RESULTS SPRING 2013

crédito y caución
Atradius Group

Payment Practices Barometer

International survey of B2B payment behaviour

Survey results Western Europe

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Summary

While it is arguable that the economic environment across the Eurozone and Western Europe is not as difficult as it was 12 months ago, the prospects for growth and sustained recovery of any note is still distant for many countries. Indeed, some, such as Greece, Italy and Spain have experienced significant financial and politically related issues during the past year.

All of this has had the effect of restricting opportunities and growth for many countries within Western Europe. Consequently, many businesses have sought to develop new international markets in Eastern Europe, Asia and the Middle East and GCC member states.

This situation has clearly had a significant impact on the fortunes of many of the survey respondents in the countries covered within this edition of the Payment Practices Barometer (PBB) and is acutely felt in the continued financial con-straints, which stifles cash flow and has the overall effect of de-laying payments, slowing down trade and triggering insolvencies.

These particular stresses in domestic markets show themselves in a number of ways, but one of the most revealing is the level of companies that regard reduced liquidity and availability of funds as the main reason for payment delays.

Overall, there is a considerably greater potential for domestic payments to be delayed than those from foreign customers, with 62.3% of businesses experiencing domestic delays compared to 45.9% experiencing foreign delays.

While the overall use of trade credit declined slightly compared to 2012, the main reasons for offering credit terms remained consistent. Establishing and building long-term trade relationships was the dominant response with 42.1% and 37.3% of businesses citing this reason for domestic and foreign trade respectively.

The average overall credit term offered during the past year has reduced by 4 days for domestic trade and by 2 days for foreign trade. However, the actual credit terms offered by individual countries varied widely from 22 days in Austria to 55 days in Spain and Italy.

Interestingly, perhaps as a consequence of the challenging business environment, the average total value of invoices that remains unpaid after 90 days increased markedly for both domestic 15% and foreign 22.6% trade.

These increases are also likely to have contributed to the increased value of uncollectible invoices experienced by respondents across Western Europe. A 42.9% increase in domestic invoice write offs was reported together and a 74.1% rise in foreign write offs, bringing the respective averages to 5% and 4.7%. The high and low points of the variation across individual countries were reported by Italy with 7.6% and Greece with less than 1% of domestic and foreign invoices respectively written of as uncollectable.

As a consequence, the average DSO across the Western European countries surveyed has increased by 6 days over the previous level in 2012 to its current figure of 57 days. Given that the average credit term for the region is 34 days, resulting in a 23 day differential between the two; which is 10 days more than the comparative figure for last year.

If nothing else, this underlines the importance of active credit management and suggests that improvements are needed in receivables management for companies of all sizes to help shorten payment delays and defaults. The impact should be improvements in cash flow.

This is particularly vital in Turkey, Ireland and Italy, where the average DSO reported were 77 days, 83 days and 90 days respectively. Italy also recorded the largest rise in DSO, which is a clear indication that credit management practices are under pressure or less effective than in other countries.

Overall, the results provide a sobering view of the current state of the main economies in Western Europe, while also referencing the changes over the past 12 months. With this information, it is hoped that businesses can obtain a greater understanding of the dynamics present within the payment systems and use the information to improve their businesses cash flow and prospects.

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1. SALES ON CREDIT TERMS

Use of trade credit in B2B sales and perception of related risks vary widely among countries in Western Europe

- On average, 48.1% and 41.9% of the total value of the sales of the respondents in Western Europe to domestic and export B2B customers respectively are made on credit. The domestic percentage ranged from a low of 29.9% in Belgium to a high of 69.1% in Spain. The export percentage ranged from a low of 30.4% in France to a high of 63.3% in Spain.
- Compared to one year ago, there was an average 8% drop in the proportion of B2B sales made on credit by respondents in Western Europe. By country, Turkey recorded the largest average decline domestically (down 34.7%), as did Ireland internationally (down 36.6%).
- Contrary to the survey pattern, B2B sales made on credit to domestic customers in France rose by 43.4% compared to the previous year. Export sales of respondents in Great Britain made on credit also broke with the overall survey pattern and climbed 29.2% over the same time period. These were by far the largest recorded increases.
- Perceptions of domestic and foreign trade credit risk vary widely from country to country. Greek and Italian respondents displayed the most significant imbalance in the use of credit in favour of domestic customers. Belgian and Dutch respondents displayed a contrasting preference for selling on credit terms to foreign customers.
- Respondents in the manufacturing sector make the most use of and those in the financial services sector the least use of B2B trade credit. SMEs are the most likely to sell on credit to B2B customers, and micro enterprises the least inclined.

Proportion of sales made on credit to total B2B sales of respondents in Western Europe

	Spring 2012		Spring 2013
Domestic	52.5%	-8.4%	48.1%
Foreign	46.0%	-8.9%	41.9%

Sample: companies surveyed (active in domestic and foreign markets)
Source: Payment Practices Barometer – Spring 2013

More information in the Statistical appendix

2. TRADE CREDIT SUPPLY DETERMINANTS

Building long-term B2B trade relationships is still the key driver of trade credit supply, although it is less influential than one year ago

- For the majority of survey respondents (42.1% in respect to domestic and 37.3% in respect to export customers) building long term trade relationships is the primary reason for offering credit terms to B2B customers. At 50.2%, the domestic percentage is the highest for Turkey. Austria's 44.7% is the highest percentage regarding foreign sales. France has the lowest domestic (31.4%) and foreign (27.7%) response rates.
- The other trade credit supply determinants examined in the survey (promotion of sales growth, allowing customers time to confirm the quality of the product before payment and granting trade credit as a source of short-term finance) are given less weighting by survey respondents.
- Over the past year, 9.5% and 7.4% fewer respondents extended trade credit to build long-term trade relationships with domestic and export B2B customers respectively.
- In contrast, there is a notable increase in respondents who extend trade credit to promote sales growth (domestically up 12.8% and internationally up 8.8%) and as a source of short term finance (up 10.8% on domestic sales and 4.8% on export sales).
- 45.4% of respondents in the services sector and 41.8% in the financial services sector prioritise trade credit supply to build long-term trade relationships with domestic and export B2B customers respectively. This opinion is shared by 44.2% of respondents in micro enterprises, in respect to domestic sales, and by 42% of respondents in large enterprises in respect to export sales.

Percentage of survey respondents granting trade credit to build long term trade relationships with B2B customers

	Spring 2012		Spring 2013
Domestic	46.5%	-9.5%	42.1%
Foreign	40.3%	-7.4%	37.3%

Sample: companies surveyed (active in domestic and foreign markets)
Source: Payment Practices Barometer – Spring 2013

More information in the Statistical appendix

3. AVERAGE CREDIT TERMS – DOMESTIC / FOREIGN

Average credit terms extended to B2B customers are notably longer in Southern than they are in Northern Europe

- On average, B2B customers of survey respondents in Western Europe are extended credit terms of 34 days from the invoice date.
- In the majority of the countries surveyed, the credit terms set by respondents for B2B customers are below the survey average. The shortest average payment term (22 days) is recorded in Austria and the longest (55 days) in Spain and Italy.
- Over the past year, the overall average credit term recorded in Western Europe decreased by 4 days. The change was driven mostly by a 33 day reduction in Turkey. In around half of the countries surveyed, the average credit term either remained steady or increased slightly, with Italy recording the largest increase (5 days).
- Average credit terms set by respondents in Western Europe do not vary much between domestic (35 days) and foreign (33 days) B2B customers. In marked contrast to the overall survey pattern are credit terms extended by respondents in Greece (58 days domestic and 35 days export) and Italy (58 days domestic and 49 days export).
- The manufacturing sector set the longest credit terms for B2B customers (averaging 38 days), the financial services sector the shortest (30 days). Small enterprises granted the longest credit period to B2B customers (36 days), micro enterprises the shortest (30 days).

Average domestic and foreign credit terms recorded in Western Europe (average days)

	Spring 2012		Spring 2013
Domestic	39.0	-4.0	35.0
Foreign	35.0	-2.0	33.0

Sample: companies surveyed (active in domestic and foreign markets)
Source: Payment Practices Barometer – Spring 2013

More information in the Statistical appendix

4. OVERDUE DOMESTIC AND FOREIGN B2B INVOICES – PAYMENT TIMING

Compared to last year, there is a marked increase in export B2B invoices still delinquent after 90 days past due

- An average of 30.1% and 28.8% of the total value of the invoices issued by survey respondents to their domestic and foreign B2B customers respectively are unpaid at the due date. Around 67% of our respondents received their payments between 1 to 30 days late; just over 26% between 31 to 90 days late and nearly 7% got paid over 90 days late.
- At country level, Italy recorded the highest average total value of domestic overdue B2B invoices (36.8%). The lowest proportion of domestic overdue B2B invoices is recorded in Denmark (18.9%). As to export B2B sales, Swiss respondents recorded the highest percentage of overdue invoices (38.7%). The lowest proportion of export past due B2B invoices is recorded in Greece (only 8.7%).
- Overall, the average total value of domestic past due B2B invoices decreased by 1.6%, and that of export past due invoices increased by 6.7% over a year earlier. France recorded the largest increase (up 14.2%) and Germany the largest decrease (down 17.3%) in the average total value of domestic past due B2B invoices. As to export B2B sales, Turkey saw the largest increase in past due invoices (up by 194.4%) and Greece the largest decrease (down by 50.6%).
- Compared to last year, the average total value of domestic and foreign B2B invoices still delinquent after 90 days past due increased by 15% and by 22.6% respectively, by far the most notable variations observed.
- An average of 30% of the invoices issued by respondents across all the business sectors surveyed in Western Europe are past due. Large enterprises have the lowest percentage of past due invoices with 25.4% of domestic and 27.4% of foreign invoices reported to be overdue.

