



EGAP

Celebrating 25 Years of Progress



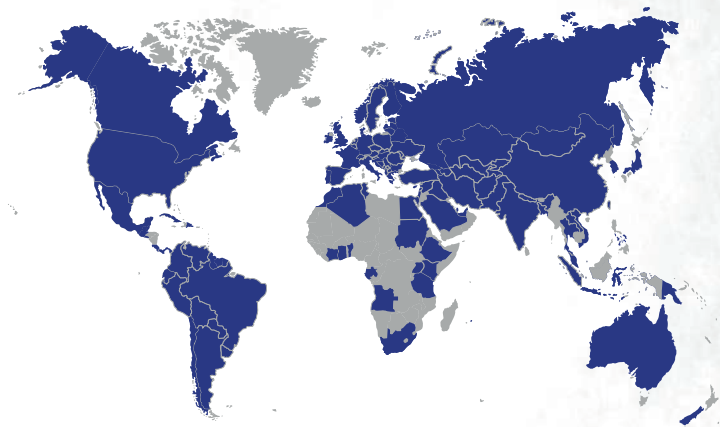
1992

2017

A Quarter Century

of the Czech Export Insurance

Over a quarter of a century, we have insured export for more than 800 billion CZK



AFGHANISTAN	BOSNA	ECUADOR	HUNGARY	KOSOVO	NEPAL	SALVADOR	THAILAND
ALBANIA	BRAZIL	EGYPT	CHILE	KYRGYZSTAN	NETHERLANDS	SAUDI ARABIA	TCHAJWAN
ALGERIA	BRITAIN	ESTONIA	CHINA	LAOS	NEW ZEALAND	SERBIA	TRINIDAD
ANGOLA	BULGARIA	ETHIOPIA	INDIA	LATVIA	NORWAY	SERBIA AND	TUNISIA
ARGENTINA	CANADA	FINLAND	INDONESIA	LEBANON	PAKISTAN	MONTENEGRO	TURKEY
ARMENIA	COLOMBIA	FR. GUYANA	IRAN	LITHUANIA	PANAMA	SLOVAKIA	TURKMENISTAN
AUSTRALIA	COSTA RICA	FRANCE	IRAQ	LUXEMBOURG	PAP. NEW GUINEA	SLOVENIA	UAE
AUSTRIA	CÔTE D'IVOIRE	GABON	IRELAND	MACEDONIA	PERU	SOUTH KOREA	UGANDA
AZERBAIJAN	CROATIA	GEORGIA	ISRAEL	MALAYSIA	PHILIPPINES	SPAIN	UKRAINE
BAHRAIN	CUBA	GERMANY	ITALY	MAURICIUS	POLAND	SUDAN	URUGUAY
BANGLADESH	CYPRUS	GHANA	JAPAN	MEXICO	PORTUGAL	SWEDEN	USA
BELARUS	CZECH REPUBLIC	GREECE	JORDAN	MOLDOVA	QATAR	SWITZERLAND	UZBEKISTAN
BELGIUM	DENMARK	GUATEMALA	JUGOSLAVIA	MONGOLIA	ROMANIA	SYRIA	VENEZUELA
BENIN	DOMINICAN	GUYANA	KAZAKHSTAN	MONTENEGRO	RSA	TAJIKISTAN	VIETNAM
BOLIVIA	REPUBLIC	HONG KONG	KENYA	MOROCCO	RUSSIA	TANZANIA	

Exportní garanční a pojišťovací společnost, a.s. (EGAP) was established in 1992 and during the 25 years of its existence it has insured exports worth more than 800 billion crowns. This includes export of goods, technology, services and investments which would probably never have taken place without EGAP insurance. EGAP's sole shareholder is the State which controls the company through 4 ministries (the Ministry of Finance, the Ministry of Industry and Trade, the Ministry of Foreign Affairs and the Ministry of Agriculture). Looking back at the past quarter of a century, it can be stated that it has fulfilled and still continues to fulfil its purpose for which it was established in February 1992. The main and clear objective of the State which established the insurance company was to create an institution supporting Czech exporters.

This objective has been achieved – to date EGAP has insured exports to 117 world countries. Every year, the insurance company's employees arrange deals worth tens of billions of crowns and thus help exporters get to markets where companies without State insurance could hardly be successful, if at all.

Basic information

- **Registered capital:** CZK 4,075 million
- **Shareholders:**
 - Ministry of Finance (40%)
 - Ministry of Industry and Trade (36%)
 - Ministry of Foreign Affairs of the Czech Republic (12%)
 - Ministry of Agriculture (12%)
- **Number of employees:** 120
- **EGAP's ownership interests in companies:**
 - Česká exportní banka, a. s. (16%)

Yet, the beginnings of EGAP were relatively modest – during the first several years, a couple of dozen employees had worked in particular on developing high-quality insurance products that could be offered by the insurance company to Czech exporters. It was also necessary to create a complete set of regulations on the basis of which the insurance company could pursue its activity.

First, the company developed insurance products for supplier-customer loans identified by letters B, C and D. Until 2005, EGAP had also provided commercial insurance which was identified by letter A. These products were developed by EGAP's employees under the assistance of their colleagues from State-owned

export insurance companies in other European countries such as Sweden or the Netherlands.

