



CHAIRMAN'S MESSAGE

For 74 years, the Export-Import Bank of the United States (Ex-Im Bank) has been there for U.S. exporters through good times and bad. Ex-Im Bank steps up to help companies of all sizes expand their opportunities in overseas markets when commercial lending is unavailable. In fiscal year (FY) 2008, Ex-Im Bank authorized \$14.4 billion in financing in support of an estimated \$19.6 billion in U.S. exports of goods and services—an increase of 22 percent over the previous year.

This support came during a critical time for exporters. Throughout FY 2008, our country's economic growth depended on exports more than at any other time since James Madison, one of the Founding Fathers, occupied the White House. At Ex-Im Bank, we are proud of the small role we have played in helping these exporters bring to completion so many transactions that have resulted in the creation and maintenance of jobs right here in the United States.

Because small business is essential to the creation of jobs and economic growth, the Bank strengthened programs that reach out to small and medium-sized exporters, inviting them to take advantage of support that helps them meet increased demand for high-quality U.S. goods and services overseas. As a result, our Working Capital Guarantee Program has seen continued growth, breaking the billion-dollar barrier in support of small business for the first time.

The Bank has likewise enhanced its programs in other key areas. For example, we recognized the growing importance of India as a market for U.S. goods and services by creating a \$2.4 billion India infrastructure facility. This delegated line of credit helps U.S. companies participate in the development of India's roads, bridges, power systems, airports and other needs estimated to be at least \$500 billion. Similarly, we doubled the limit on our Nigerian banking facility to \$1 billion, offering foreign buyers expedited review of their financing needs.

Under our new Medium-Term Delegated Authority Program, approved lenders can underwrite and authorize Ex-Im Bank-backed medium-term transactions without prior Bank approval, streamlining the process for transactions of up to \$10 million. We also reduced the premium rate on our short-term small business and environmental multibuyer policies by 15 percent, making our products an even better value for our customers.

That is just some of what we did this past year, but the change of administration presents an opportunity to reflect upon other steps the Bank's board and staff have taken over the previous eight years. Since 2001, we helped support over \$120 billion in U.S. exports without burdening taxpayers. We reported a total

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James H. Lambright
Chairman and President



Ex-Im Bank Board of Directors, FY 2008

Left, standing: J. Joseph Grandmaison, board member; James H. Lambright, chairman and president. Left, sitting: Linda Mysliwy Conlin, vice chairman and first vice president; Diane Farrell, board member; Bijan R. Kian, board member.

net income of \$6.8 billion, and, after providing for prudent reserves, excess funds were returned to the U.S. Treasury.

Recognizing the Bank's net benefit to the taxpayer, Congress enacted legislation in 2007 that made Ex-Im Bank a self-sustaining institution no longer requiring a direct appropriation to fund operations. To better optimize our performance, we reorganized internal operations to bring our small-business portfolio to the forefront. We broadened delegated authority of working capital products, increasing the efficiency of our process. We made the application for medium-term and short-term transactions simpler and easier with Ex-Im Online. We created the Office of Renewable Energy and Environmental Exports to bring even more attention to the needs of exporters seeking to sell environmentally beneficial goods and services. Again, that's just some of what we have done.

As we enter our 75th year, it is apparent that the global economy has lost its stable footing. Financial markets are undergoing a necessary and severe

process of deleveraging and repricing of risk after a period of significant imbalance, lax lending standards, aggressive appetites for risk and an erosion of market discipline. With many banks facing funding uncertainty, Ex-Im Bank has taken steps to support the needs of exporters and their suppliers through direct loans. In addition, modifications to our Working Capital Guarantee Program relative to warranties and performance bonds will result in improved liquidity for these companies.

Despite the significant adjustments the Bank will continue to make in order to adapt to new market realities, you can rest assured that Ex-Im Bank will remain true to the primary mission with which it was entrusted in 1934: supporting U.S. jobs through exports. It has been a pleasure to serve with such a talented team dedicated to this worthy goal.

Sincerely,

James H. Lambright
Chairman and President