Average total value of domestic and foreign B2B invoices unpaid by the due date

	Spring 2012		Spring 2013
Domestic	30.6%	-1.6%	30.1%
Foreign	27.0%	+6.7%	28.8%

Sample: companies surveyed (active in domestic and foreign markets)
Source: Payment Practices Barometer – Spring 2013

More information in the Statistical appendix

5. MAIN REASONS FOR PAYMENT DELAYS FROM B2B CUSTOMERS

B2B invoices in Western Europe are more likely to be paid late due to liquidity constraints of domestic than of foreign customers

- 62.3% (2012: 66.8%) and 45.9% (2012: 46.2%) of respondents in Western Europe report that the insufficient availability of funds is the main reason for payment delays by domestic and foreign B2B customers respectively.
- At a country level, the domestic percentage spikes to 91.9% of respondents in Greece, and goes down to 32.4% in Denmark. The foreign percentage climbs to 60.2% in Ireland and falls to 20.2% in Spain.
- Nearly 1 out of 5 respondents reported that payment delays from domestic B2B customers are mainly due to inefficiencies of the banking system. This percentage climbs to 35% of respondents regarding payment delays from foreign customers.
- All other reasons for domestic and foreign payment delays investigated in the survey were noted far less frequently by respondents.
- Respondents in the wholesale/retail/distribution sector were the hardest hit by payment delays due to liquidity constraints of domestic (65.6% of respondents) and export (48.8%) B2B customers. This opinion is shared by 65.8% of respondents in micro enterprises as to domestic sales, and by 53.7% of respondents in large enterprises as to export B2B sales.
-

Percentage of respondents citing *Inefficiencies of the banking system* as the main reason for payment delays from B2B customers

	Spring 2012		Spring 2013
Domestic	19.5%	+27.8%	24.9%
Foreign	29.1%	+20.8%	35.1%

Sample: companies surveyed (active in domestic and foreign markets)
Source: Payment Practices Barometer – Spring 2013

More information in the Statistical appendix

6. UNCOLLECTABLE B2B RECEIVABLES - DOMESTIC / FOREIGN

Uncollectable B2B receivables increased markedly over the past year, particularly in relation to export trade

- An average of 5% of the total value of domestic B2B receivables was written off as uncollectable by respondents in Western Europe. This is mainly due to the customer being bankrupt or out of business. By country, this percentage reached a high of 7.6% in Italy and a low of 2.3% in the Netherlands.
- As to export B2B sales, uncollectable receivables amounted to an average of 4.7% of the total value of receivables from foreign customers. This is mainly due to the customer being bankrupt or out of business, or the failure of collection attempts abroad. At country level, this percentage ranged from a high of 7.0% in Switzerland to a low of less than 1% in Greece.
- If measured against the average percentages of domestic (6.9%) and export (6.5%) B2B invoices which are more than 90 days past due, these findings suggest that it is likely to partially collect long overdue receivables both domestically and internationally.
- Compared to one year ago, the proportion of uncollectable domestic B2B receivables of respondents in the region increased on average 42.9%. Uncollectable receivables from export customers increased 74.1% (on average).
- By business size, the proportion of uncollectable domestic B2B receivables ranged from a high of 5.3% in small enterprises to a low of 4.5% in microenterprises. Uncollectable export B2B receivables ranged from a high of 5% in medium-sized enterprises to a low of 3.8% in micro enterprises.

Average total value of domestic and foreign B2B uncollectable receivables

	Spring 2012		Spring 2013
Domestic	3.5%	+42.9%	5.0%
Foreign	2.7%	+74.1%	4.7%

Sample: companies surveyed (active in domestic and foreign markets)
Source: Payment Practices Barometer – Spring 2013

More information in the Statistical appendix

7. AVERAGE DAYS SALES OUTSTANDING (DSO) - TREND OVER THE PAST YEAR

Nearly half of the respondents in Western Europe become concerned when the DSO exceeds the credit term by more than 45 days

- The DSO posted by respondents in Western Europe averages 57 days (2012: 51 days). This is notably higher than the average credit term for the region (34 days) reflecting the volume of invoices that are paid late (see 4).
- By country, the average DSO in Turkey (77 days), Ireland (83 days) and Italy (90 days - the highest of the survey) were well above the survey average. Denmark (25 days) recorded the lowest average DSO. DSO of other countries surveyed ranged from 36 days In Sweden to 61 days in Switzerland.
- Overall, 53.4% of the respondents reported a DSO ranging from 1 to 30 days, 30.8% of respondents ranging from 31 to 90 days, and 15.9% posted a DSO of over 90 days. Nearly half of the respondents in the region reported that a DSO which is 1 day to 45 days longer than the average credit period becomes a reason of concern for the sustainability of the business.
- Italy recorded the largest increase in average DSO compared to the previous year (21 days) followed by Switzerland (14 days). Ireland and Turkey recorded an increase in the average DSO that was 2x that of the average change for the region. Belgium however reported a DSO that was 6 days shorter than the previous year.
- The financial services sector recorded the highest DSO (averaging 65 days). Medium sized enterprises recorded an average DSO of 62 days. The average DSO increased the most in the services sector and amongst small enterprises (9 days).

Average DSO recorded in Western Europe

	Spring 2012		Spring 2013
average days	51.0	+6.0	57.0

Sample: companies surveyed (active in domestic and foreign markets)
Source: Payment Practices Bar ter – Spring 2013

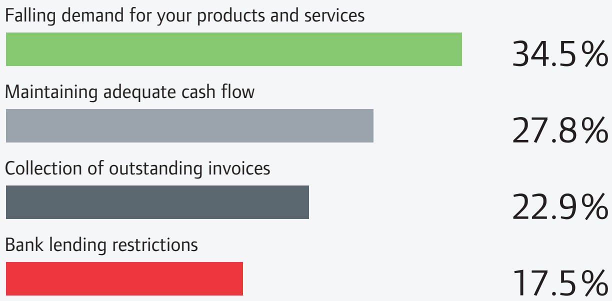
More information in the Statistical appendix

8. THE BIGGEST CHALLENGE TO THE PROFITABILITY OF THE BUSINESSES THIS YEAR

Respondents consider falling demand of products and services and maintaining adequate cash flow as the biggest challenges to the profitability of the businesses this year

- Falling demand of products and services and maintaining adequate cash flow are the biggest challenges to the profitability of the businesses this year.
- By country, the percentage of respondents citing falling demand of products and services ranges to a high of 44.7% in Spain (42.2% in the Netherlands) to a low of 20% in Greece. This latter, conversely, records the highest percentage of respondents (48%) citing maintaining adequate cash flow, which is cited the least often in Spain (17.7%).
- The other challenges to business profitability examined in the survey (collection of outstanding invoices and bank lending restrictions) were cited less frequently (22.9% and 17.9% of respondents respectively).
- At a country level, collection of outstanding invoices was cited the most often in Italy and the Netherlands (28.0%) and the least often in Spain 13.7%. Bank lending restrictions was mentioned the most frequently in Switzerland and Spain (around 24% of respondents each) and the least often in the Netherlands (8.3% of respondents).
- 35.0% of respondents in the manufacturing sector in Western Europe say that falling demand of products and services is the biggest challenge to the profitability of their business this year. This is the same opinion of 32.4% of respondents in large enterprises. Approximately 30% of respondents in the wholesale/retail/distribution sector and in micro enterprises say that the biggest challenge is maintaining adequate cash flow.

The biggest challenge to the profitability of the businesses this year



Sample: companies interviewed (active in domestic and foreign markets)
Source: Payment Practices Barometer – Spring 2013

More information in the Statistical appendix

Survey design

Background

For internationally active companies, it is vital to have good knowledge of the payment practices of potential customers in countries they do or plan to do business with, as miscalculation may result in serious cashflow problems. This applies to big as well as small companies. Big companies are particularly hit by poor payment behaviour due to the volume of their international transactions. Smaller companies often learn the hard way early in their international endeavours that they have incorrectly estimated the payment practices of their international business partners.

Atradius is conducting regular reviews of corporate payment practices through a survey called the "Atradius Payment Practices Barometer". This report presents the results of the twelfth evaluation of payment practices. Keala Research conducted a net of 2,943 interviews. The interviews were all conducted exclusively for Atradius and there was no combination of topics.

Survey scope

- Basic population: Companies from fourteen countries were monitored (Austria, Belgium, Denmark, France, Germany, Great Britain, Greece, Ireland, Italy, Spain, Sweden, Switzerland, the Netherlands and Turkey); the appropriate contacts for accounts receivable management were interviewed.
- Selection process: Internet survey: Companies were selected and contacted by use of an international internet panel. At the beginning of the interview, a screening for the appropriate contact and for quota control was conducted. Telephone survey: Companies were selected and contacted by telephone. At the beginning of the interview, a screening for the appropriate contact and for quota control was conducted. Telephone surveys only took place for Greece.
- Sample: n=2,943 people were interviewed in total (approximately n=200 people per country). In each country, a quota was maintained according to four classes of company size.
- Interview: Web-assisted personal interviews (WAPI) of approximately 11 minutes duration; Telephone interviews (CATI) of approximately 19 minutes duration; Interview period: 28/01/2013 – 08/03/2013

