

## PRESS RELEASE

### Coface opens office in Serbia

**Vienna (26 September 2007)** – “The opening of our Coface office in Serbia will now allow us to provide our customers with information on companies in this country. Knowledge of a buyer’s credit standing prior to delivery is an important success factor for business operations. We also provide collection services – if and when late payments become a problem. Detailed facts and figures on the local market and legal framework in Serbia are our key advantage,” commented Martina Dobringer, Chairwoman of the Board of Coface Austria & Coface Central Europe, on the latest expansion step by this Austrian market leader for credit insurance. With its entry into Serbia, the Austrian subsidiary is following the internationalisation strategy of the Coface Group, which currently has subsidiaries or branches in 60 countries as well as plans for the development of new markets.

Serbia represents the 14th country that will be managed from the CEE headquarters of this global player in Vienna. “We see excellent opportunities in Serbia. The pace of economic growth has slowed somewhat from the high level registered over the past three years, but is still expected to reach 5.5% in 2007. That reflects the average for the region, and is only slightly lower than the forecasts for the newest EU member states, Romania and Bulgaria,” explained Dobringer on the reasons for the founding of this new company.

The latest Coface country risk rating for Serbia is C, which means the country is currently outside the A1-A4 investment grade rating – primarily due to a high degree of political uncertainty – and therefore poses a higher risk for business transactions. Dobringer added “During the first quarter of this year, Serbia recorded strong growth in imports and exports as well as growing trade with Austrian companies. Accurate credit information plays a major role in the success of business, especially in developing countries. With the opening of Coface in Serbia, we are now able to increase the security of business transactions for our customers.”

The current degree of uncertainty in Serbia is countered by the country’s positive efforts to restructure the economic sector and privatise state-owned companies, which has also led to the opening of new sales markets. Serbia recorded sound development in 2006. Although the current account shows a high deficit and the level of foreign debt in private companies is rising, sufficient financing can be obtained without great difficulty. “Serbia has a very open attitude toward foreign investors. However, we see the unresolved issue of legal reforms, e.g. in the area of bankruptcy law,

as a major disadvantage. Positive factors include the implementation of restructuring measures in the banking sector as well as tax benefits and the low cost of well-trained employees," commented Dobringer on this new "Coface country".

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**Coface Austria & Coface Central Europe / Coface Central European Platform**

Coface Austria, with its headquarter in Vienna and branches in Poland, Hungary, Lithuania and Romania is market leader for credit insurance in Austria. Since 1997 Coface Austria is a subsidiary of the French company Coface and therewith part of one of the three Global Players on the credit insurance market. Since 2007 Coface Austria additionally offers factoring through its wholly owned subsidiary Coface Austria Bank AG. Coface Austria's sister company Coface Central Europe is market leader for business information in 14 Central European countries. Additionally collection services are offered throughout the region. Coface Central Europe is a joint undertaking of Coface (75%) and KSV1870 (25%). Since 2002 Coface's CEE-headquarter is also situated in Vienna. 590 employees in 21 representative offices guarantee high standard, supported by local market knowledge and the integration into the global network of Coface.

**Coface International**

Founded 1946, Coface has a direct presence in 61 countries today and covers 93 countries via partners in the CreditAlliance worldwide network. The integrated risk management tool, Coface Common Risk System, is available worldwide to customers of Coface and offers 50 million company data. 105.000 companies are taken care of by 6.000 employees around the world. Coface's mission is to facilitate global business-to-business trade by offering its credit insurance, company information and ratings, receivables management and factoring. Coface's services enable companies to fully or partially outsource their receivables management.

**International Ratings**

Fitch AA+  
Moody's Aa3  
Standard & Poor's AA