

RatingsDirect®

Export Finance Australia

Primary Credit Analyst:

Nico N DeLange, Sydney + 61 2 9255 9887; nico.delange@spglobal.com

Secondary Contact:

Sharad Jain, Melbourne + 61 3 9631 2077; sharad.jain@spglobal.com

Table Of Contents

Outlook

Rationale

Related Criteria

Export Finance Australia

Issuer Credit Rating

AAA/Stable/A-1+

Outlook

Our stable outlook on Export Finance Australia (EFA) mirrors that on Australia and reflects our view that our ratings on EFA are unlikely to change in the next two years. We expect our ratings on EFA to continue to be equalized to those on Australia, reflecting the legislative guarantee on EFA's obligations.

Downside scenario

We would expect to lower our ratings on EFA if we lowered the ratings on Australia. We would also lower the ratings if we considered that there was a weakening in the guarantee from the government of Australia, or changes to the framework for timely payment under the guarantee, if needed.

Rationale

We equalize our ratings on EFA with those on Australia. This incorporates our assessment of the government's legislative guarantee on EFA's obligations as they fall due. We note that EFA's debt issuance program has defined grace periods of 30 days on interest payments and 15 days on principal payments.

We expect that government support, if needed, will be made available within the above time frames, because:

- The Australian government guarantees the payment of money that is--or may at any time become--payable by EFA to anybody other than the government.
- We believe a parliamentary vote is not required for the timely release of funding support, if needed; and
- We believe the government would receive timely information on any potential impediments in EFA's ability to meet its debt obligations in a timely manner because of regular reporting and oversight.

EFA has access to additional capital through a A\$1.2 billion callable capital facility from the Australian government. As at Oct. 31, 2021, the government's total contingent liability in relation to EFA was A\$3.2 billion, accounting for about 0.6% of Australia's estimate of general government revenue over fiscal 2021 (June 30, 2021). Of these exposures, A\$2.8 billion relates to EFA's commercial account and the remaining A\$0.4 billion relates to the national interest account.

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- Criteria | Governments | Sovereigns: Sovereign Rating Methodology, Dec. 18, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

S&P Global Ratings Australia Pty Ltd holds Australian financial services license number 337565 under the Corporations Act 2001. S&P Global Ratings' credit ratings and related research are not intended for and must not be distributed to any person in Australia other than a wholesale client (as defined in Chapter 7 of the Corporations Act).

Ratings Detail (As Of March 18, 2022)*

Export Finance Australia

Issuer Credit Rating	AAA/Stable/A-1+
Senior Unsecured	AAA

Issuer Credit Ratings History

07-Jun-2021	AAA/Stable/A-1+
08-Apr-2020	AAA/Negative/A-1+
20-Sep-2018	AAA/Stable/A-1+

Sovereign Rating

Australia	AAA/Stable/A-1+
-----------	-----------------

Related Entities

Australia

Issuer Credit Rating	AAA/Stable/A-1+
Transfer & Convertibility Assessment	AAA

Australian National University (The)

Issuer Credit Rating	AA+/Stable/A-1+
Senior Unsecured	AA+

Australian Postal Corp.

Issuer Credit Rating	A+/Stable/A-1
Senior Unsecured	A+
Short-Term Debt	A-1

National Housing Finance and Investment Corp.

Issuer Credit Rating	AAA/Stable/A-1+
----------------------	-----------------

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software, or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw, or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com and www.spcapitaliq.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.