Sample overview

Sample overview Western Europe

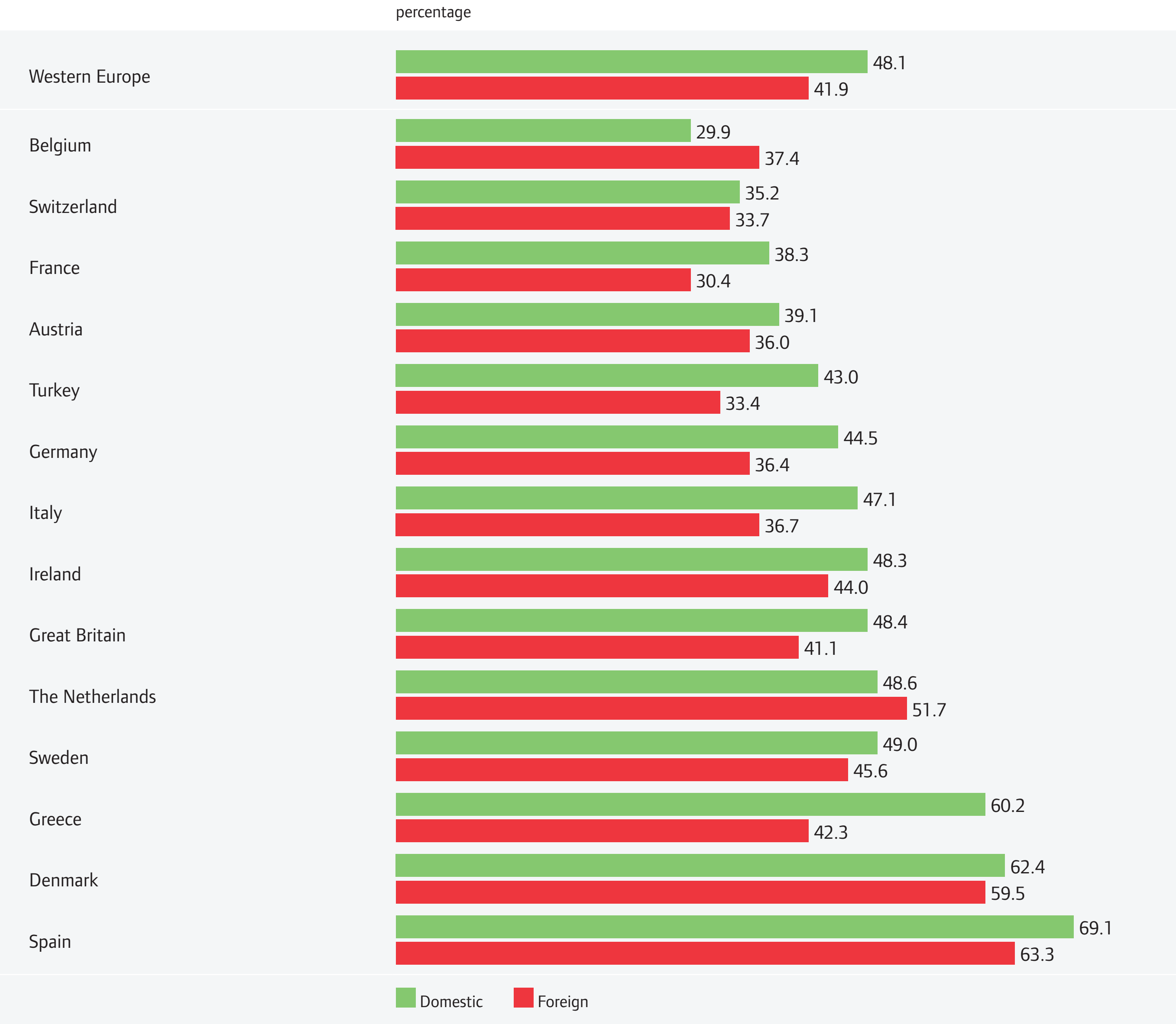
Country (n=2,943)	n	%
Austria	202	6.9%
Belgium	203	6.9%
Denmark	212	7.2%
France	210	7.1%
Germany	210	7.1%
Great Britain	206	7.0%
Greece	200	6.8%
Ireland	200	6.8%
Italy	211	7.2%
Spain	204	6.9%
Sweden	211	7.2%
Switzerland	211	7.2%
The Netherlands	218	7.4%
Turkey	245	8.3%
Turnover (n=2,943)	**n**	**%**
Micro enterprise	929	31.6%
Small enterprise	1,045	35.5%
Medium/Large enterprise	626	21.3%
Large enterprise	343	11.7%
Economic sector (n=2,943)	**n**	**%**
Manufacturing	596	20.3%
Wholesale / Retail / Distribution	780	26.5%
Services	1,237	42.0%
Financial Services	330	11.2%

It may occur that the results are a percent more or less then a 100% when calculating the results.. This is the consequence of rounding off the results. Rather than adjusting the outcome so that it totalled 100% we have chosen to leave the individual results as they were to allow for the most accurate representation possible.

Statistical appendix Western Europe

1. SALES ON CREDIT TERMS

What percentage of the total value of your domestic / foreign B2B sales is on credit?



Sample: all interviewed companies (active in domestic and foreign markets)

Source: Atradius Payment Practices Barometer - Spring 2013

Sales on credit terms Western Europe - Domestic / Foreign

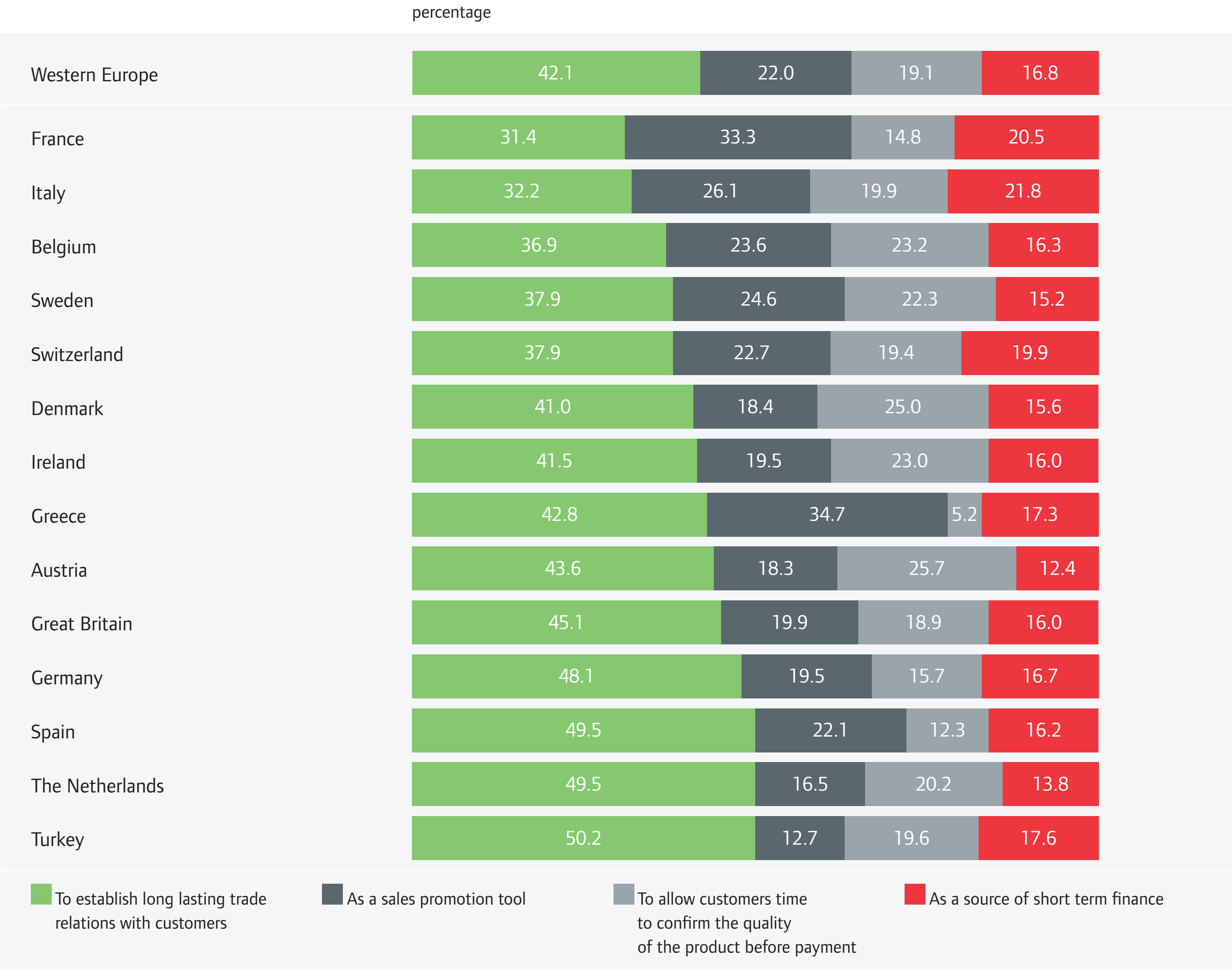
	Business sector				Business size			
	Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
Domestic	56.9%	48.5%	44.9%	41.7%	42.9%	50.2%	53.2%	44.8%
Foreign	48.3%	39.2%	40.0%	38.1%	37.5%	41.3%	44.2%	45.2%

Sample: all interviewed companies

Source: Payment Practices Barometer – Spring 2013

2. TRADE CREDIT SUPPLY DETERMINANTS

What are the main reasons that your company grants trade credit to its domestic B2B customers?



Sample: all interviewed companies (active in domestic markets)

