

**MANUFACTURER
OF SOFT SERVE,
SLUSH & GELATO
BASE since 1976**



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To whom it may concern:

Frosty Boy Australia has been working relentlessly at building exports in a difficult international market where the playing field is all but level.

We are competing against a variety of export incentives that other dairy exporting countries, in particular European countries, enjoy.

The trade liberalization of the Asian dairy markets means that Frosty Boy products are — in respect of certain countries being burdened with import duties while dairy from, for example New Zealand is not.

EFIC's support for SMEs like Frosty Boy has been and will remain valuable to access additional working capital to assist in growing our business and increasing exports.

It provided support for many export contracts and it's flexibility to be tailored to our requirements and thus other SME's is a huge assistance to Australian exporters.

Frosty Boy submits that it is probably the most inappropriate time to withdraw the EFIC support. We would argue that in respect of an SME dairy product manufacturer the opposite should be happening.

It may be appropriate for certain parts of the resources sector, but not for the SME food manufacturing sector that Frosty Boy is part of.

Taking away what is effectively a financial instrument guaranteeing commercial as part of a general revision of EFIC's support to Frosty Boy and the like should in all fairness not be done under current global economic conditions.

The EFIC support for the likes of Frosty Boy is essential to remain competitive in what is arguably one of the toughest times for Australian manufacturing exporters due to the high Australian dollar and global capacity and support from other countries to its manufacturers.

We therefore respectfully submit not to cut the essentials off while doing what may be necessary with the nonessentials.

Dirk Pretorius

CEO

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