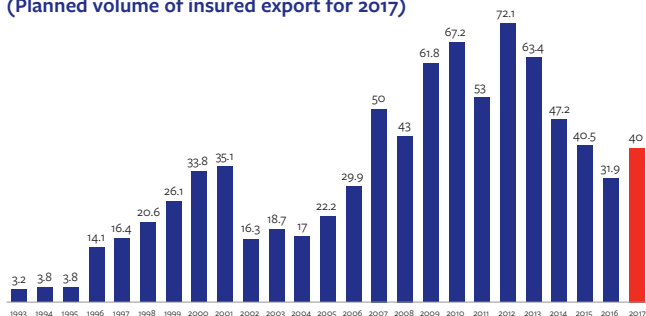
After these basic types of insurance had been created and put in use, EGAP started working on other insurance products. The aim was to expand the menu of insurance options for exporters, as well as to diversify the insurance portfolio. The number of insurance products thus gradually expanded up to the current scope.

EGAP's experts managed to maintain an innovative approach when developing new insurance policies and, in some cases, they even outstripped traditional export insurance companies in the countries of Western Europe. This was the case of pre-export financing loan insurance (product F) which was introduced by EGAP into the market of State-owned export insurance companies as the first in Europe and as one of the first worldwide.

With the developing portfolio of insurance products which EGAP was able to offer to the exporters, the volume of insurance transactions also gradually increased. While in 1993 EGAP concluded insurance contracts worth approx. two billion crowns, seven years later it was able to boast about new transactions worth almost 34 billion.

The first truly large project of a Czech company abroad was insured by EGAP already in 1996. Škoda Praha, a. s. secured a contract in Slovakia for delivery of technology for the first and second unit of the Mochovce nuclear power plant.

**Chart – Development of insured export from 1993
(Planned volume of insured export for 2017)**



EGAP provided insurance of an export customer loan for almost eight billion crowns.

One year later, ČKD Dopravní systémy, a. s. exported several dozen trams worth four billion crowns to the Philippines with EGAP insurance.

During subsequent years, EGAP participated in a number of interesting projects across the sectors. With its insurance, EGAP supported for example the export of aircraft to the USA, construction of hospitals in Russia or in Africa or extensive investments and supplies of power companies abroad.

One of the objectives pursued by the insurance company from the very onset was engaging in the activities of international organizations. The first was the International Union of Credit and Investment Insurers (Berne Union). Membership in the Berne Union is a prestigious and absolutely key matter for export insurance companies. Union members can exchange valuable information and experiences. EGAP became a so-called observer in 1996. Two years later, it received the status of a regular member as the first export insurance company of the countries of Central and Eastern Europe.

In addition to the Berne Union, EGAP, as the representative of the Czech Republic, became involved in the activity of the OECD in the framework of Arrangement on Officially Supported Export Credits (so-called OECD Consensus). The aim was to obtain membership in the framework of the so-called Consensus Participants. The insurance company became a member in 2001. As in the case of the Berne Union, the membership enabled EGAP access to valuable information and experiences of the other members. It may also participate in creating the rules regulating export support in the OECD countries.

During the period of its existence, EGAP has insured the export of:



27,500 cars



991 trolleybuses



4,900 buses



169 helicopters



4,220 trucks



59 power stations



1,550 tractors



65 airplanes

Products overview:

- B** Insurance of a Short Term Export Supplier Credit;
- Bf** Insurance of a Short Term Export Supplier Credit Financed by a Bank;
- C** Insurance of a Medium and Long Term Export Supplier Credit;
- Cf** Insurance of a Medium and Long Term Export Supplier Credit Financed by a Bank;
- D** Insurance of an Export Buyer Credit;
- E** Insurance of a Confirmed Letter of Credit;
- F** Insurance of a Credit for Pre Export Financing;
- I** Insurance of Investment of Czech Legal Persons in Foreign Countries;
- If** Insurance of a Credit for the Financing of Investments of Czech Legal Persons in Foreign Countries;
- V** Insurance against the Risk of Impossibility to Perform Export Contract (also known as Manufacturing Risk);
- Z** Insurance of Bank Guarantees Issued in Relation to an Export Contract;
- ZA** Active Reinsurance.



Several projects of Czech exporters
insured in 1992–2017 by the Exports Guarantee and
Insurance Corporation, joint stock company



AZERBAIJAN

Supply of 151 Buses for Bakubus

Exporter: Iveco Czech Republic, a.s.

Financed by: Komerční banka, a.s.

IVECO Czech Republic, the Czech bus manufacturer based in Vysoké Mýto, signed a contract for the supply of 151 buses, the value of which reached nearly CZK 900mn. The bus fleet in the capital city of Baku was renewed in 2015, primarily due to the fact that the city hosted the European Games, the first-ever sports event of this kind. The city welcomed some 6,000 sportspeople from all European countries. The Czech buses were used to transport the sportspeople and visitors during this event, and nowadays the fleet of buses is operated by the municipal transport corporation.



Delivery of Special Equipment and Technologies for Highway Reconstruction



AZERBAIJAN

Exporter: SaZ, s.r.o.