Source: Payment Practices Barometer – Spring 2013

Trade credit supply determinants Western Europe - Domestic

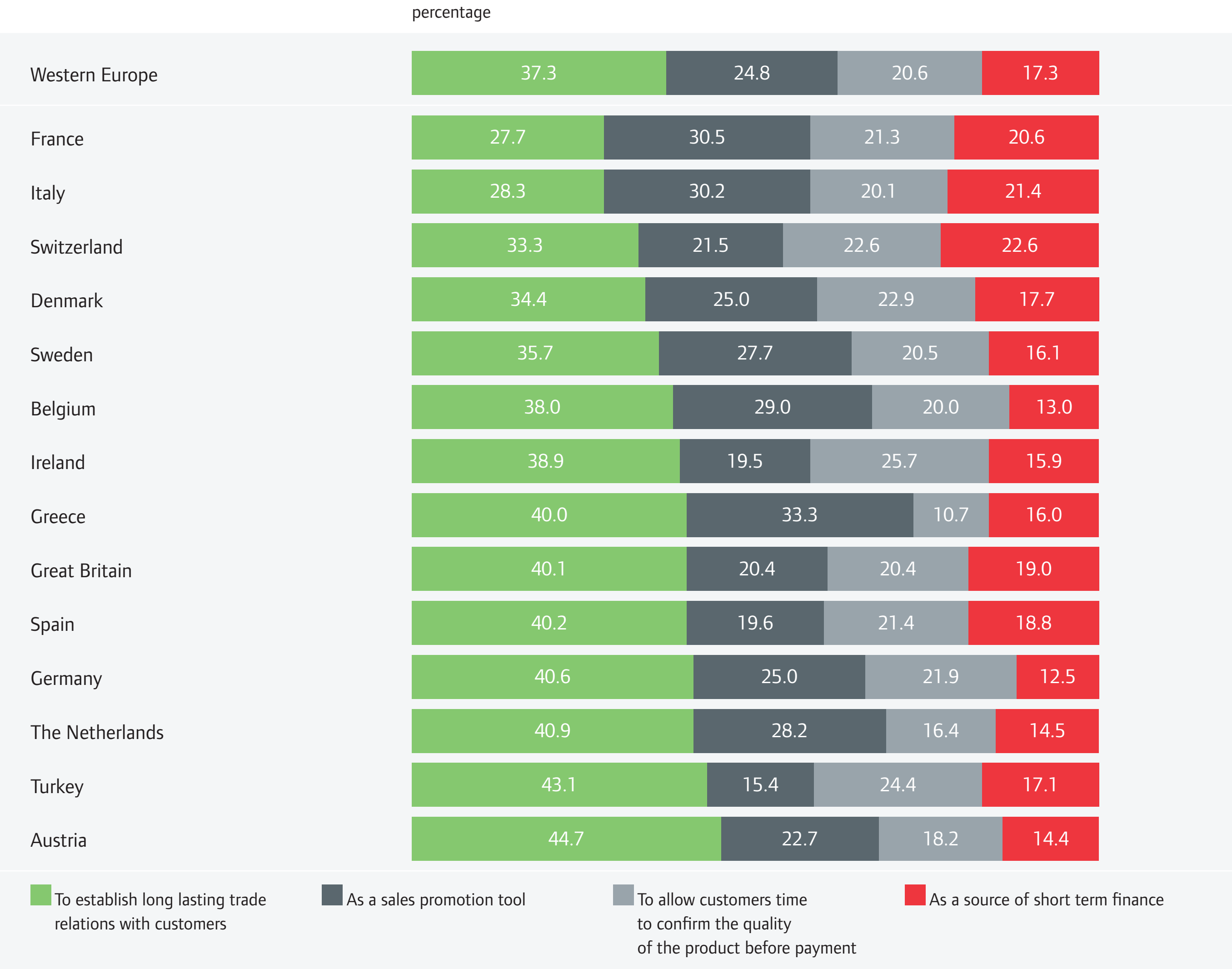
	Business sector				Business size			
	Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
Long term trade	40.2%	39.1%	45.4%	40.0%	44.2%	40.9%	41.9%	40.4%
Sales promotion	21.2%	27.0%	19.6%	20.9%	20.2%	22.8%	22.4%	23.9%
Time to confirm	21.7%	16.7%	19.9%	17.3%	20.6%	19.6%	18.2%	15.3%
Short term finance	17.0%	17.3%	15.1%	21.8%	15.0%	16.8%	17.6%	20.4%

Sample: all interviewed companies (active in domestic markets)

Source: Payment Practices Barometer – Spring 2013

2. TRADE CREDIT SUPPLY DETERMINANTS

What are the main reasons that your company grants trade credit to its foreign B2B customers?



Sample: all interviewed companies (active in foreign markets)

Source: Payment Practices Barometer – Spring 2013

Trade credit supply determinants Western Europe - Foreign

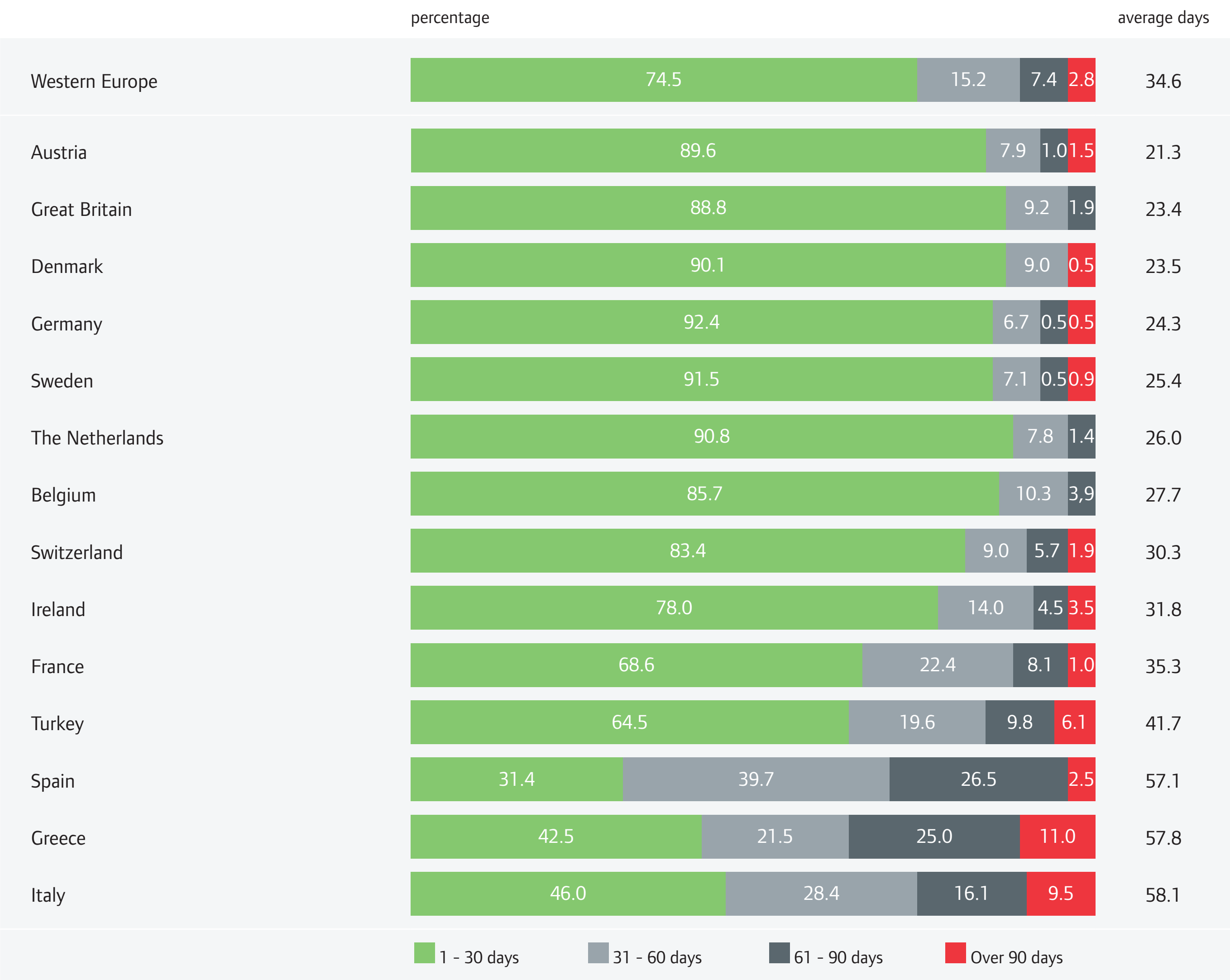
	Business sector				Business size			
	Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
Long term trade	38.5%	35.4%	36.2%	41.8%	38.0%	36.1%	36.1%	42.0%
Sales promotion	26.8%	23.8%	24.8%	22.4%	23.0%	24.6%	28.5%	20.4%
Time to confirm	20.0%	21.8%	21.4%	17.4%	21.9%	22.1%	19.7%	16.9%
Short term finance	14.7%	19.0%	17.7%	18.4%	17.1%	17.3%	15.7%	20.8%

Sample: all interviewed companies (active in foreign markets)

Source: Payment Practices Barometer – Spring 2013

3. AVERAGE CREDIT TERMS – DOMESTIC / FOREIGN

What payment terms does your company set for its domestic B2B customers?



Sample: all interviewed companies (active in domestic markets)

Source: Payment Practices Barometer – Spring 2013

Payment terms Western Europe - Domestic (average days)

Business sector				Business size			
Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
39.4	34.5	33.4	30.1	30.5	37.6	35.1	35.1

Sample: all interviewed companies (active in domestic markets)

Source: Payment Practices Barometer – Spring 2013

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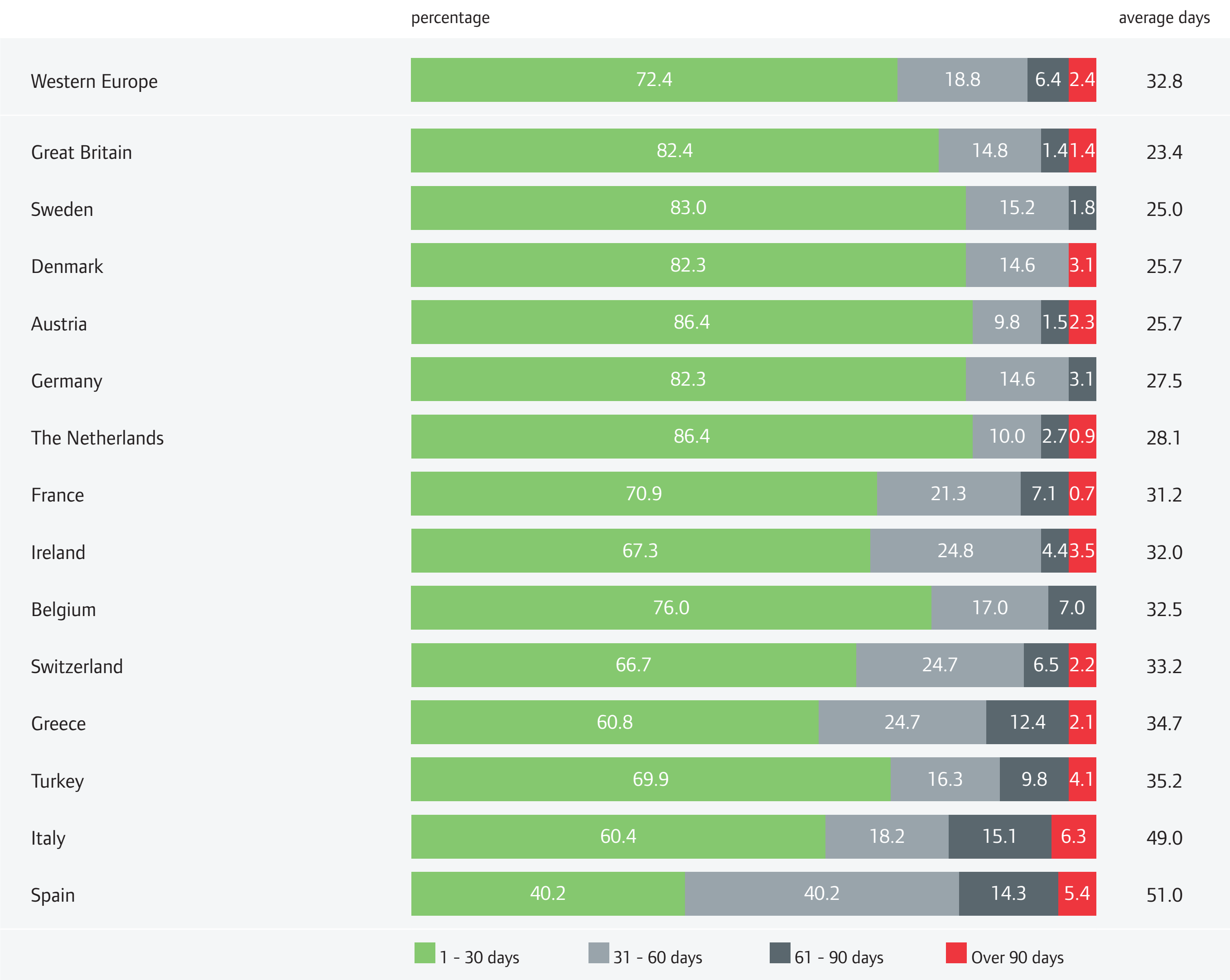
What payment terms does your company set for its foreign B2B customers?



