EUROPEAN PAYMENT INDEX 2013

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CONTENT

Intrum Justitia, Europe's leading provider of Credit Management Services carries out a written survey in 29 European countries plus Turkey and Russia on an annual basis involving several thousand companies. The results of the current survey are published in this European Payment Index Report and the country Risk Index reports, which are drafted in the respective national language.

This yearly interval is intended to capture and compare international trends and provide companies with a reliable basis for decision making and effective benchmarks.

The results in this report are based on a survey which was carried out during January, February and March 2013. All time-based comparisons relate to the survey results that have been obtained during the same period in 2008, 2009, 2010, 2011 and 2012.

Intrum Justitia is happy to help if you require any further support or information.

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CEO FOREWORD:

BAD DEBT LOSS RISES TO €350 BN ANNUALLY, POSING AN UNSUSTAINABLE THREAT TO EUROPE'S FISCAL RECOVERY

Late- and non-payment is rife across Europe. The European Payment Index 2013 (EPI 2013) paints a picture where the majority of the 29 European countries embraced by the survey have a risk profile that requires immediate actions to avoid further economic deterioration. The inability, or unwillingness of consumers, businesses and authorities to settle their bills on time has severe effects. The amount of receivables that has to be written off as a consequence of not being paid increased from 2.8 precent to 3.0 percent equaling a seven percent jump to reach €350 billion.

The costs of the downturn are becoming patently obvious. This year's EPI survey sends a clear message from the 9,800 European enterprises that responded; 48 percent say they have decreased their investments in innovation as a consequence of the tightened financial situation, 61 percent of respondents have experienced lost sales, 57 percent state their liquidity has been impacted by the tough economic conditions and 49 percent see no organic growth of their business.

Needless to say, the trend line does not leave much room for economic recovery if the European business environment, with small and midsized companies (SMEs) in the

forefront, continues to shy away from innovation and growth.

The 2013 European Payment Index firmly underlines the need for politicians and governments to stop talking about the need to tackle late payment and instead start implementing concrete steps towards it. The survey reveals a deep sense of dissatisfaction that not enough is being done to protect business against bad debt. Sadly, few respondents felt the European Late Payment Directive, now being implemented across the EU, is as yet having any real impact.

Our EPI 2013 survey emphasizes the differences between the northern European countries and the rest of Europe. While countries like Greece, Cyprus, Hungary and Portugal continue to suffer, the Nordic countries together with Germany, Switzerland and Austria show a stable and positive trend with a lower risk profile. Even so, this year's survey indicates that businesses also in the northern regions are starting to feel the effects of the recession.

In Germany, Europe's economic powerhouse that has successfully navigated the fiscal storm of the past few years, confidence has fallen. Some 30 percent of German respondents said they expect to face greater risks from late payment in 2013, a 33 percent leap compared to the 21 percent figure a year ago. In addition, a growing number of Finnish and Swedish enterprises report experiencing increased pressure on liquidity and sales compared to a year ago.

Nonetheless, a substantial number of European enterprises are increasingly applying solid business approaches such as carefully monitoring customer payment behavior much earlier than before. However, as they help steer Europe back towards a profitable, more secure future, the millions of entrepreneurial businesspeople need tangible support from Europe's political leaders in their efforts to be paid on time for goods and services delivered in good faith.

Lars Wollung, President & CEO Intrum Justitia Group

IN BRIEF
CLOUDS OF UNCERTAINTY CAST LONG SHADOW OVER EUROPE

The 2013 Intrum Justitia European Payment Index survey of 9,800 business enterprises representing every business sector in 29 countries in Europe, plus Turkey and Russia, reveals just how seriously the economic downturn is impacting Europe's business potential and wellbeing today into tomorrow.

Designed to capture insights and trends to aid decision making, the survey reveals a snapshot of flagging sales and company liquidity, increased restrictions on credit terms, banks restricting much needed credit, falling staff morale and payment delays.