Financed by: Komerční banka, a.s. and UniCredit Bank
Czech Republic and Slovakia, a.s.

Supply of special equipment, construction works and technologies for the reconstruction of highway M-5 in the length of 164 km for the Ministry of Transport (Yevlax-Zagatala-borders with Georgia). During the implementation of the actual highway reconstruction, 181 Tatra T-815 trucks were delivered for the project, including spare parts and tires for these trucks. Delivery also includes construction of an automated control system for automobile traffic on roads and highways in Azerbaijan.



Delivery of Locomotives for Belarusian Railways



BELARUS

Exporter: CZ LOKO, a.s.

Financed by: COMMERZBANK AG, subsidiary Prague

CZ LOKO signed a contract with the Belarusian railways for a delivery of 20 biaxial shunting diesel locomotives TME 3 with an output of 400 kW. The first eight were delivered in 2013, and the remaining twelve were delivered in 2014. This is a completely new manufacturing operation, in which the exporter declares the Czech market share of 98%. The locomotives are designed and manufactured at CZ LOKO, and delivery takes place in the form of unassembled parts in kits, which are then assembled in Belarus. CZ LOKO is one of the most important companies in Czech railway engineering; it designs, manufactures and delivers innovative diesel-electric locomotives.

**PHILIPPINES**

Tramcars for Manila

Exporter: ČKD Dopravní systémy, a.s.

Financed by: Investiční a Poštovní banka, a.s.
and Československá obchodní banka, a. s.

In 1997, an export customer credit of USD 88.4mn was insured, which was granted by the then IPB bank for 85% of the export value based on an export contract for 73 units of the RT8D5M three-section speed tramcars, the total purchase price of which was USD 104mn. The tramcar delivery formed a part of a tramcar rail network construction project in Manila. The first tram track construction began in 1996, and in 1998 the first ceremonial ride was conducted on an 800-meter long track section. All 73 tramcar units were manufactured in 1997-1999 for the MRT3 track in Manila. The full operation on this track section began in 1999, with the rest of the track system completed in 2000.



SLOVAKIA

Buses for the Municipal Transport of Košice

Exporter: SOR Libchavy, s.r.o.

Financed by: Československá obchodní banka, a.s.

The Municipal Transport Company of Košice has been using buses from the Czech manufacturer, SOR Libchavy since the end of 2013. Within the scope of their fleet renewal, the Czech exporter supplied them with a total of 127 buses. For SOR Libchavy it is a key job that will allow business and technical development of the company. The Czech Republic is generally very successful in the export of buses. Over the more than twenty five years of its existence, EGAP has insured the export of nearly 4,800 buses manufactured in the Czech Republic worth more than 16 billion Czech crowns.

**BELARUS**

Reconstruction of Atmospheric Crude Oil Distillation Unit for NAFTAN

Exporter: UNIS, a.s.

Financed by: ČSOB, UCB, ČEB and KBC Bank NV

Delivery of complete reconstruction of the atmospheric crude oil distillation unit AT 8 was an important sequel to the export activities of UNIS, joint stock company. The company delivered in a number of countries, including Russia, Belarus, Kazakhstan and Uzbekistan. The contract for Naftan built on previous successful deliveries for this Belarusian company. In particular, it was the hydro-cracking solution and several other smaller projects that UNIS implemented for Naftan initially as a subcontractor and later as a direct supplier.



BULGARIA

Hydro Power Plants in Bulgaria

Exporter: Energo-Pro a.s.

Financed by: Česká exportní banka, a.s.

Bulgaria became the first country where ENERGO-PRO began to expand abroad. ENERGO-PRO Bulgaria EAD was established in 2000. Today, it owns and operates 14 hydro power plants. Ten of these power plants form four different cascades – Sandanska Bistritsa, Pirinska Bistritsa, Koprinka and Petrohan. With a total installed capacity of 166MW and the average annual power generation at 410,000MWh, ENERGO-PRO is the biggest private producer of renewable power in Bulgaria. EGAP insured this foreign investment with its If product.

**GEORGIA**

Hydro Power Plants and Distribution Network

Exporter: Energo-Pro a.s.

Financed by: Česká exportní banka, a.s.

For the operation of hydro power plants and distribution networks in Georgia, Energo-Pro applied its long-standing experience in the production of energy. These operations date back to 2007, when the company privatized and further acquired 15 hydro power plants and a significant part of the distribution network in 70% of the territory of Georgia and where it currently has about 860,000 paying customers and employs more than 5,000 of its own employees. Both the power plants and the distribution network have undergone substantial modernization.



IRAN

Supply of Technology Equipment and Documentation for Units 3 and 4 of Iranshahr Thermal Power Plant

Exporter: První brněnská strojírna Brno DIZ a.s.

Financed by: Česká exportní banka, a.s.

An export credit insurance contract pertaining to the supply of technology equipment and documentation for Units 3 and 4 of the Iranshahr thermal power plant by První brněnská strojírna Brno DIZ a.s., with the customer being the Ministry of Energy of the Islamic Republic of Iran and the Iran Power Distribution Company (IPDC). The credit agreement was used to finance a portion of the export contract of 1999, with the debtor being the Iran-based Bank Saderat Iran. The total export contract value reached nearly USD 35mn.

