

## EXPORTERS REPORT OVERSEAS SALES GROWTH AND PREDICT MORE FOR 2016

Britain's small to medium-sized exporters are selling more of their goods and services overseas and expect foreign revenues to keep growing as they become more competitive during the first half of 2016, according to the latest Business in Britain report from Lloyds Bank.

The report found that the proportion of businesses that export had risen in the second half of 2015, from 35 per cent to 37 per cent, and those that export now make 40 per cent of their sales overseas, up from 37 per cent mid-way through 2015.

The findings come during Exporting is Great Week (18 – 22 April), a UKTI initiative to support new exporters. The bank expressed its continued commitment to supporting exporters earlier this month through its SME Charter and holds a strategic partnership with the UKTI to provide advice and intelligence to its customers.

While 43 per cent of those surveyed grew their exports, 40 per cent maintained their level of overseas sales and just 17 per cent saw them fall.

A net balance of around one in three exporters (35 per cent) expects to keep growing their overseas sales during the first half of 2016.

While this represents a fall of 11 points compared with the first half of 2015, 42 per cent of exporters still expect their ability to compete in international markets to improve in the first half of 2016, compared with just nine per cent who think it will deteriorate.

Steve Everett, of Lloyds Bank Commercial Banking, said: "While weakening growth in China and the Eurozone are creating headwinds for some exporters, it is heartening to see that so many SME exporters are generating more of their sales overseas and looking to grow those international sales in the year ahead.

"Starting or scaling-up export activity can be a daunting prospect for businesses, but the benefits are many and we are working hard to support British firms' export ambitions."

The Business in Britain report, now in its 24th year, gathers the views of 1,500 UK companies, predominantly small to medium sized businesses, tracking opinion on a range of important performance and confidence measures.

It found that Europe looks set to continue as the UK's biggest trading partner, with more than a third (37 per cent) predicting an uplift in sales there, against just 19 per cent expecting sales to fall.

Despite the slowdown in the Chinese economy, just 10 per cent expected sales to the Asia Pacific region – which includes China - to fall, compared with 24 per cent which expected them to keep growing.

And almost one in three (30 per cent) expect to increase sales in the US and Canada, against just 18 per cent expecting sales there to fall.

Steve Everett added: "Despite some negative headlines, there are clearly still opportunities for British exporters to prosper. Our teams of locally-based relationship managers can

provide the kind of insight, support and introductions that can be invaluable to firms setting out on their export journey.

“To that end we were the first British bank to form a strategic partnership with UKTI to provide advice and intelligence to our customers, and have committed to help 25,000 exporters by 2020 in our SME Charter.”

ENDS

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### Notes to Editors

#### Lloyds Bank Commercial Banking

- Lloyds Bank Commercial Banking provides comprehensive expert financial services to businesses of all sizes, from start-ups and small businesses to mid-sized businesses and multinational corporations.
- Maintaining a network of relationship teams across the UK, as well as internationally, Lloyds Bank Commercial Banking delivers the mix of local understanding and global expertise necessary to provide long-term support to its clients.
- Lloyds Bank Commercial Banking offers a broad range of finance beyond term lending and this spans import and export trade finance, structured and asset finance, securitisation facilities and capital market funding. Its product specialists provide bespoke financial services and solutions, including tailored cash management, international trade, treasury and risk management services.

#### Support for SMEs

- For our 2016 SME Charter we have pledged to support 5,000 first time exporters; grow lending to small businesses; help 100,000 start-up businesses; and support small firms for their next phase of growth.
- Lloyds Banking Group is committed to helping businesses of all types and sizes, giving them the funding and support they need to grow at home and abroad. We have set out our pledges in our Helping Britain Prosper Plan.
- In 2015 the Bank helped more than 100,000 start ups get off the ground as part of its commitment to supporting British enterprise.
- Since the start of 2011, we have grown our net lending to SMEs by 25% whilst the market has contracted by 13%.
- To see the latest supporting businesses factsheet please visit: <http://www.lloydsbankinggroup.com/media/media-kit/sme-fact-sheet/>

#### Business In Britain

- The Business in Britain survey has been carried out twice a year since 1992. Responses from 1500 firms were collated by BDRG Continental.
- 65 per cent of the responses came from businesses with an annual turnover less than £10 million
- 10 per cent of the responses came from businesses with an annual turnover between £10m and less than £15million
- 25 per cent of the responses came from businesses with an annual turnover of more than £15 million
- Download the full report at: [Lloydsbank.com/businessinbritain](http://Lloydsbank.com/businessinbritain)