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# Securing financing post credit crunch

July 2012

# The credit crunch has transformed the landscape...

## Iceland banks failed

**Iceland struggles for control as third bank is nationalised**

The Times, 10 October 2008

**Iceland takes over Glitnir Bank**

Global Banking News, 9 October 2008

## Irish banks failed

**Irish bank [Anglo Irish Bank] set to be nationalised**

16 January 2009

**Government to provide €3.5bn each for AIB and Bank of Ireland**

RTE, 11 February 2009

## UK banks failed

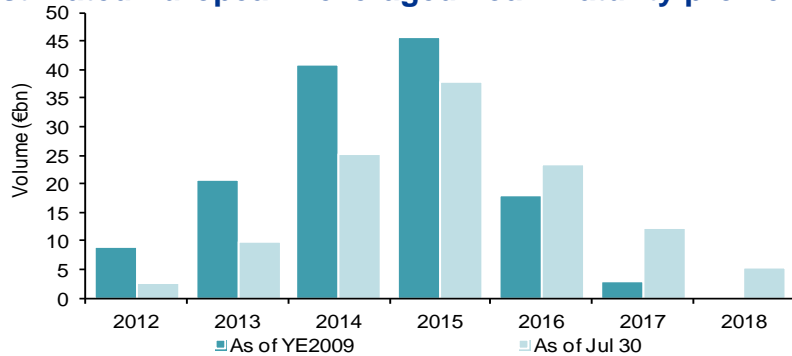
**UK banks receive £37bn bail-out**

bbc.co.uk, 13 October 2008

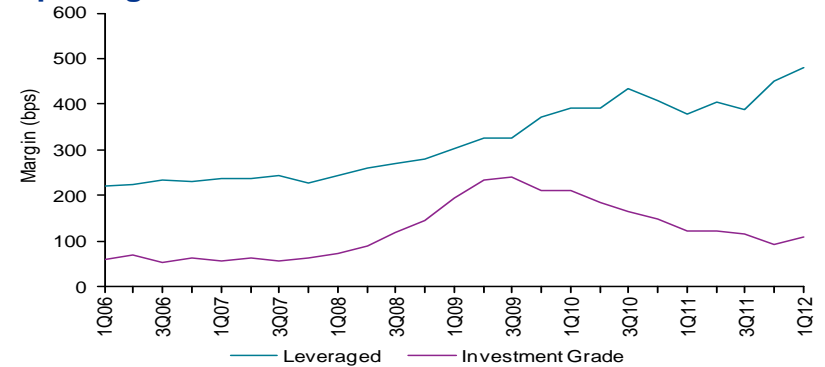
**There has been a fundamental reduction in bank capacity before lending 'appetite' and the current Eurozone crisis is even considered**

# ...and there's more good news on the way!

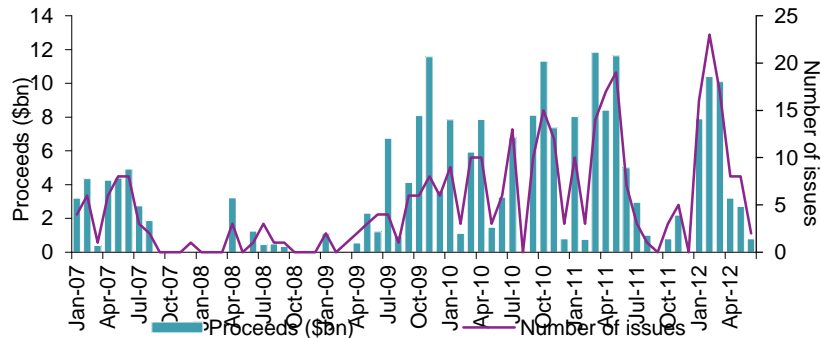
## Estimated European Leveraged Loan Maturity profile



