

Benefits

Ariba Supply Chain Finance provides valuable third-party financing to key suppliers to improve their cash flow while supporting your cash management and working capital objectives. As part of Ariba's comprehensive portfolio of working capital management solutions, Ariba Supply Chain Finance enables you to:

- Provide your suppliers with access to low-cost, off-balance sheet, on-demand financing from one or more third-party financial institutions
- Extend your investment-grade credit to suppliers, providing short-term financing capabilities that are reserved for only the highest-rated firms
- Reduce your supply chain risk and operational costs while improving cash management processes

Today's business environment requires a financially agile supply chain. But current business practices can introduce costs and risks that create tension among trading partners. Unilateral payment term extensions, combined with restricted access to bank loans, credit lines, and other financing options for suppliers, can make it harder to manage cash, and slows business commerce.

As part of Ariba's Working Capital Management Suite, Ariba Supply Chain Finance is the collaborative finance management solution that overcomes these obstacles to global business commerce. It leverages your investment-grade risk rating and credit worthiness to provide your strategic suppliers with access to affordable, on-demand cash from one or more third-party funders. With Ariba Supply Chain Finance, you and your suppliers realize a substantial reduction in working capital, while mitigating supply chain risk. It's a winning proposition for all.

Features

Technology: Supported by the Ariba Network and a flexible, low-risk Software-as-a-Service (SaaS) model for more intelligent financial decisions, greater process efficiencies, better cash control, reduced fraud, and accelerated results

Community: World's largest web-based trading community of buyers, sellers, and financial institutions for the most effective and efficient commerce collaboration and the broadest portfolio of financing and settlement options

Capabilities: More complete process automation and valuable Ariba Network financial partnerships that provide innovative financing options to improve cash management, streamline the settlement process and reduce supply chain risk

Why Ariba Supply Chain Finance

Ariba Supply Chain Finance offers suppliers a valuable liquidity option that extends the value of electronic invoicing. It promotes a financially efficient supply chain that supports your cash flow and working capital objectives while addressing your supplier's cash flow and financing options. By extending your lower cost of credit to suppliers on the Ariba Network, you offer them access to working capital at a more affordable rate than they could arrange on their own.

• Value to Buyers and Suppliers

By providing your suppliers with access to funding based on your lower cost of capital, you reduce supplier finance costs and working capital requirements while increasing their cash flow. Suppliers gain real-time visibility into payment status, and can trade the receivables they choose for cash the next business day—on demand with a click of the mouse. You enhance your working capital objectives by effectively lowering your supplier's financing costs, and strengthen a trading relationship that can work to your favor in future negotiations.

• How this works

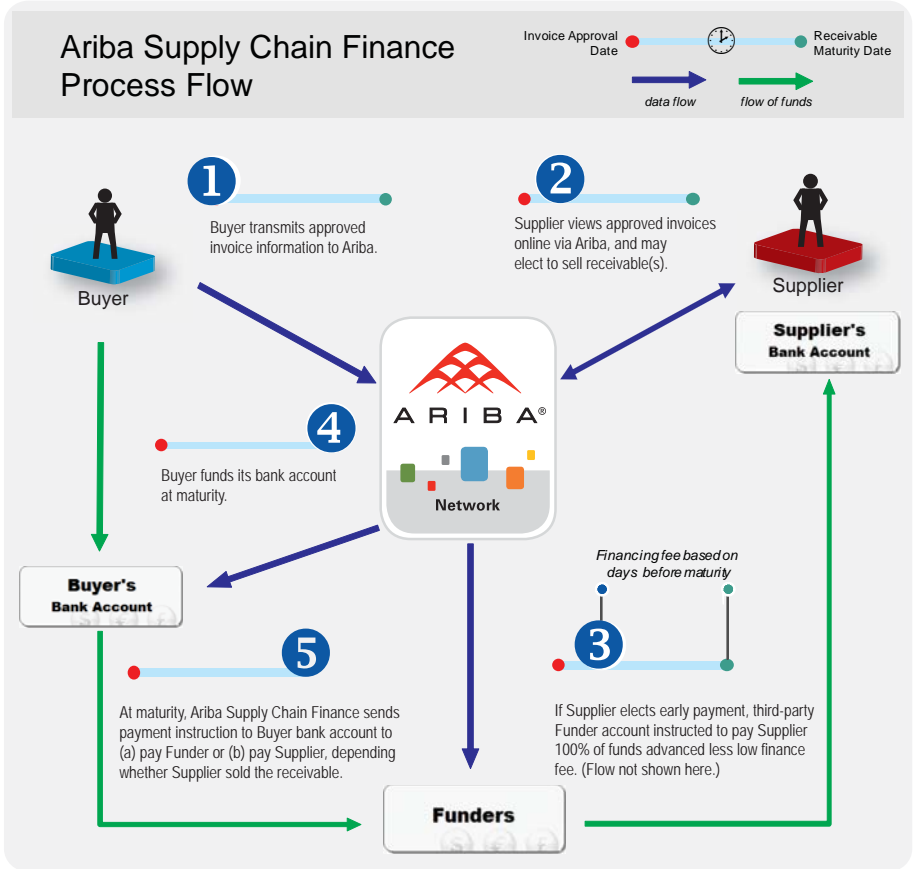
Buyers who deploy Ariba Supply Chain Finance designate which suppliers may participate. A supplier enabled on Ariba Supply Chain Finance would access the Ariba Network to view invoices that are approved for payment at a future date. The supplier would then decide whether to sell one or more of these receivables for early payment. If it does, a third-party funder advances the invoice amount to the supplier, less a low finance charge, which is calculated on a rate that is based on your investment-grade credit risk. At the invoice maturity date, you fund your bank account with the full amount of the invoice, which is then transmitted to either the supplier or the funder, based on whether the receivable was traded for early payment.

About Ariba, Inc.

Ariba, Inc. is the world's business commerce network. Ariba combines industry-leading cloud-based applications with the world's largest web-based trading community to help companies discover and collaborate with a global network of partners. Using the Ariba® Network, businesses of all sizes can connect to their trading partners anywhere, at any time from any application or device to buy, sell and manage their cash more efficiently and effectively than ever before. Companies around the world use the Ariba Network to simplify inter-enterprise commerce and enhance the results that they deliver. Join them at: www.ariba.com

- **Deploying a quick and easy solution**

Executing supply chain finance transactions through the Ariba Network, you and your third-party finance partners work together on a single, SaaS platform that's integrated with your existing back-office systems. This ensures information integrity, and provides real-time visibility into orders, invoices, and payments. It's easy to share best practices and tips with an online community of peers and thought leaders, too. If you need technical or adoption assistance, all you need do is ask.



Whether you're a buyer trying to extend your DPO or a seller eager to shorten your DSO, your objectives no longer need to be mutually exclusive. Not when the Ariba Commerce Cloud's automated solutions can deliver improved liquidity and mutually beneficial returns. For more information about Ariba Supply Chain Finance and related working capital management solutions such as Ariba Discount Professional™ and Ariba Receivables Financing, powered by TRE, visit <http://www.ariba.com/solutions/manage-cash.cfm>.

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Ariba, Inc.

910 Hermosa Court, Sunnyvale, CA 94085
 Toll-free (USA): 1 866 772 7422 | Outside USA: +1 650 390 1000
www.ariba.com