**RUSSIA**

Combined Cycle Power plant Kurgan

Exporter: PSG International, a.s.

Financed by: Česká exportní banka, a.s.

A combined cycle power plant with an electrical capacity of 229.5 MW and a thermal capacity of 245.6 Gcal/h in the northern industrial zone of Kurgan city. It utilizes the advantages this kind of plant provides, consisting of high efficiency and low environmental load and also speed of construction and lower costs compared to coal and other types of plants. Basic technologies involve turbines burning natural gas, the waste heat of which is used to drive a condensing steam turbine and to generate heat for heating purposes. The construction was implemented by PSG International and its value is EUR 269.5 million.



RUSSIA

Technology Equipment for Gas Processing Plant Reconstruction in Sosnogorsk, Russian Republic of Komi

Exporter: ŠKODA JS a.s.

Financed by: Česká exportní banka, a.s.

In 2001, we insured a very interesting turn-key capital project in the gas industry. The contract was for the reconstruction of a natural gas processing plant for the Russian company of Severogaz, which needed to increase the capacity and efficiency of their plant in Sosnogorsk in the Russian Republic of Komi. An export credit insurance coverage of more than EUR 90mn was granted for this business case together with the related advance payment guarantee. Following the reconstruction, the gas cleaning and liquefaction plant increased its capacity from 1.3 to 3bn cubic meters of processed gas a year, with its operation being fully automated.

**SLOVAKIA**

Supplies of Nuclear Technology for Mochovce Nuclear Power Plant, Units 1 and 2

Exporter: Škoda Praha a.s.

Financed by: Komerční banka, a.s.

EGAP insured the first really big project of a Czech company abroad as early as in 1996. Škoda Praha, a. s. acquired a contract in Slovakia for the supply of technology equipment for Units 1 and 2 of the Mochovce Nuclear Power Plant. EGAP provided export credit insurance for a value of nearly CZK 8bn. The technologies were supplied mainly by ŠKODA JS. Later on, after the year 2000 EGAP also supported Czech exporters in the completion of Units 3 and 4 of the same power plant. Apart from Škoda JS, EGAP also provided coverage for subdeliveries made by numerous other firms – Doosan Škoda Power, Modřany Power, Královopolská RIA, ČKD Praha DIZ and Chladící věže Praha.



Supply of Plant and Equipment for 4 Units of Afsin Elbistan B Thermal Power Plant



TURKEY

Exporter: Škodaexport, a.s.

Financed by: Česká exportní banka, a.s.

This project represented export credit insurance to finance the Czech part of deliverables and services, which the Czech exporter agreed to supply under the export contract, and a portion of the local costs of a turn-key project for the construction of 4 units of the Afsin Elbistan B 4 x 360 MW thermal power plant by Škodaexport, a.s. The total export contract value recorded by the Czech exporter reached USD 212mn. The insurance contracts and the credit agreements were executed in 1999. The credit repayment was secured by Turkey's government guarantee.



Design and Delivery of Granulated Urea Production Unit with Daily Capacity of 1,500t



RUSSIA

Exporter: CHEMOPROJEKT NITROGEN a.s.
(CASALE PROJECT a.s.)

Financed by: UniCredit Bank Czech Republic and Slovakia, a.s.

Chemoprojekt Nitrogen acquired a contract worth more than CZK 2bn for the design and comprehensive supply of equipment for an urea production and granulation plant with a daily capacity of 1,500 tons for the Russian-based company of PhosAgro in Cherepovets. The customer uses its own resources for the plant construction and installation. PhosAgro meets the basic criterion for insurance – it is a strong Russian entity with an international rating, a major foothold in the global market and significant income in foreign currencies.



Reconstruction of an Urea Granulation and Fertilizer Production Plant



ROMANIA

Exporter: CHEMOPROJECT NITROGEN a.s.
(CASALE PROJECT a.s.)

Financed by: Česká spořitelna, a.s.
and Československá obchodní banka, a.s.

An insurance coverage of an export credit for the reconstruction of an urea processing and granulation plant in Targu Mures, Rumania, by CHEMOPROJECT NITROGEN a.s. (newly CASALE PROJECT a.s.). for Azomures S.A. Apart from engineering work, the contract also included the supply of comprehensive industrial equipment and the commissioning of the upgraded plant. Another 20 Czech companies participated in the project by means of subcontracts. The reconstruction increased the production capacity from 900 tons to 1,430 tons. Azomures is the biggest Rumanian manufacturer of fertilizers with a forty-percent local market share. The contract was signed in 2013 and its value was nearly EUR 80mn.

**BELARUS**

Bread Production Line

Exporter: Kornfeil spol. s r.o.

Financed by: COMMERZBANK AG, subsidiary Prague

In 2009, Kornfeil spol. s r.o. sought an export credit insurance with EGAP for the supply of a baking line for wheat and rye bread production, worth EUR 820,000 in total, to be delivered to Baranovichi, Belorussia. A family business established in 1991, Kornfeil spol. s r.o. ranks among the top European manufacturers of baking ovens and technology equipment for bakeries. Apart from the aforementioned transaction, they have also cooperated with EGAP on the supply of a bread oven to Gomel, a contract worth EUR 270,000. This contract was financed by Landesbank Berlin AG. The coverage was provided by means of a Type C or D insurance product.