## Loan pricing

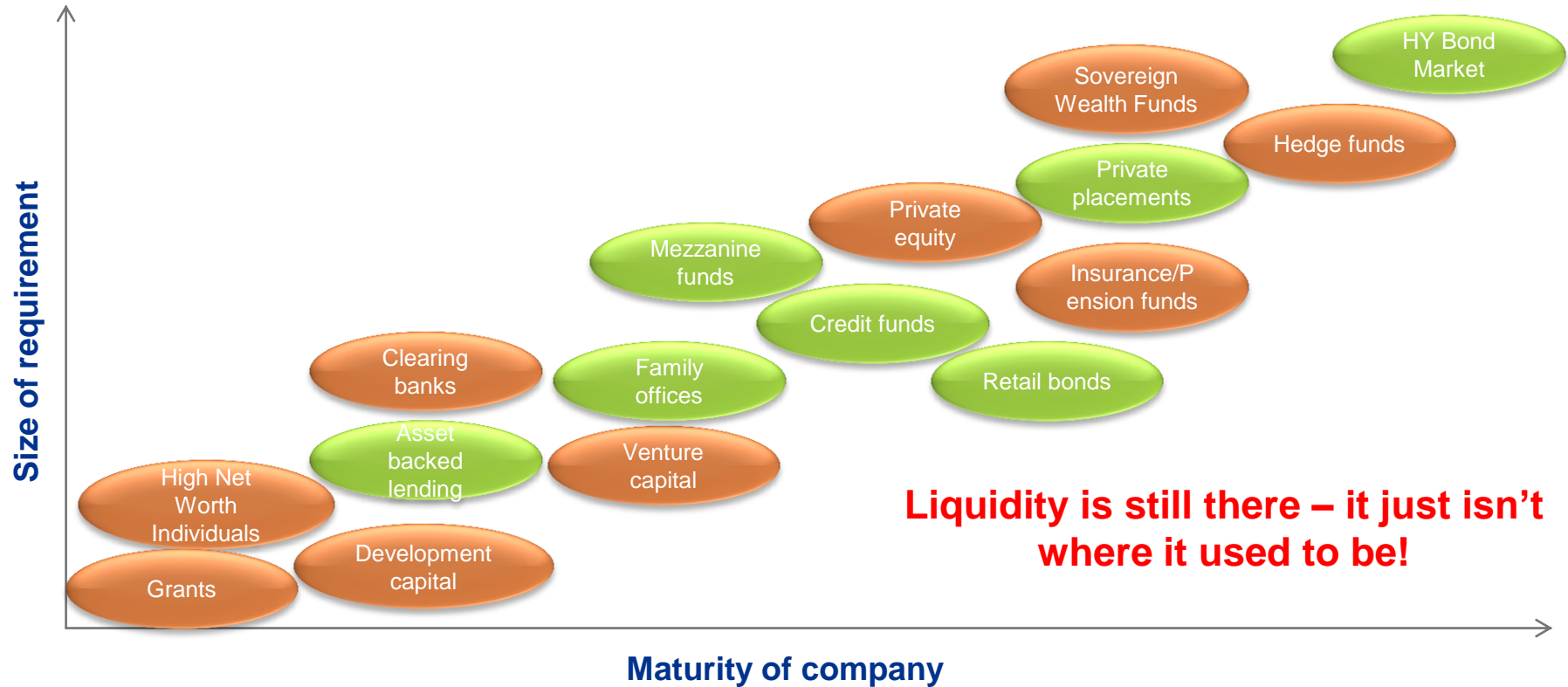


## High yield bond issuance



**Why is this relevant to West Midlands businesses?**

# The range of funding sources is increasing



# The State is looking to facilitate increased lending

## Existing options

**Enterprise Finance Guarantee**

**Business Angel Co-Investment Scheme**

**Project Merlin**

**Enterprise Capital Funds**

**Business Growth Fund**

## Not yet launched

**National Loan Guarantee Scheme**

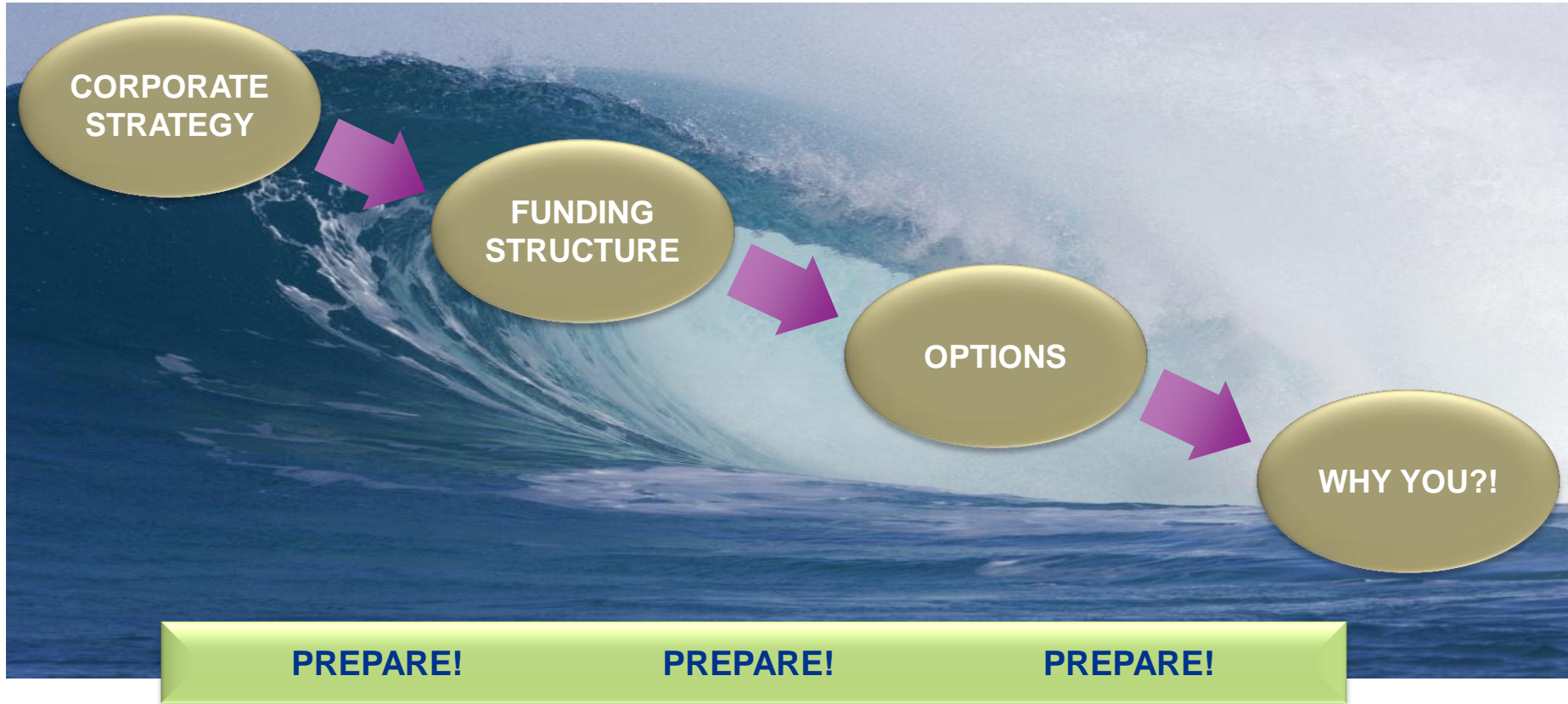
**Seed Enterprise Investment Scheme**

**Business Finance Partnership**

**Bank of England launches lending stimulus**

15 June 2012

# The steps to secure funding



# Maximise your planning time

Successful  
refinancing of your  
business



**T-12 to T-6 months**



**T-6 to T-3 months**



**T-3 to T0 months**



# Credit is scarce – how can you and your business stand out?

## What is the current 'bar'?

- Coherent and clear growth strategy
- Proven track record
- Management – incentivised and capable viz-a-viz 'growth and shocks'
- High quality financial information
- Risk awareness
- Detailed scenario planning

## Evidence sources

- Articulation of business strategy;
- Clear explanation of the business and its key drivers;
- Approach to mitigating risks;
- Robust forecasts;
- Rationale for financing requirement;
- External validation eg asset valuations, due diligence





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