The latest annual EPI survey shows that many of Europe's 21 million businesses are clearly not waiting with bated breath for the return of good times any time soon. Instead, it underlines how business confidence, already stressed by five years of economic slump, has declined further in the face of on-going austerity and growing unemployment. The EPI survey also reveals that bad debt losses by European companies has reached the unprecedented high of an estimated €350 billion. That staggering write-off sum, due directly to late- and non payment behaviour, represents an increase of 7 percent compared to one year ago, jumping from 2.8 percent to 3.0 percent.

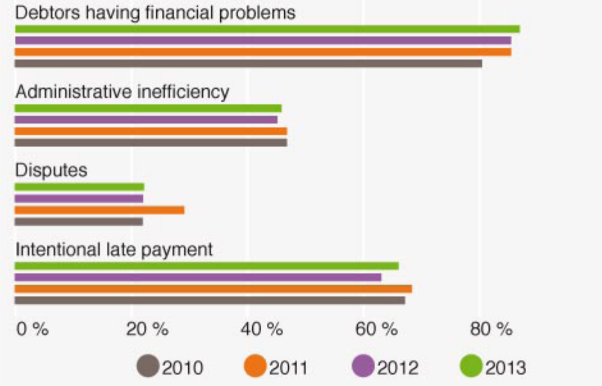
Pan European level	Average payment duration in days					
	2008	2009	2010	2011	2012	2013
Consumers	40	41	39	40	38	36
Business	56	57	55	56	52	49
Public sector	65	67	63	65	65	61

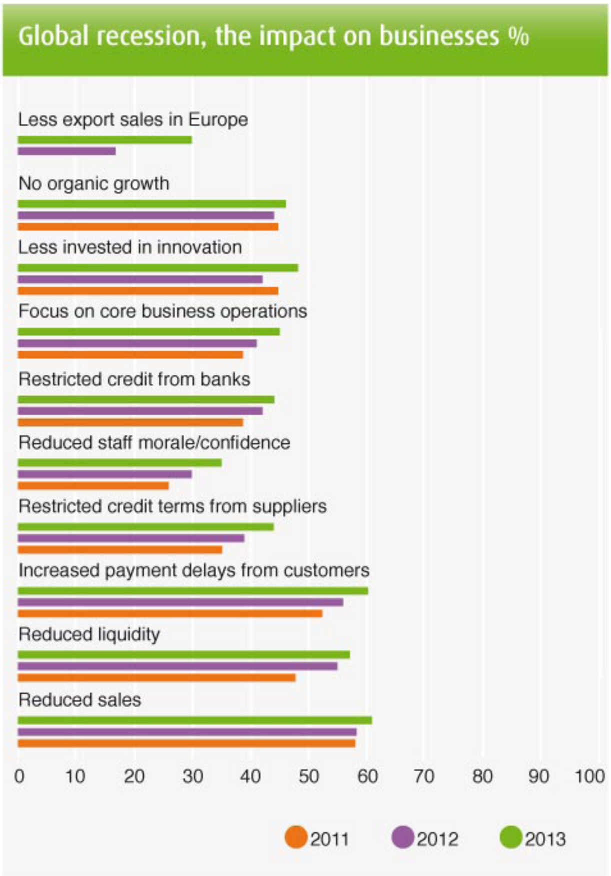
The traditional bottom line of every business is to attract customers, get them to buy and make sure they are happy enough to come back for more. Today, with late payment so rife, it can be justifiably claimed there is a fourth dimension, which is to encourage customers to pay on time.

Although there is considerable variation, by country, in the percentages of receivables being written-off as uncollectable, the late and non-payment problem is widespread everywhere. The only difference is with its severity setting one country apart from another. For example, businesses surveyed in Denmark report 2.2 percent as uncollectable and thus necessary to write down, compared to 2.0 percent in Germany and 9.9 percent in Greece. And, although the northern countries have confronted many of the same economic problems as their southern neighbours, they have been able to sustain relatively short credit periods with their customers.
Nonetheless, the overall overview is that European businesses are battling to deal with shrinking economies and diminishing demand. At the same time, their efforts are being hamstrung by late- and non payment for products and services, which is serving as a brake on Europe's ability to emerge from the fiscal slump. Across Europe, tens of thousands of businesses have been forced into liquidation and a great many others are battling reduced liquidity, later payment from customers, reduced staff morale and restricted credit from banks. Millions of Europeans are without work, whole countries have had to seek external bailouts to avoid economic meltdown, business morale is faltering and political friction is rising.