GEORGIA

Supply of Beer Tanks

Exporter: ZVU STROJÍRNY, a.s.

Financed by: Československá obchodní banka, a.s.

An export contract for the supply of cylindrical-conical tanks for beer fermentation and maturation in a brewery that had been built in Saguramo near the capital city of Tbilisi, Georgia. ZVU Strojírny, a.s. had already before supplied a comprehensive beer production technology to the brewery, giving the new brewery a total yearly production capacity of max. 400,000 hl of beer. The brewery is owned by the local Georgian Beer Company. The Czech company was granted the contract based on its positive references from 2005, when they already built one brewery for the same investor in Georgia.

**IRAN**

Exports of Food Supplements

Investor: WALMARK, a.s.

This food supplement exporter is an example of a company that has successfully penetrated new export markets. Moreover, they are diligent in hedging against the risks connected with such exports. For example, EGAP has recently insured their exports to Armenia, Belorussia and Kazakhstan. They are also the first Czech company that has received coverage from EGAP for their exports to Iran once the sanctions have been lifted.



CUBA

Grain Crop Export

Exporter: Simplex CZ s.r.o.

Financed by: Česká exportní banka, a.s.
and Raiffeisenbank a.s.

The Cuban party has been interested in importing grains and foodstuffs in general. Therefore, EGAP has insured the export of grains worth nearly EUR 6mn. The grains included 25,000 tons of wheat and more than 100 tons of barley. The exporter was once again Simplex CZ s.r.o., a company specializing in exports to Cuba since 2001. Most of their export transactions included foodstuffs, grains and dried milk.

**CUBA**

Export of Hops and Malt

Exporter: Simplex CZ s.r.o.

Financed by: Česká exportní banka, a.s.
and Raiffeisenbank a.s.

EGAP insured the export of hops and malt to Cuba in the total value of more than EUR 2mn. Simplex CZ s.r.o. successfully exported 2,500 tons of malt and nearly 40 tons of top-quality Czech hops. EGAP has never stopped insuring exports to Cuba; however, new deliveries were carried out under a ‘refresh’ approach, where the Cuban party always repaid a portion of their old payables.



MEXICO

Deliveries of beer

Exporter: Rodinný pivovar BERNARD a.s.

Financed by: Company's own funds

The brewery Rodinný pivovar BERNARD concluded 'B' insurance against the risk of non-payment for supplies of beer and packaging to Mexican importer Importadora G5C, S.A. de C.V. in Mexico City. The total value of all the insured deliveries is CZK 3.2 million. Thanks to the EGAP insurance, the company could set new terms of payment and there has been the more than double increase in export of the Bernard brewery to Mexico this year.



RUSSIA

Fruit spirits, liqueurs, vodka, whisky

Exporter: RUDOLF JELÍNEK a.s.

Financed by: Company's own funds

EGAP has insured a contract of Vizovice distillery RUDOLF JELÍNEK for the delivery of fruit spirits, herbal and fruit liqueurs, vodka and whiskey worth almost CZK 3.4 million to a business partner in Russia. The history of the company RUDOLF JELÍNEK begins in the late 19th century and it is engaged in the production of alcoholic beverages, mostly spirits. Thanks to its tradition and quality, it is known for its liqueurs all over the Czech Republic and around the world.



RUSSIA

Technologies for a Bakery in Sochi

Vývozci: LS – Liberecké strojířny s.r.o.
J4 s.r.o., TOPOS a. s.

Financed by: UniCredit Bank Czech Republic, a.s.

The main bakery in Sochi underwent a large modernization before the Winter Olympics. The new technologies were supplied by the Czech firms LS-Liberecké strojířny, J4 and Topos. The bakery currently produces 70 tons of bread a day and supplies the entire agglomeration of Sochi. The Sochinskijchlebozavod itself employs 250 people. It was the main supplier of bakery products for the Winter Olympics.

**URUGUAY**

Delivery of smokehouse chambers

Exporter: Mauting s.r.o.

Financed by: Company's own funds

The company Mauting, specializing in the construction, design and manufacture of food processing machinery, was founded in 1992. The main programme from the very beginning has been the production of smokehouses and equipment for meat heat processing. In 2011, it won a contract to deliver 2 smokehouse chambers worth EUR 92 thousand for a Uruguayan partner in Montevideo. The success of the Mauting equipment is documented by the fact that most of their equipment is exported and operated in more than 50 countries of the world.



BELARUS

Construction of Transportation and Logistics Centres for Beltamozhservis, Belorussia

Exporter: Metrostav, a.s.

Financed by: Komerční banka, a.s.