Sample: all interviewed companies (active in foreign markets)

Source: Payment Practices Barometer – Spring 2013

Payment terms Western Europe - Foreign (average days)

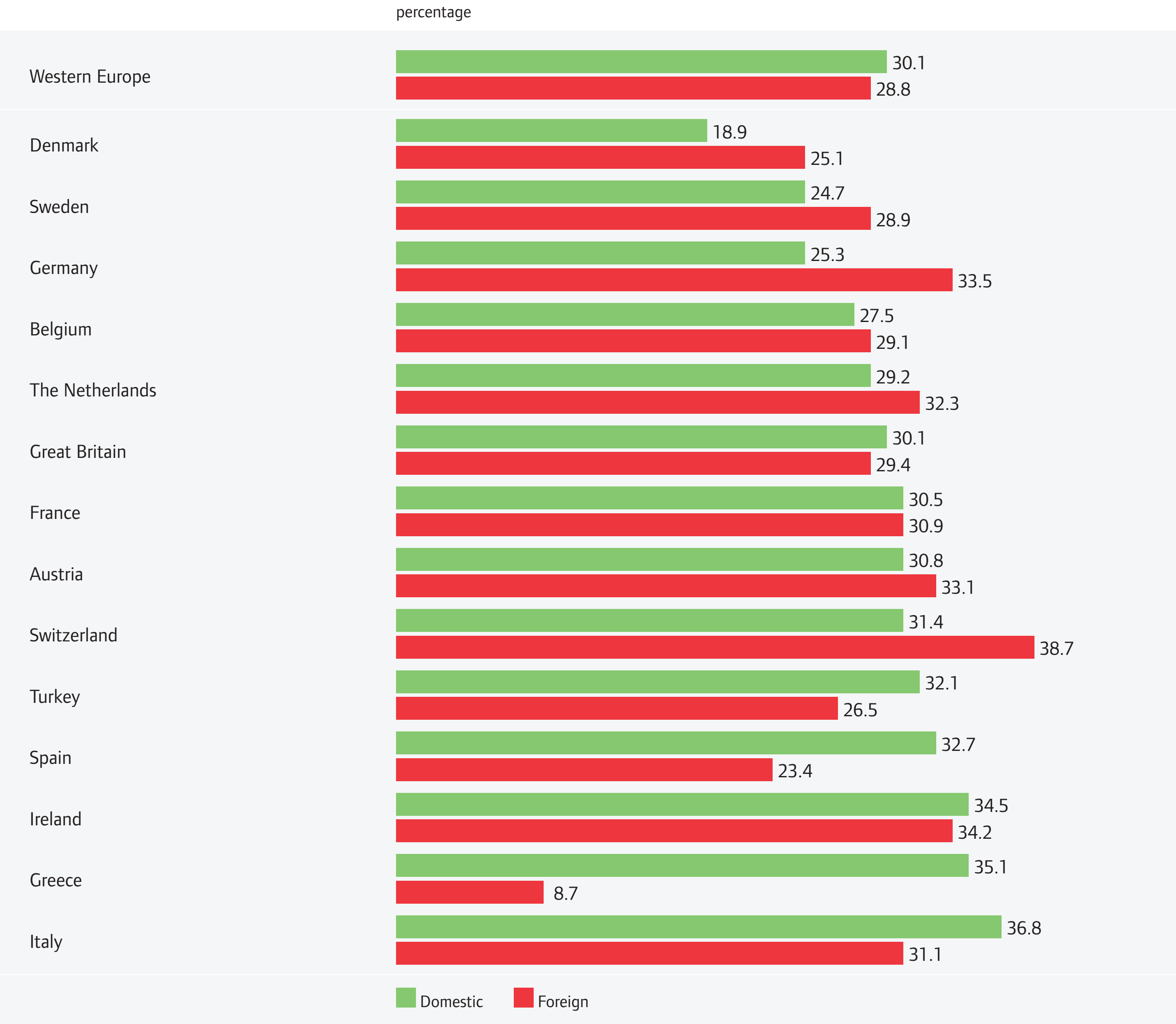
Business sector				Business size			
Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
36.3	29.9	33.2	30.6	28.7	33.8	33.3	34.2

Sample: all interviewed companies (active in foreign markets)

Source: Payment Practices Barometer – Spring 2013

4. OVERDUE DOMESTIC AND FOREIGN B2B INVOICES – PAYMENT TIMING

What percentage of your domestic / foreign B2B invoices are overdue?



Sample: all interviewed companies (active in domestic and foreign markets)

Source: Payment Practices Barometer - Spring 2013

Overdue invoices Western Europe - Domestic / Foreign

	Business sector				Business size			
	Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
Domestic	31.6%	31.0%	29.4%	28.1%	30.0%	31.1%	31.0%	25.4%
Foreign	29.6%	27.8%	29.3%	28.2%	27.7%	28.5%	30.6%	27.4%

Sample: all interviewed companies

Source: Payment Practices Barometer – Spring 2013

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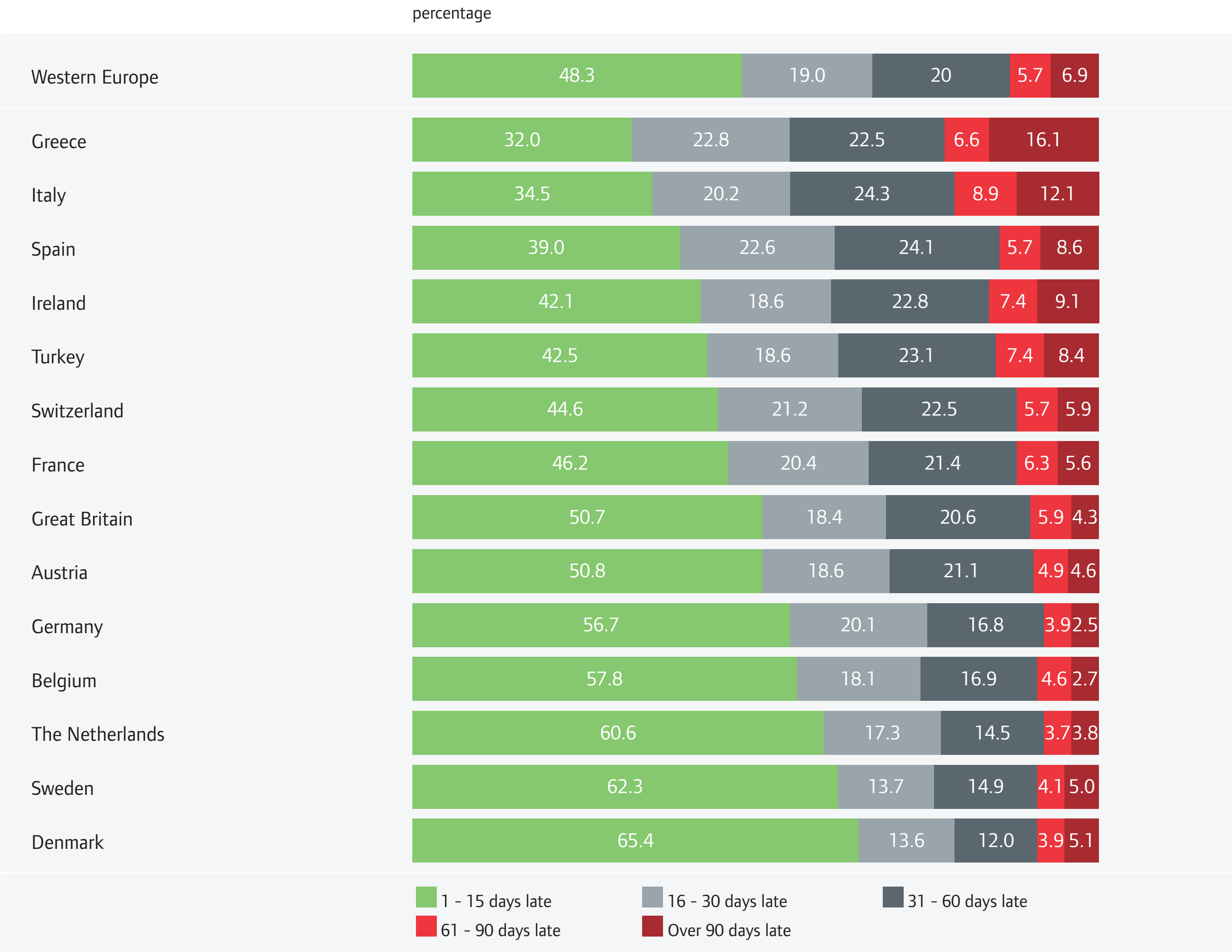
4. OVERDUE DOMESTIC AND FOREIGN B2B INVOICES – PAYMENT TIMING

Domestic overdue B2B invoices - Payment is made between ….