All the above is reflected in Intrum Justitia's new EPI 2013 survey, Europe's most comprehensive review of business sentiment with 45 percent of respondents predicting they face greater risks of bad debt during the coming year, up one percent from 2012's 44 percent. According to the survey, the countries most at risk of heightened debts include, perhaps surprisingly, Germany, where some 30 percent of respondents predict the risk of late payment will increase, a leap of almost 30 percent over a year earlier (21%). The most positive country was Norway, where those fearing risk of increased debt fell by 10 percentage points from 23 percent in 2012 to 13 percent in the 2013 survey.

Reasons for late payments according to respondents





On the upside, some key lessons appear to have been learnt from the years of economic slump. For example, the number of days companies wait after due by date before handing over to a collection agency fell in the majority (20) of countries. And, with the trend of decreasing the contractual days, the average payment duration in days decreased for all sectors.

Credit Management discipline remains best in the Nordic countries and Germany, with 72 percent of Finnish firms waiting only 33 days before handing over their outstanding invoices to a professional partner, for example. Compare that speed to solve unpaid invoices with Romania where 35 percent of firms wait 120 days or Belgium where 58 percent of companies wait 85 days.

Banks continue to fall from grace. Banking practices were slammed in almost every country with a substantial majority of respondents saying they were less confident than before about getting financial support from their bank to help run and grow their business. In Ireland, 78 percent (53%) of the respondents said they were less confident of getting bank support.

A similar picture of dissatisfaction was painted in responses from the UK, where 63 percent (49% in 2012) felt they were not getting the support they needed, and the Netherlands, where the figure was 52 percent (45% in 2012). Only in Germany, Norway and Poland were companies upbeat, saying they were more confident than a year earlier about getting support from their banks when required.

The EPI 2013 survey revealed an on-going very strong sense of dissatisfaction in almost all countries that governments are not doing enough to help protect businesses against late payment. Overall, 70 percent in 2013 said they did not believe their government was doing all it should to help, unchanged from 2012. Some countries were particularly dissatisfied, including Italy (94%), Spain (94%), Portugal (92%) and Greece (94%).

Few respondents felt that the European Late Payment Directive, currently being implemented in all EU countries, has yet had any real impact on the payment delays they are experiencing. In fact, respondents were less positive about the potential benefits of the Directive than a year ago, with negative views from countries including Slovenia (81%), Spain (84%), Italy (79%), UK (75%), Finland (77%), Sweden (73%) and Netherlands (69%). Only a few countries were more positive about the impact of the Late Payment Directive, notably Poland (15%), Croatia (25%) and Bulgaria (38%).

Nonetheless, the number of respondents saying they had to pay additional interest due to late payment has increased in the majority of countries (21). The number increased in 2013 to 43 percent compared to 37 percent a year earlier.

The Intrum Justitia EPI 2013 survey also drilled down into the priority given by companies to those they owed money too. Perhaps unsurprisingly, the majority said they first paid public sector invoices, including taxes and other charges. After that, the second priority was to pay the invoice from the most important supplier followed, in third place, by invoices from utility companies. International invoices were given the least priority, on the list of ten, which perhaps is not such a positive development from an exporting perspective. Finally, if there was any doubt that late payment is a plague threatening business sustainability in Europe that is scotched firmly by the response of 50 percent (43% in 2012) of all respondents who said unambiguously that unpaid bills were prohibiting the growth of their company.

COMPANIES REPORTING LIQUIDITY PROBLEMS DUE TO THE ONGOING RECESSION AND LATE PAYMENTS, COMPARING NORTH AND SOUTH EUROPE

NB. In Denmark 54 percent (56% in 2012) said they were suffering liquidity problems due to late payments, while 50 percent (48%) of Danish respondents also mentioned having liquidity problems related to the recession.