Two projects of transportation and logistics centres were implemented by a Czech company Metrostav, a.s. for the Belorussian importer RUP Beltamozhservis - the leading customs service operator in the Belorussian market. In 2011, Metrostav a.s. made an export contract for the construction of a transportation and logistics centre in the Zhytomyrishch region. The logistics centre was designed as a multi-purpose facility with 26,000 m² storage area, office and residential buildings, catering and healthcare services, a small hotel and a parking lot. In the second project, Metrostav won a contract for the construction of a service zone of a Kozlovichi 2 border cargo terminal.

**IRAN**

Shahr-E-Kord Cement Plant

Exporter: PSP Engineering a.s.

Financed by: Česká exportní banka, a.s.

This transaction included the export credit insurance of a contract for the supply of documentation, services and equipment of a cement plant with a capacity of 1,500 t/day by PSP Engineering, a.s. to Nasir Bonyad Ind. and Cons. The total contract value was USD 10.7mn and the insurance contract was made in 1998. The credit is secured with a guarantee issued by the Ministry of Finance in the form of a Letter of Inclusion of 1997, which forms an integral part of the framework guarantee negotiated with the Ministry of Economic Affairs and Finance of the Islamic Republic of Iran in the same year. The debtor was Bank Saderat Iran.



RUSSIA

‘Renaissance Premium’ Business Centre Construction

Exporter: PSG-International a. s.

Financed by: Česká exportní banka, a.s.

The export credit insurance was used for the construction of the ‘Renaissance Premium’ business centre near the centre of the Petrograd city by the Czech construction company of PSG, based in Otrokovice. The 14-floor centre includes over 14,000 m² of office space and more than 2,000 m² of underground parking area. The construction began by the takeover of a preserved structure in late 2011, and in July 2013 it was successfully completed, with an official approval granted in September of the same year.

**BRAZIL**

Supply of Engines for Dusting Airplanes

Exporter: GE Aviation Czech s.r.o., Thrush Aircraft, Inc.

Financed by: Reinsurance with US Exim Bank

EGAP participated in the export credit insurance coverage granted by US Exim Bank in connection with the financing of the supply of aircraft from the USA to Brazil and Uruguay. The reinsurance pertained to the aircraft engines made by GE Aviation Czech s.r.o., based in Prague-Letňany (formerly Walter Aircraft Engines). The engine was installed in an agricultural crop-dusting airplane made by Thrush Aircraft, Inc., USA, which exported it to a customer in Brazil. The factory in Prague-Letňany supplied a total of 24 units of the new H80 aircraft engine to the American company, an engine completely developed and produced in the Czech Republic.



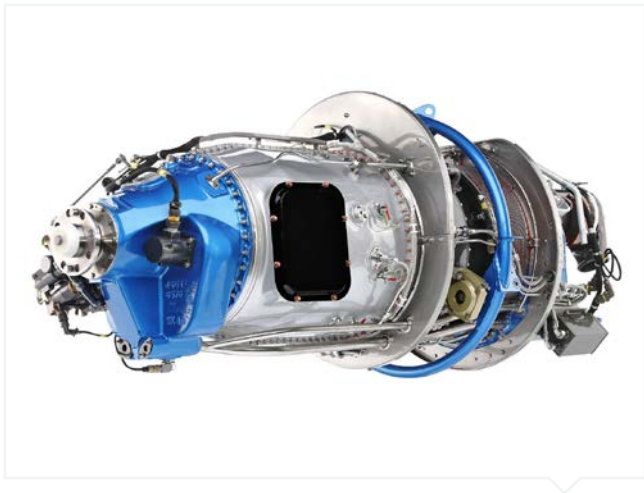
KENYA

Flexographic machine

Exporter: SOMA spol. s.r.o.

Financed by: Československá obchodní banka, a.s.

The exporter SOMA has arranged, for their Kenyan partner TEXPLAST INDUSTRIES LTD, a delivery of flexographic machine SOMAFLEX IMPERIA 1270-8 CL EG, including FLEXO PLATE MOUNTER FLEXMONT 1270 S, installation and its commissioning. The total insured value is CZK 41 million and the 'CF' insurance was used – insurance of a middle-term and a longterm export supplier credit financed by a bank.

**MAURITIUS**

Engines GE H75

Exporter: GE Aviation Czech s.r.o.

Financed by: Česká exportní banka, a.s.

In 2016, EGAP supported the export of 15 turboprop engines made by GE Aviation Czech to Mauritius. The company made a framework contract worth USD 17mn with an airplane operator in Marutius, which foresees that up to 40 such engines should be supplied within three years. Compared to their predecessor, these engines deliver more power, consume less fuel and show better properties in extreme conditions. The debtor is IOAFC, which leases and services aircraft in Africa. The share of Czech deliveries in the export contract is 100%.



POLAND

Supply of Kaplan Turbines for Small Hydropower Plant

Exporter: Mavel, a.s.

Financed by: Expobank CZ a.s.

The export contract insured was made in 2013 between Mavel, a.s. and its Polish customer for the supply of two KA129oK4 Kaplan turbines with complete accessories, including installation and commissioning, for a small hydropower plant of Rościno in Poland. The total value of the technology supplied reached nearly CZK 20mn, and the total installed capacity of the hydropower plant was approximately 0.6 MW. The power plant was launched in 2014.

**RUSSIA**

Production Lines for Oskol Rolling Mill

Exporter: ŽĐAS, a.s.