Sample: all interviewed companies with overdue invoices (active in domestic markets) Source: Payment Practices Barometer – Spring 2013

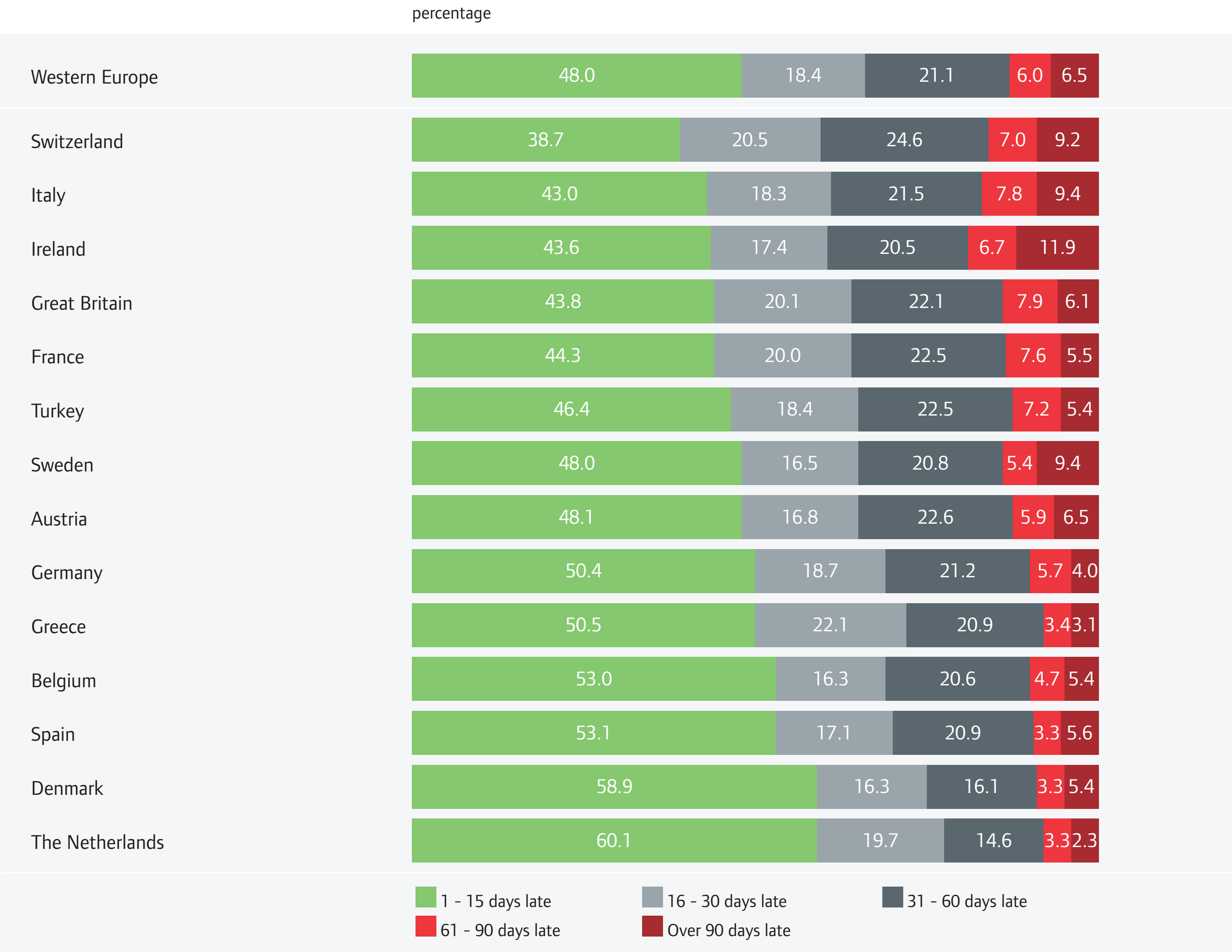
Payment is made between … Western Europe - Domestic (average days)

	Business sector				Business size			
	Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
1-15 days late	46.0%	46.6%	50.4%	49.4%	48.9%	48.1%	46.5%	50.7%
16-30 days late	19.8%	20.0%	18.6%	16.4%	18.5%	19.5%	19.2%	18.4%
31-60 days late	21.2%	20.9%	18.7%	20.0%	19.1%	20.0%	22.0%	18.8%
61-90 days late	6.3%	5.8%	5.2%	6.3%	5.5%	5.9%	5.7%	5.9%
Over 90 days late	6.7%	6.7%	7.1%	7.1%	8.0%	6.5%	6.6%	6.2%

Sample: all interviewed companies (active in domestic markets) Source: Payment Practices Barometer – Spring 2013

4. OVERDUE DOMESTIC AND FOREIGN B2B INVOICES – PAYMENT TIMING

Foreign overdue B2B invoices - Payment is made between ....



Sample: all interviewed companies with overdue invoices (active in foreign markets)

Source: Payment Practices Barometer – Spring 2013

Payment is made between ... Western Europe - Foreign (average days)

	Business sector				Business size			
	Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
1-15 days late	47.6%	47.4%	48.0%	50.2%	51.7%	48.6%	46.0%	45.8%
16-30 days late	19.8%	18.3%	18.4%	15.4%	16.7%	18.3%	18.7%	20.3%
31-60 days late	21.4%	21.3%	21.0%	19.3%	19.6%	21.0%	21.9%	21.4%
61-90 days late	5.8%	5.7%	6.1%	7.2%	5.7%	5.8%	6.4%	6.3%
Over 90 days late	5.5%	7.2%	6.3%	7.9%	6.4%	6.4%	7.0%	6.2%

Sample: all interviewed companies (active in foreign markets)

Source: Payment Practices Barometer – Spring 2013

5. MAIN REASONS FOR PAYMENT DELAYS FROM B2B CUSTOMERS

Main reasons for payment delays by domestic B2B customers - Western Europe

	Insufficient availability of funds	Dispute over quality of goods delivered or service provided	Goods delivered or services provided do not correspond to what was agreed in the contract	Complexity of the payment procedure	Inefficiencies of the banking system	Incorrect information on invoice	Other
Western Europe	61.11%	24.30%	20.44%	23.04%	22.11%	21.38%	4.07%
Austria	60.54%	23.13%	21.77%	29.25%	29.93%	29.93%	4.76%
Belgium	65.16%	23.23%	16.77%	13.55%	18.06%	14.19%	4.52%
Denmark	32.35%	20.59%	16.18%	28.68%	21.32%	19.85%	14.71%
France	56.54%	20.42%	25.65%	29.32%	26.18%	23.04%	1.57%
Germany	63.75%	23.13%	16.25%	24.38%	23.75%	14.38%	6.88%
Great Britain	47.93%	23.67%	24.26%	23.08%	23.67%	23.08%	4.14%
Greece	91.88%	3.13%	1.25%	5.00%	28.13%	3.75%	1.25%
Ireland	64.34%	20.28%	19.58%	18.88%	30.77%	23.78%	2.10%
Italy	73.06%	16.06%	11.92%	21.24%	20.73%	15.03%	2.59%
The Netherlands	66.46%	32.91%	24.05%	15.19%	6.33%	25.95%	3.80%
Spain	82.16%	10.81%	7.03%	18.38%	24.32%	10.81%	10.81%
Sweden	38.78%	17.01%	19.73%	25.17%	27.21%	27.21%	4.76%
Switzerland	54.73%	23.65%	16.89%	25.68%	28.38%	20.95%	3.38%
Turkey	64.18%	19.40%	18.91%	36.82%	37.31%	20.90%	1.49%
Business sector							
Manufacturing	60.33%	23.17%	20.67%	23.80%	25.89%	17.12%	4.38%
Wholesale trade / Retail trade / Distribution	65.56%	16.98%	16.35%	20.32%	27.78%	18.10%	4.92%
Services	61.26%	18.46%	15.47%	23.05%	21.88%	20.60%	5.12%
Financial services	61.94%	23.89%	18.22%	25.10%	26.72%	21.46%	2.43%
Business size							
Micro enterprise	65.77%	15.84%	13.30%	19.58%	24.22%	16.44%	5.83%
Small enterprise	63.84%	17.67%	18.02%	21.63%	25.70%	17.09%	4.42%
Medium-sized enterprise	57.48%	25.05%	19.22%	26.02%	25.63%	22.72%	4.27%
Large enterprise	57.83%	25.30%	19.68%	27.71%	22.09%	27.31%	2.81%

Sample: all interviewed companies (active in domestic markets)

Source: Payment Practices Barometer – Spring 2013

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5. MAIN REASONS FOR PAYMENT DELAYS FROM B2B CUSTOMERS

Main reasons for payment delays by foreign B2B customers - Western Europe

	Insufficient availability of funds	Dispute over quality of goods delivered or service provided	Goods delivered or services provided do not correspond to what was agreed in the contract	Complexity of the payment procedure	Inefficiencies of the banking system	Incorrect information on invoice	Other
Western Europe	46.92%	26.15%	20.96%	34.81%	35.96%	26.92%	2.12%
Austria	54.84%	23.66%	21.51%	37.63%	39.78%	45.16%	0.00%
Belgium	53.16%	24.05%	17.72%	30.38%	35.44%	21.52%	6.33%
Denmark	32.81%	18.75%	20.31%	35.94%	26.56%	25.00%	10.94%
France	40.46%	28.24%	22.14%	32.06%	30.53%	25.19%	0.00%
Germany	50.00%	22.22%	22.22%	37.50%	44.44%	25.00%	4.17%
Great Britain	39.50%	23.53%	17.65%	27.73%	32.77%	31.09%	2.52%
Greece	57.89%	2.63%	5.26%	34.21%	23.68%	10.53%	5.26%
Ireland	60.24%	25.30%	26.51%	34.94%	38.55%	19.28%	1.20%
Italy	42.76%	21.38%	13.79%	34.48%	33.10%	15.17%	1.38%
The Netherlands	44.00%	28.00%	16.00%	30.67%	26.67%	22.67%	4.00%
Spain	48.31%	11.24%	11.24%	42.70%	20.22%	15.73%	6.74%
Sweden	29.11%	13.92%	21.52%	43.04%	34.18%	16.46%	0.00%
Switzerland	41.43%	30.00%	25.71%	42.86%	42.86%	18.57%	0.00%
Turkey	55.45%	24.75%	22.77%	35.64%	57.43%	23.76%	0.00%
Business sector							
Manufacturing	47.06%	25.00%	21.47%	32.06%	30.59%	23.24%	3.82%
Wholesale trade / Retail trade / Distribution	48.85%	19.54%	20.11%	32.47%	36.21%	23.56%	1.72%
Services	41.01%	19.24%	16.96%	39.75%	36.71%	22.53%	3.04%
Financial services	49.03%	29.68%	17.42%	37.42%	38.71%	23.23%	0.65%
Business size							
Micro enterprise	43.69%	15.05%	16.02%	36.41%	36.89%	21.36%	4.37%
Small enterprise	46.72%	20.68%	19.48%	37.77%	34.19%	23.26%	2.39%
Medium-sized enterprise	42.47%	26.30%	19.18%	32.33%	33.70%	20.82%	2.47%
Large enterprise	53.66%	26.83%	21.95%	32.93%	39.02%	29.88%	1.22%