Denmark

Liquidity problems due to late payments	
2012	2013
56%	54%

Liquidity problems due to recession	
2012	2013
48%	50%

Norway

Liquidity problems due to late payments	
2012	2013
41%	46%

Liquidity problems due to recession	
2012	2013
34%	33%

Sweden

Liquidity problems due to late payments	
2012	2013
67%	66%

Liquidity problems due to recession	
2012	2013
35%	37%

Finland

Liquidity problems due to late payments	
2012	2013
37%	43%

Liquidity problems due to recession	
2012	2013
35%	39%

Portugal

Liquidity problems due to late payments	
2012	2013
81%	82%

Liquidity problems due to recession	
2012	2013
79%	79%

Spain

Liquidity problems due to late payments	
2012	2013
80%	80%

Liquidity problems due to recession	
2012	2013
64%	64%

Italy

Liquidity problems due to late payments	
2012	2013
70%	77%

Liquidity problems due to recession	
2012	2013
65%	67%

Greece

Liquidity problems due to late payments	
2012	2013
96%	96%

Liquidity problems due to recession	
2012	2013
92%	93%

TOP 10 EUROPEAN ECONOMIES REPORT INVESTING LESS IN INNOVATION AND SEE LIMITED ORGANIC GROWTH

NB. 46 percent (37% in 2012) of the respondents in the United Kingdom said they have invested less in innovation and 44 percent (38% in 2012) experienced no organic growth of their business due to the ongoing recession.

2 UK

Less invested in Innovation	
2012	2013
37%	46%

No organic growth	
2012	2013
38%	44%

8 Belgium

Less invested in Innovation	
2012	2013
34%	38%

No organic growth	
2012	2013
38%	40%

6 The Netherlands

Less invested in Innovation	
2012	2013
30%	40%

No organic growth	
2012	2013
33%	38%

1 Germany

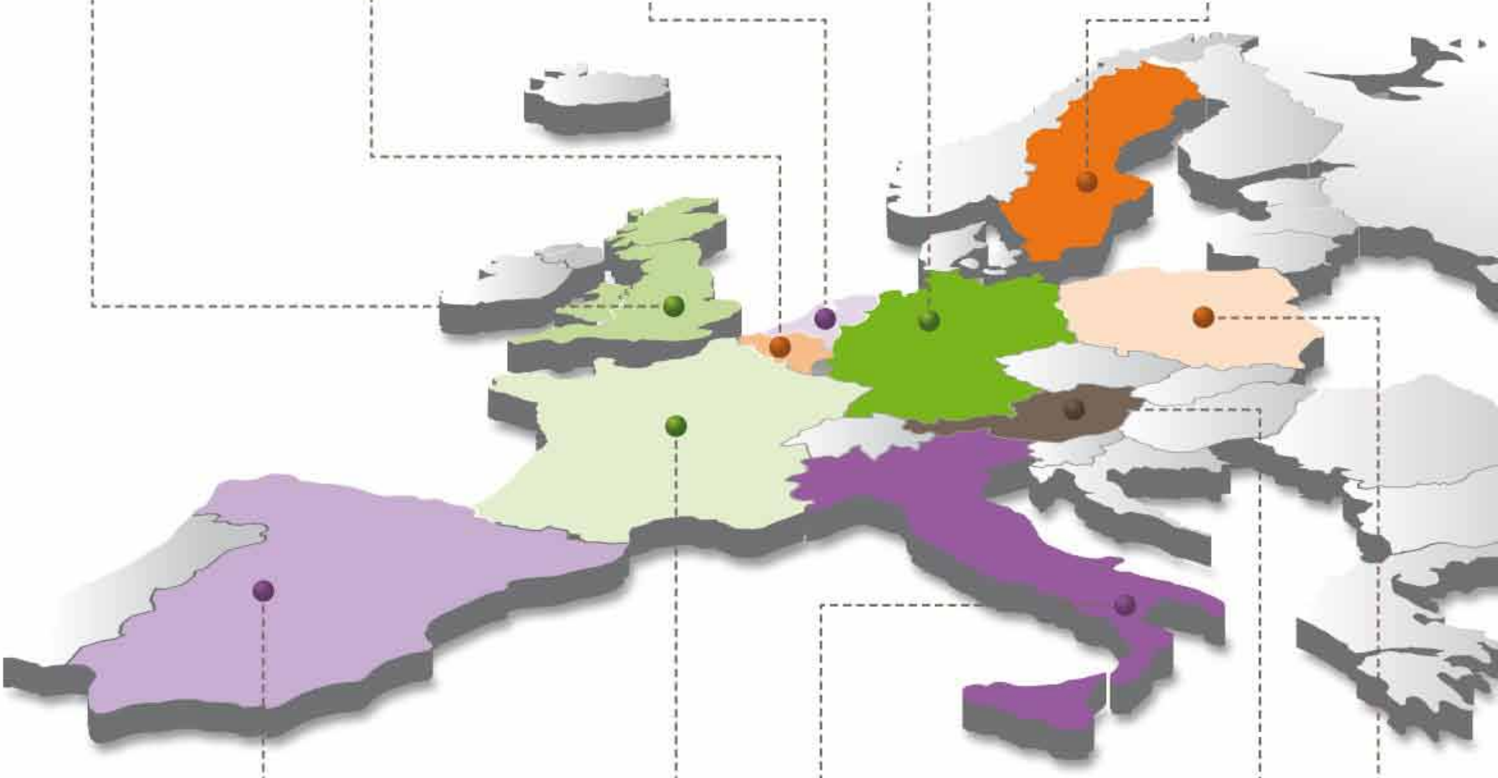
Less invested in Innovation	
2012	2013
31%	25%