Financed by: COMMERZBANK AG, subsidiary Prague

Delivery of three finishing and inspection lines of the Oskol rolling mill worth a total of 54 million EUR was undertaken by ŽĐAS company, which focuses on manufacturing engineering technologies. OAO Oskol Electrometallurgical Combine is a company whose trade is the production and sale of metallurgical products for both the domestic and foreign markets. In the Russian Federation Oskol is one of the largest metallurgical facilities annually producing more than 2.4 Mt of high quality electrical steel per year.



RUSSIA

TRIMILL Working Centre

Exporter: SORED Zlín, spol. s r.o.

Financed by: Raiffeisenbank a.s.

The Czech manufacturer of SORED Zlín, spol. s r.o. supplied the TRIMILL VU 3014 machining centre, made by TRIMILL, a.s., to NPO Saturn, based in Rybinsk, in two partial deliveries, with the contract value being CZK 23mn. The contract also included auxiliary services connected with the centre installation on site and staff training. SORED Zlín, spol. s r.o. is one of those exporters who have practical experience with exports to the Russian Federation, and they cooperate with many Czech and European companies operating in the Czech and European mechanical engineering industry.

**CZECH REP.**

Purchase of Technology Equipment for African Brocade Production

Exporter: VEBA, textilní závody a.s. Broumov

Financed by: Československá obchodní banka, a.s.

In 2011, with its pre-export credit insurance for capital projects (Type F), EGAP participated in the procurement of new capital assets by VEBA, textilní závody a.s. in Broumov. The transaction included the purchase of 32 weaving machines including all the necessary accessories. The capital assets were partially financed by ČSOB, the company used some of its own funds and also subsidies from an innovation support programme of the Ministry of Industry and Trade (OP Enterprise and Innovation, Image Project). The assets purchased allowed the company to renew and extend their existing production facilities for African brocade and its exports to Africa.



EGYPT

Plant for the Production of Nonwovens

Investor: PEGAS NONWOVENS International s.r.o.

PEGAS NONWOVENS launched a plant in Egypt in 2012 and the cost of its construction amounted to almost 1.7 billion Crowns. The construction of a factory for the production of nonwovens was insured by means of an EGAP insurance product specifically designed for insurance investments of Czech legal entities abroad. PEGAS NONWOVENS is a manufacturer of nonwovens based on polyethylene and polypropylene for the hygiene, industrial, construction, agricultural, and other specialized sectors.

**UKRAINE**

Bathroom mats

Exporter: GRUND a.s.

Financed by: Company's own funds

The company GRUND delivers, through their Ukrainian partner, their polyacrylic bathroom mats to the local market. Despite the conflict in the east of Ukraine, their mats are still in demand and the company even obtained, thanks to EGAP, a new contract for 12,000 polyester mats manufactured using a new 3D CutCut technology of sewing in which they have mastered as the only ones in the world. The company GRUND a.s. has been manufacturing bathroom mats since 1990 and it is a world leader in this field.



COLOMBIA

Traumatology implants

Exporter: MEDIN, a.s.

Financed by: Company's own funds

The company MEDIN, a.s., a leading Czech manufacturer of medical instruments and implants, entered the dynamic Colombian market with its traumatology segment. Together with a local partner, the company organized a conference in the Colombian city of Cartagena where there was an exchange of experience between Czech and Colombian physicians and a practical training session for selected operation types. The key systems from the MEDIN portfolio, which are currently used in operations in Colombia, include splints for fractures of the distal radius, nailing of proximal femur fractures and operations on calcaneal fractures using the C-Nail system.

**LAOS**

Friendship Hospital Upgrade and Expansion

Exporter: VAMED

Financed by: UniCredit Bank Czech Republic and Slovakia, a.s.
and UniCredit Bank Austria AG

VAMED acquired a contract for the upgrade and expansion of the Friendship hospital in the capital city of Vientiane, worth nearly EUR 53mn. The construction should take 36 months, with the business case being underwritten for the sovereign risk of the state. Over 20 Czech subcontractors are going to participate in the expansion and upgrade of the Friendship hospital. One major aspect of this project is also the diversification of the export supported as it is the first commercial experience of EGAP with Laos, which can open the door to new business opportunities in this region.



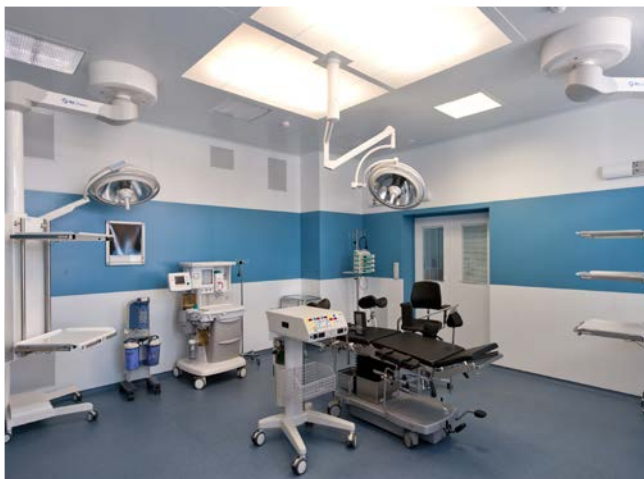
**PAPUA
NEW GUINEA**

Goroka Hospital

Exporter: VAMED

Financed by: Česká spořitelna, a.s. and Erste Group Bank AG

In 2015, the Czech company of VAMED was successful with their design plans for a new hospital in Papua-New Guinea. Many other firms, such as Linet, a leading hospital bed manufacturer, and Block, participate in the construction of the local hospital in Goroka. By means of EGAP, the Czech government supported the export contract by providing coverage for a value of more than EUR 50mn. Over 20 Czech subcontractors participate in building the hospital. This was the first-ever insured business case in this country.

