	Notching expression	Single equalisation factor	LT IDR
Export Finance Australia	-	-	n.a.	Virtually Certain	Equalised	Yes	AAA/Stable
SACE S.p.A.	Midrange	aaa	bbb+	Virtually Certain	Equalised	No	BBB+/Stable
Clifford Capital Holdings Pte. Ltd.	-	-	n.a.	Virtually Certain	Equalised	Yes	AAA/Stable
EPIC Bpifrance	-	-	n.a.	Virtually Certain	Equalised	No	A+/Stable
Agence Francaise de Developpement	-	-	n.a.	Virtually Certain	Equalised	No	A+/Stable
Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.	-	-	n.a.	Virtually Certain	Equalised	Yes	AAA/Stable
Institut Catala de Finances	-	-	n.a.	Extremely Likely	Top-down - 1	Yes	BBB+/Stable

n.a. is not applicable
Source: Fitch Ratings

Our support assessment considers strong sponsor oversight and a legislative framework that includes a guarantee on debt obligations. EFA and Italy's SACE S.p.A. (BBB+/Stable) are positioned as sole export credit agencies in their markets, fulfilling policy roles with no direct substitutes. This underpins our 'Very Strong' assessments for both entities for the preservation of government policy role rating factor. EFA's 'Very Strong' contagion risk assessment reflects its proximity to the government, similar to EPIC Bpifrance (A+/Stable) and Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (AAA/Stable)

ESG Considerations

Fitch does not provide ESG relevance scores for EFA. Where Fitch does not provide ESG relevance scores in connection with the credit rating of a transaction, programme, instrument or issuer, Fitch will disclose any ESG factor that is a key rating driver in the key rating drivers section of the relevant rating action commentary. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/topics/esg/products.

Appendix A: Financial Data

Export Finance Australia

(AUDm)	FY21	FY22	FY23	FY24	FY25
Income statement					
Interest revenue	69	59	317	512	537
Interest expenditure	-53	-51	-361	-541	-554
Net interest income	16	8	-44	-28	-17
Net fees and commissions	15	15	15	13	13
Other operating income	47	58	66	46	-29
Personal expenses	-20	-22	-28	-33	-38
Other operating expenses	-14	-25	-34	-35	-28
Net gains and losses on securities and trading	0	0	3	-5	-16
Net operating income (loss)	44	35	-23	-42	-116
Provisions	3	-8	-13	-10	-41
Taxation	-5	-6	-7	-12	-16
Net profit (loss)	42	21	-43	-64	-172
Balance sheet					
Assets					
Cash and cash equivalents	13	19	124	173	196
Deposits with banks	138	3,148	946	535	1,262
Loans	2,016	2,208	3,534	3,881	4,401
Long-term Investments	856	892	1,720	1,736	1,688
Fixed assets	109	143	140	139	118
Other long-term assets	91	47	117	160	314
Total assets	3,222	6,457	6,581	6,623	7,978
Liabilities & equity					
Short-term borrowing	803	3,596	2,081	1,517	1,480
Other short-term liabilities	18	62	232	185	290
Debt maturing after one year	1,692	1,847	3,384	3,908	5,140
Other provisions and reserves	15	16	20	96	102
Other long-term liabilities	151	349	267	300	161
Share capital	206	206	206	206	391
Reserves and retained earnings	337	381	392	410	414
Equity and reserves	543	587	598	616	805
Total liabilities and equity	3,222	6,457	6,581	6,623	7,978

Note: combined statements of commercial account and national interest account
Source: Fitch Ratings, Fitch Solutions, Export Finance Australia

Appendix B: Financial Ratios

Export Finance Australia

(%)	FY21	FY22	FY23	FY24	FY25
Performance					
Interest revenue on loans/loans	1.0	0.8	3.5	5.9	4.9
Interest expense/borrowings and deposits	2.1	0.9	6.6	10.0	8.4
Net operating income/equity and reserves[a]	3.0	3.1	4.1	6.3	8.5
Net operating income/total assets	1.4	0.5	-0.3	-0.6	-1.4
Credit portfolio					
Growth of total assets	-23.1	100	1.9	0.6	20.5
Growth of loans	-31.1	8.8	56.6	9.2	12.8
Impaired loans/total loans	6.1	5.7	2.9	2.2	1.5
Reserves for impaired loans/impaired loans	78	72	68	67	63
Debt and liquidity					
Long-term debt/total equity and reserves	312	315	566	634	638
Total deposits and debt/total assets	77	84	83	82	83
Capitalisation					
Equity and reserves/total assets	16.9	9.1	9.1	9.3	10.1
Profit after tax/total equity and reserves[a]	2.1	2.2	2.8	4.4	6.0
Loans/equity and reserves	390	392	603	639	552
Regulatory capital adequacy ratio[b]	57.5	64.0	55.6	50.1	45.9

[a] Commercial account only
[b] including callable capital
Note: combined statements of commercial account and national interest account
Source: Fitch Ratings, Fitch Solutions, Export Finance Australia

SOLICITATION & PARTICIPATION STATUS

For information on the solicitation status of the ratings included within this report, please refer to the solicitation status shown in the relevant entity's summary page of the Fitch Ratings website.

For information on the participation status in the rating process of an issuer listed in this report, please refer to the most recent rating action commentary for the relevant issuer, available on the Fitch Ratings website.