No organic growth	
2012	2013
30%	32%

7 Sweden

Less invested in Innovation	
2012	2013
30%	30%

No organic growth	
2012	2013
23%	26%



5 Spain

Less invested in Innovation	
2012	2013
40%	45%

No organic growth	
2012	2013
52%	54%

3 France

Less invested in Innovation	
2012	2013
33%	33%

No organic growth	
2012	2013
30%	38%

4 Italy

Less invested in Innovation	
2012	2013
31%	40%

No organic growth	
2012	2013
48%	58%

10 Austria

Less invested in Innovation	
2012	2013
14%	34%

No organic growth	
2012	2013
11%	21%

9 Poland

Less invested in Innovation	
2012	2013
55%	57%

No organic growth	
2012	2013
55%	57%

COMPANIES SAY THEY ARE LESS CONFIDENT ABOUT GETTING THE FINANCIAL SUPPORT THEY NEED FROM THEIR BANK TO HELP RUN/GROW THEIR BUSINESS.

NB. 78 per cent (53% in 21012) of the Irish respondents said that they are less confident getting the financial support they need from their bank to help run/grow their business

Ireland

Less bank confidence	
2012	2013
53%	78%

UK

Less bank confidence	
2012	2013
49%	63%

Slovenia

Less bank confidence	
2012	2013
52%	73%

Latvia

Less bank confidence	
2012	2013
65%	66%

Portugal

Less bank confidence	
2012	2013
85%	86%

Greece

Less bank confidence	
2012	2013
83%	84%

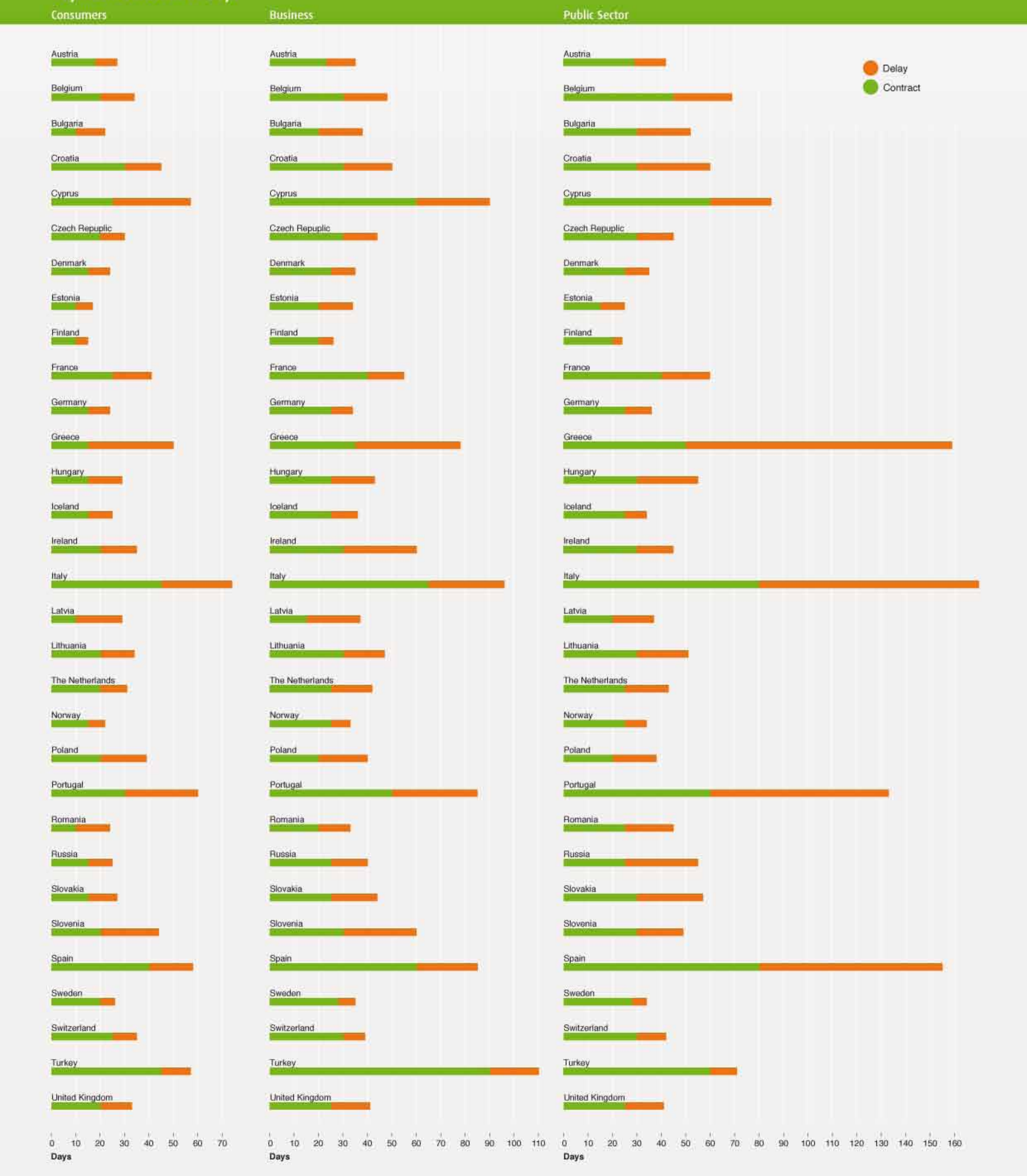
Romania

Less bank confidence	
2012	2013
55%	68%

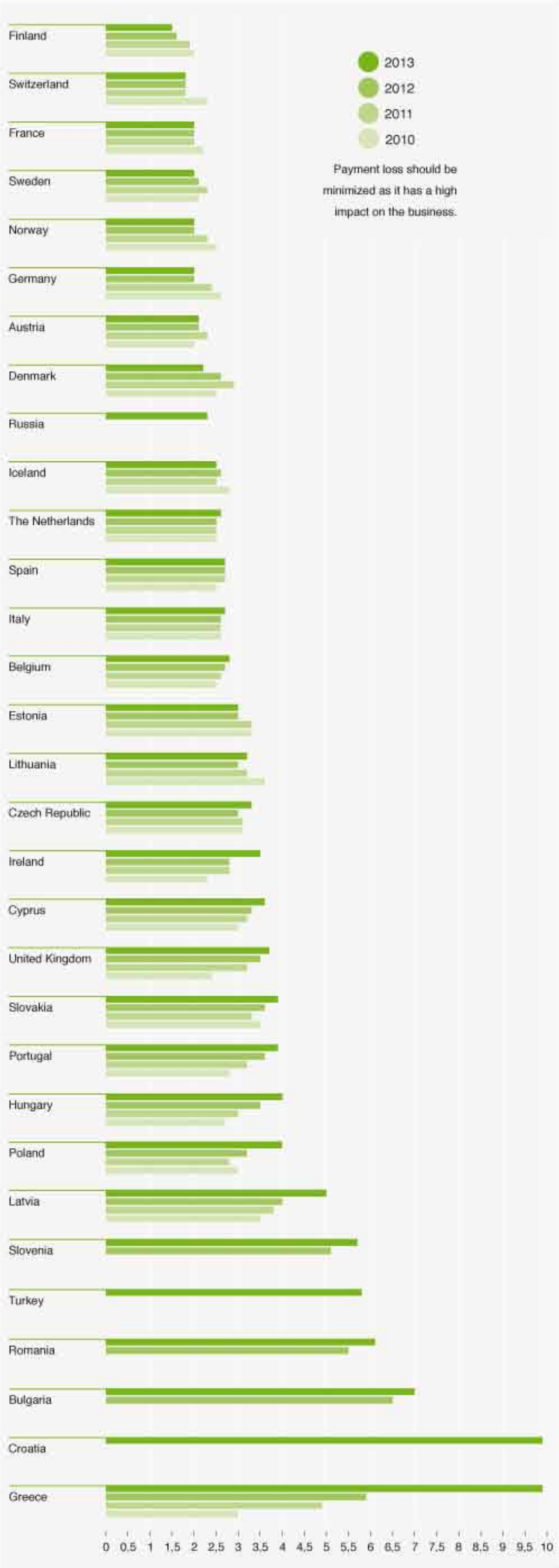
Cyprus

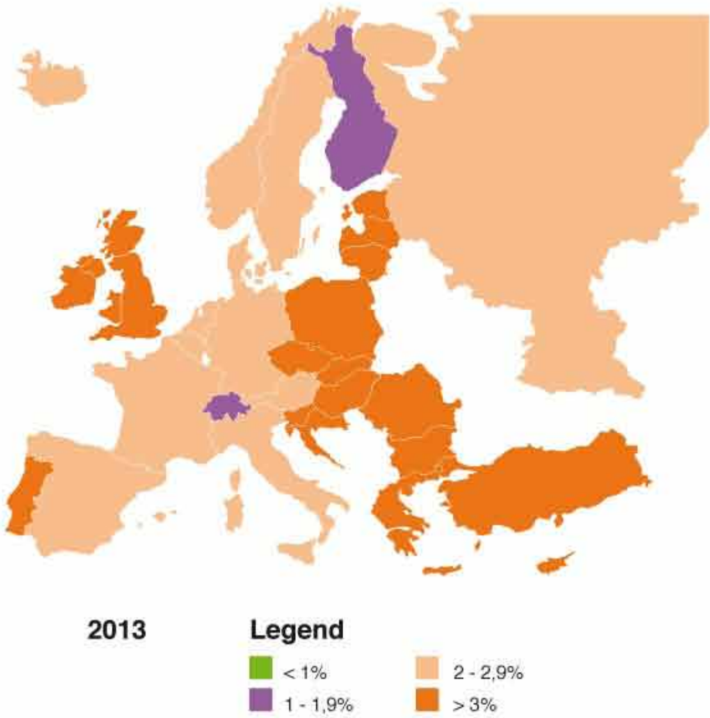
Less bank confidence	
2012	2013
80%	82%

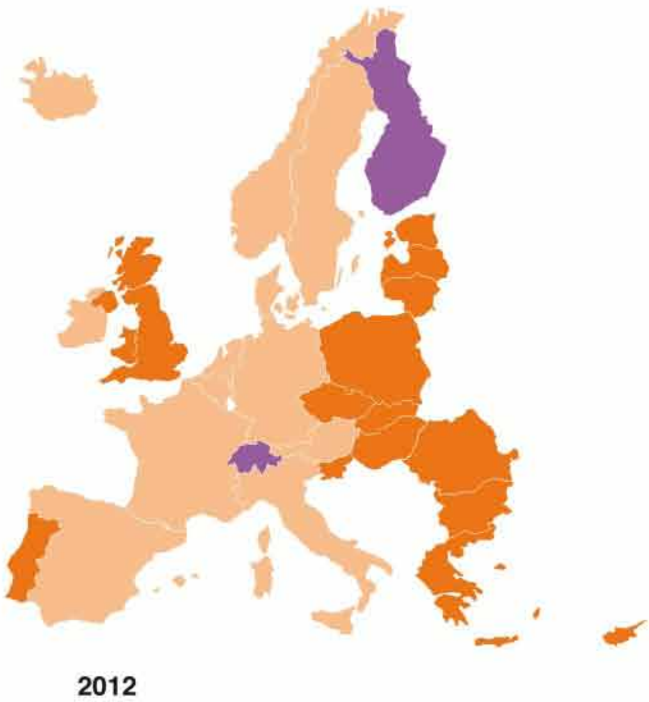
Payment duration in days



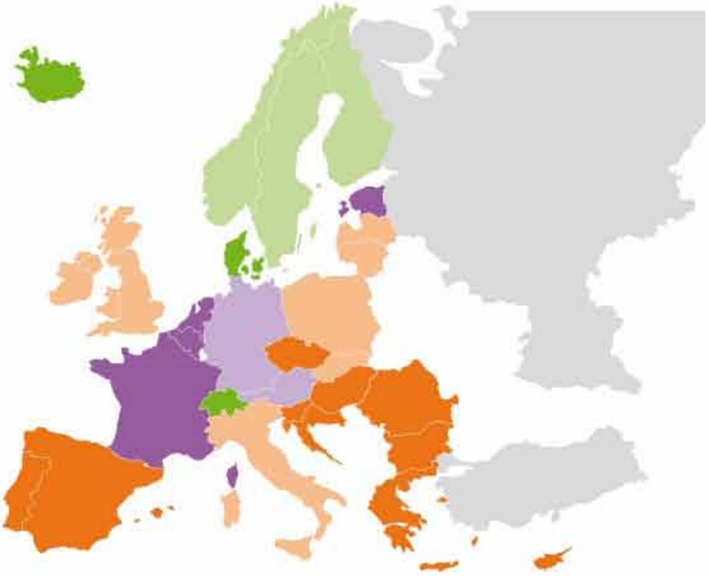
PAYMENT LOSS







EUROPEAN PAYMENT INDEX



2013

2012

Legend

101 - 129	140 - 149	160 - 169
130 - 139	150 - 159	More than 170

Risk Index	Explanation of the Payment Index values
100	No payment risk, cash on delivery, pre-payment, no credit
101-129	Low risk profile, stay alert to keep this profile
130-139	Low to medium risk profile, intervention necessary, take action now