**RUSSIA**

Obstetrics and Gynecology Complex in Ufa

Exporter: BLOCK, a.s.

Financed by: PPF banka, a.s.

The construction and equipping of an obstetrics-gynecology complex at the G. G. Kuvatov clinical hospital in Ufa was implemented by the Czech exporter BLOCK, a. s. The contract value was 38.3 million EUR. BLOCK supplied medical technology and also implemented finishing works – facade, cladding, roof, interior finishing works, lifts, building equipment and wiring.



BELARUS

Construction of a Pig Farm

Exporter: Bauer Technics s.r.o.

Financed by: PPF banka, a.s.

BAUER TECHNICS, a.s., a Southeast Bohemia company, deals with a turn-key construction of farms. In this area, it belongs to the top companies in the world market. One of its projects was implemented in Belarusian Borisov. It was a supply of a large pig farm worth EUR 15.8mn. with capacity of 24,000 pigs. BAUER TECHNICS, a.s., has experiences with complete supplies from the area of agriculture and food industry. For example, livestock farms, milk and meat processing plants including storage capacities.

**BELARUS**

Production of Compound Feeds

Exporter: TAVIK s.r.o.

Financed by: UniCredit Bank Czech Republic and Slovakia, a.s.

The credit contract is intended to finance the supply related to the reconstruction of a compound feeds plant in Belarusian Borisov. Technology was supplied by engineering company from Pardubice – PROKOP INVEST a.s. After the reconstruction, the plant increased its production capacity to 400 tons per day. The contract worth of EUR 4.8 million was implemented in ten supplies including construction, commissioning and training for workers.



Plant for the production of rapeseed oil

Exporter: Farmet a.s.

Financed by: Česká spořitelna, a.s.

KAZAKHSTAN

The company Farmet a.s. is a supplier of a plant for the production of raw rapeseed oil in the northern part of Kazakhstan. The new plant processes nearly 100 tons of rapeseed per day. Thus the client obtains almost 40 tons of crude rapeseed oil and 60 tons of rapeseed residue used in the feed industry. The delivery included machinery and equipment forming complete technological equipment, including technological electrical and control devices. The basis of the delivered technology is Farmet oil-plant screw presses.

**RUSSIA**

Agriculture machinery

Exporter: Farmet a. s.

Financed by: UniCredit Bank Czech Republic and Slovakia, a.s.

The company Farmet a.s. is a supplier of agricultural machinery for tillage and seeding to the Russian Federation. This machinery is delivered via an importer in the Russian Federation, the company Rostline Agroservis. The company Rostline Agroservis ensures the deliveries of machinery to end users, including warranty and post-warranty service. These deliveries are conducted throughout the territory of Russia. Farmet has been exporting agricultural machinery with the EGAP support to other countries, e.g. to Ukraine and Bulgaria.



RUSSIA

Agricultural Equipment

Exporter: SMS CZ s.r.o.

Financed by: Company's own funds

SMS CZ s.r.o. is an engineering, production and trade company in the mechanical engineering industry that supplies environmental and agricultural machines and technologies. In 2015, they supplied the DBM600T disc harrows and CV920 Cambridge rolls to Yuzhnyi Dom. Both implements are well-proven and reliable products that can be used in all conditions in Europe, Russia and Canada.

**SLOVAKIA**

Reconstruction of Pig Farm

Exporter: Bauer Technics s.r.o.

Financed by: Česká exportní banka, a.s.

In 2013, a contract for Phase 2 of a turn-key construction project of a pig farm for one of the leading Slovak pig breeders was signed. Due to the reconstruction of its facilities, the customer was able to increase its share of the Slovak market to 15%. Bauer Technics s.r.o. acquired this contract after successfully completing Phase 1 in 2011. The contract included project work, engineering, a comprehensive set of technology equipment and the related construction work at 3 farms, which are now compliant with the strictest veterinary and zoo-technical safety requirements. The total value of both phases reached nearly CZK 700mn.



USA

Supply of Tractors

Investor: ZETOR TRACTORS a.s.

Financed by: Company's own funds

In 1995 and 1996, the Czech tractor manufacturer Zetor used 4 insurance coverages of short-term export supplier credit toward an American customer, with the value of the tractors exported totalling nearly CZK 300mn. Zetor is a traditional Czech manufacturer that has successfully combined its long history with the requirements of modern customers, and they export a majority of their tractors to markets all over the world. Zetor also manufactures front loaders, engines and other tractor components.

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