

Coface extends its factoring offer to 5 new countries

Factoring has become the main source of growth for Coface, with a double digit potential growth anticipated over the next 5 years. As for its 3 other lines (credit insurance, information and receivable management) Coface aims at offering factoring progressively in all countries with a direct presence and to build the first integrated factoring network.

“We have now entered the 5th B to B global credit crisis, and companies are facing credit restrictions from banks. All across the world we see increased interest in factoring as a safe way to obtain financing. It is important to remind that there is more credit extended by companies to other companies (their customers) through inter-company credit, than credit extended by banks to companies. Factoring reduces lending risk for the factor and secures liquidity for its customer” explains Jérôme Cazes, CEO of Coface.

New roots in Eastern Europe: Coface acquires HP Finance in Czech Republic and Slovakia

With the acquisition of 100% of HP Finance, a factoring company based in Czech Republic with a subsidiary in Slovakia, Coface extends its factoring activity to 2 new Eastern European countries after the opening of Poland in 2007 (where Coface Poland is already #6 out of 15 players after only a few months). HP's factored receivables represented EUR 30 m at the end of June 2007. HP Finance's clients will gain direct access to the worldwide credit information and debt collection services of Coface as well as its protection services, through Coface's global expertise in credit insurance. And Coface customers in these two countries will get offers in all four lines of Coface.

China, Australia and Israel: new factoring activities in promising markets

Coface factoring network in Asia, which already included Singapore, Japan and Hong Kong, has just been expanded to two new countries: Australia (#1 factoring market in this region by size) and China (#1 by growth), where Coface will offer export factoring based on the factoring operation created earlier this year in Hong Kong. This development in China will complete the existing domestic credit insurance offer which the leading private insurer, Ping An, was the first to launch with the support of Coface in 2003. After five years, Ping An with Coface is still number one, having covered more than RMB 100 bn of domestic trade.

In China, the factoring offer will be based on Natixis Bank in Shanghai. In Australia and in Israel, Coface's offer will be based on local subsidiaries, respectively "Coface Finance Australia" and "Coface Finance Israel". Both markets show a particularly high potential for growth in receivables financing.

"These 5 new openings bring to 23 the total of Coface entities offering factoring. We are thus in line with our objective of 30 countries by the end of the year", says Jérôme Cazes.

About Coface Holding

Coface Holding, Natixis' Trade Receivables line, brings together Coface and Natixis Factor. Coface Holding offers its 120.000 customers four product lines to fully or partly outsource trade relationship management and to finance and protect their receivables: credit insurance, company information and ratings, receivables management and factoring. Abroad, Coface Holding is present through Coface's network of specialized brokers and local partners within the CreditAlliance Network. Thanks to the worldwide local service delivered by 7,000 staff in 65 countries, over 45% of the world's 500 largest corporate groups are already customers of Coface.