Sample: all interviewed companies (active in foreign markets)

Source: Payment Practices Barometer – Spring 2013

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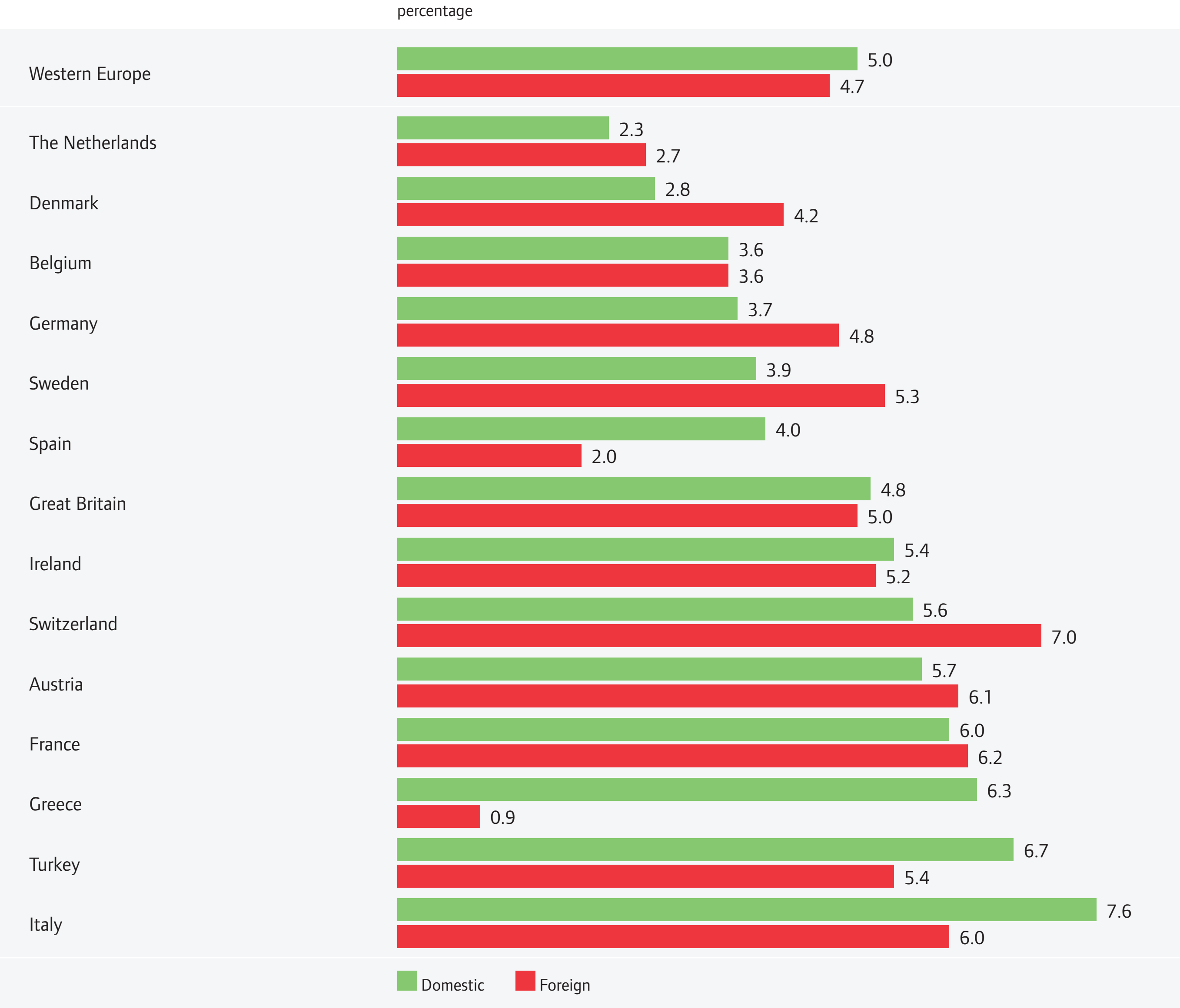
6. UNCOLLECTABLE B2B RECEIVABLES - DOMESTIC / FOREIGN

Over the last six months, what percentage of the total value of your B2B receivables (domestic and foreign) were uncollectable?



Sample: all interviewed companies (active in domestic and foreign markets)

Source: Payment Practices Barometer - Spring 2013

Uncollectable B2B receivables Western Europe - Domestic / Foreign

	Business sector				Business size			
	Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
Domestic	4.8%	5.3%	4.6%	6.0%	4.5%	5.3%	5.2%	4.7%
Foreign	4.4%	4.3%	4.7%	6.0%	3.8%	4.8%	5.0%	4.9%

Sample: all interviewed companies

Source: Payment Practices Barometer – Spring 2013

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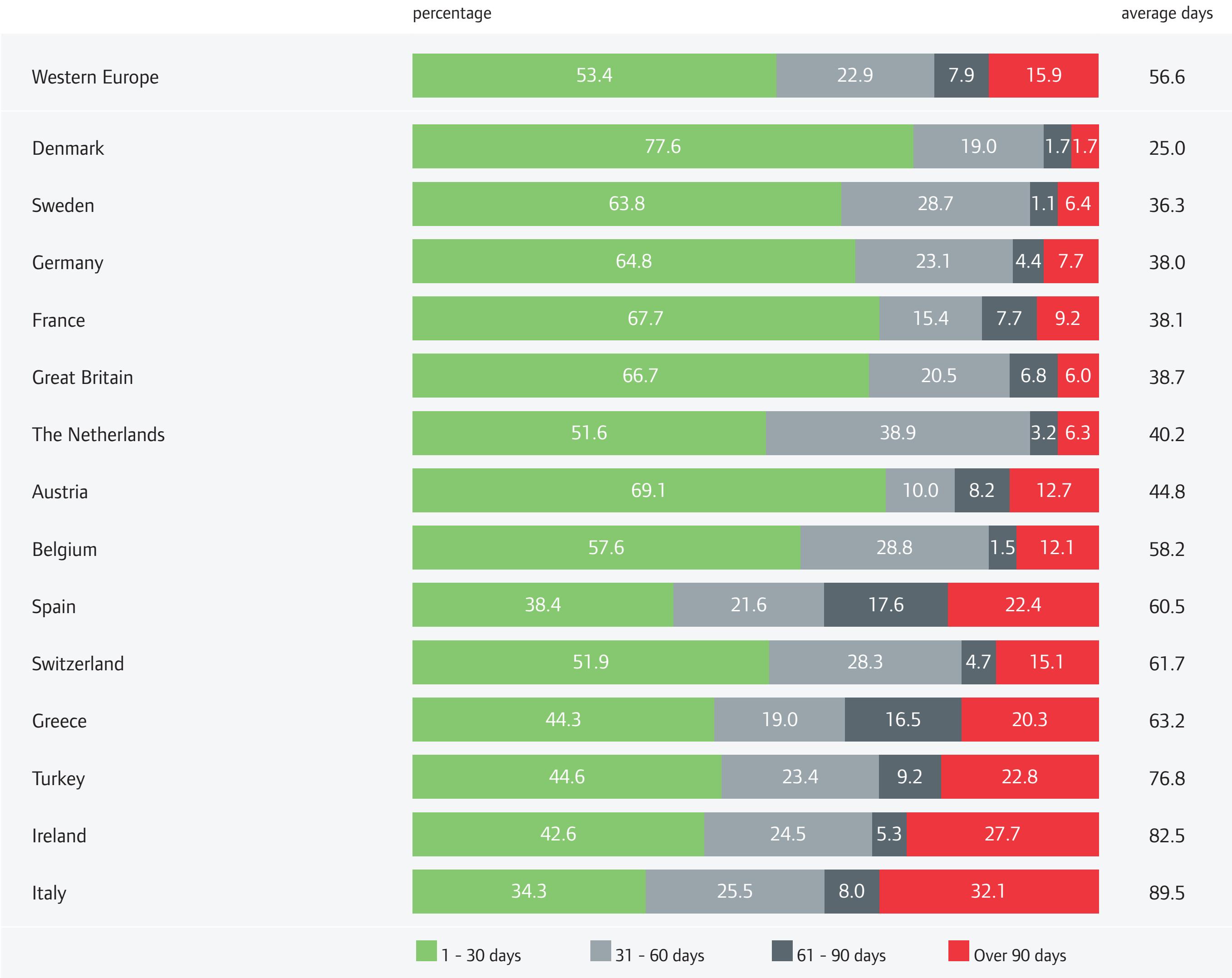
7. AVERAGE DAYS SALES OUTSTANDING (DSO) - TREND OVER THE PAST YEAR

What is your company's annual average DSO?



Sample: all interviewed companies

Source: Payment Practices Barometer – Spring 2013

Average DSO Western Europe (average days)

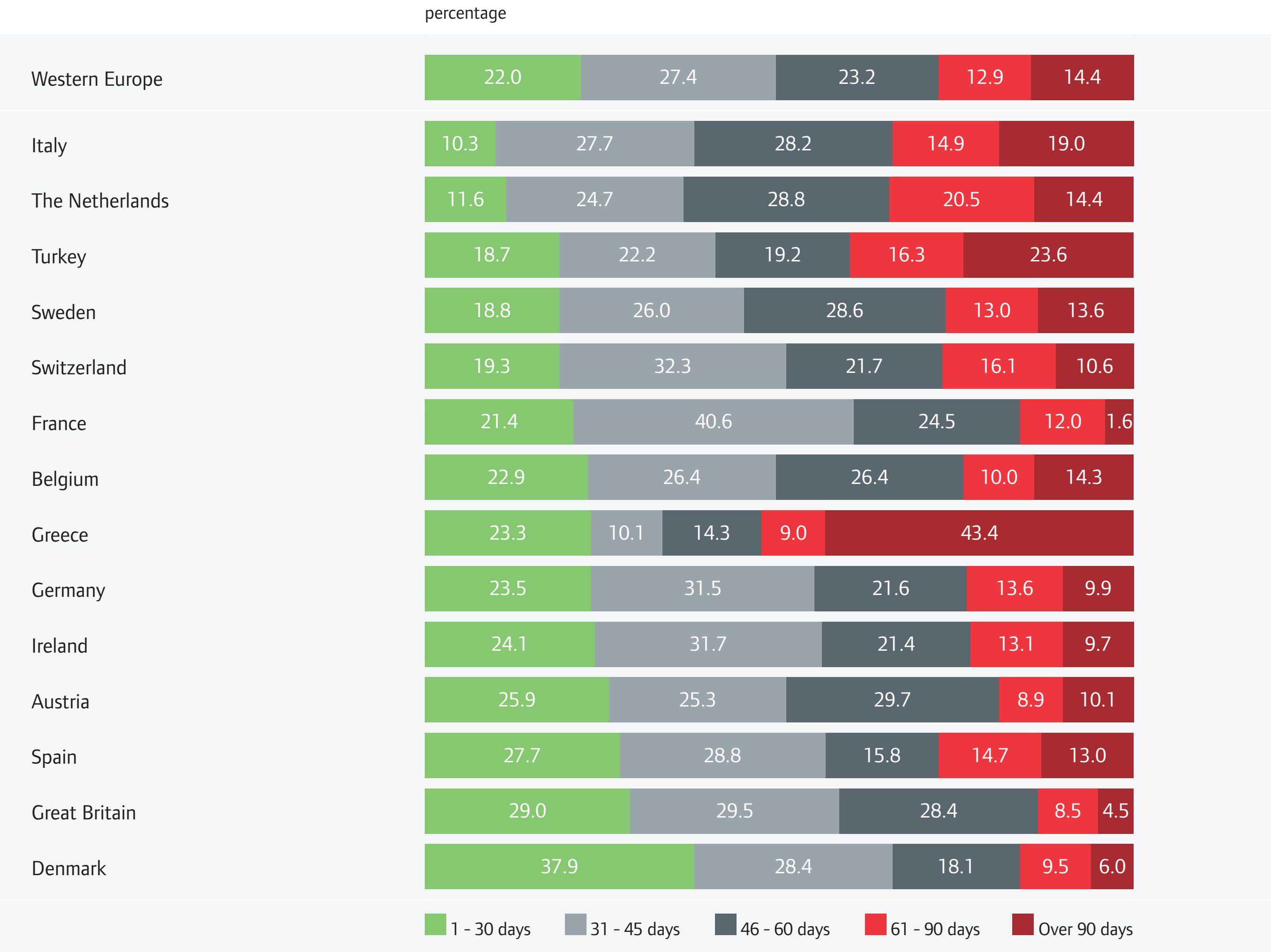
Business sector				Business size			
Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
59.0	59.3	50.6	65.3	54.9	58.8	61.7	43.6

Sample: all interviewed companies

Source: Payment Practices Barometer – Spring 2013

7. AVERAGE DAYS SALES OUTSTANDING (DSO) - TREND OVER THE PAST YEAR

According to your company's credit policy, when does your DSO level become a concern? … days longer than payment term.



Sample: all interviewed companies

Source: Payment Practices Barometer – Spring 2013

DSO becomes a concern in Western Europe when it is … days longer than payment term

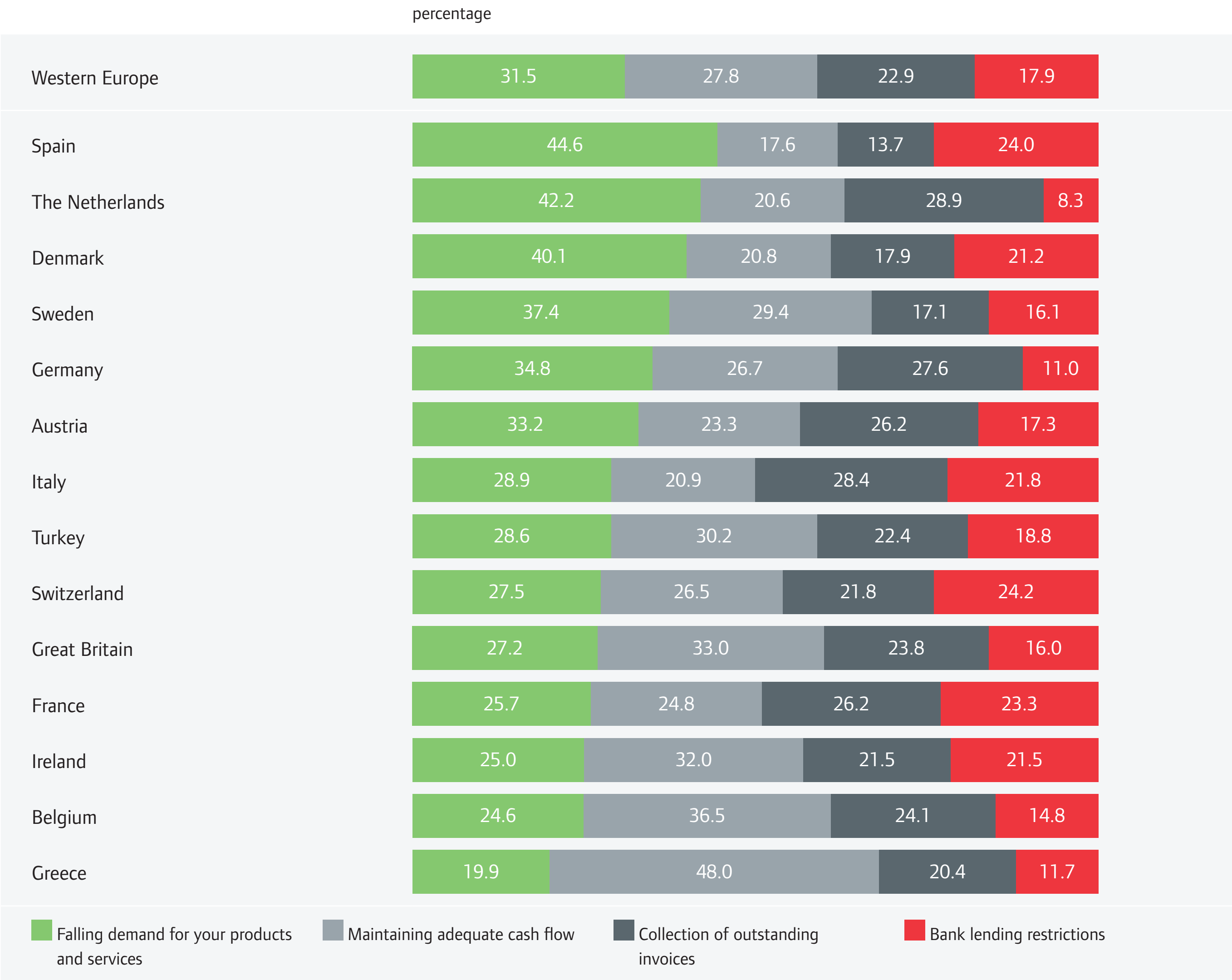
	Business sector				Business size			
	Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
1-30 days	23.7%	21.2%	21.4%	23.4%	26.8%	20.4%	17.3%	24.0%
31-45 days	26.7%	26.3%	29.8%	23.0%	26.5%	27.7%	29.8%	24.0%
46-60 days	21.4%	24.8%	22.4%	25.7%	20.7%	25.6%	24.1%	20.5%
61-90 days	11.8%	13.7%	11.9%	16.9%	12.4%	10.7%	15.7%	16.3%
Over 90 days	16.3%	14.0%	14.6%	11.1%	13.6%	15.6%	13.1%	15.1%

Sample: all interviewed companies

Source: Payment Practices Barometer – Spring 2013

8. THE BIGGEST CHALLENGE TO THE PROFITABILITY OF THE BUSINESSES THIS YEAR

What will be the greatest challenge to the profitability of your business in 2013?



Sample: all interviewed companies (active in domestic and foreign markets)

Source: Payment Practices Barometer – Spring 2013

Greatest challenge to business profitability in 2013 - Western Europe

	Business sector				Business size			
	Manufacturing	Wholesale trade / Retail trade / Distribution	Services	Financial services	Micro enterprise	Small enterprise	Medium-sized enterprise	Large enterprise
Falling demand	35.0%	29.6%	32.2%	26.7%	31.6%	31.6%	30.6%	32.4%
Adequate cash flow	26.4%	29.5%	27.8%	26.0%	30.9%	28.1%	24.0%	25.1%
Outstanding invoices collection	18.0%	19.4%	25.6%	30.0%	21.9%	21.8%	24.0%	26.8%
Bank lending restrictions	20.5%	21.5%	14.4%	17.3%	15.6%	18.5%	21.3%	15.7%

Sample: all interviewed companies

Source: Payment Practices Barometer – Spring 2013

Acerca de Crédito y Caución

Crédito y Caución es el operador líder del seguro de crédito interior y a la exportación en España desde su fundación, en 1929. Con una cuota de mercado del 54%, lleva más de 80 años contribuyendo al crecimiento de las empresas, protegiéndolas de los riesgos de impago asociados a sus ventas a crédito de bienes y servicios. Desde 2008, es el operador del Grupo Atradius en España, Portugal y Brasil.

El Grupo Atradius es un operador global del seguro de crédito presente en 45 países. Con una cuota de mercado de aproximadamente el 31% del mercado mundial del seguro de crédito, tiene acceso a la información de crédito en más de 100 millones de empresas en todo el mundo y toma cerca de 20.000 decisiones diarias de límites de crédito comercial. El operador global consolida su actividad dentro del Grupo Catalana Occidente.

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