140-149	Medium risk profile, action needs to be taken
150-159	Medium to high risk profile, take immediate actions to lower the risk
160-169	High risk profile, immediate actions are necessary
More than 170	Emergency risk profile

TOP 10 MOST IMPORTANT ACTIONS COMPANIES TAKE IN TIMES OF SQUEEZED LIQUIDITY

Average European ranking

1. Actively pursue accounts receivable
2. Negotiate longer payment terms with suppliers
3. Cut overhead, cut costs
4. Delay accounts payable
5. Bill clients faster
6. Lend money from the bank
7. Reduce inventory
8. Use factoring / sell invoices
9. Increase working capital
10. Increase the prices of the goods/services sold

TOP 10 PAYMENT PRIORITY OF INVOICES, WHEN THERE IS LESS MONEY AVAILABLE

Average European ranking

1. Invoice from public sector (taxes, charges and dues)
2. Invoice from the most important supplier
3. Invoice from utility companies (gas, water, electricity)
4. Outstanding interest and amortization payments to banks / finance
5. Invoice with the oldest due date
6. Invoice from the supplier that puts the most pressure to get paid
7. Invoice from the supplier with whom you have a friendly relation
8. Invoice from the supplier with the largest amount
9. Invoice from the domestic supplier
10. Invoice from the international supplier (not in country)

COUNTRY REPORTS

Risk profile

Each country surveyed has been given an individual risk profile. In an easy to read way, the profile shows the basic criteria for the overall assessment of payment risks (Payment Index).

Explanation of risk indicators:

Duration
Calculation of the effective payment duration in days.

Delay
Calculation of the absolute duration of delay in days as well as in relation to the agreed payment term.

DSO
Calculation of the individual age groups in relation to the total value of the outstanding receivables. The different lengths of the contractually agreed payment terms are taken into consideration when assessing the age structure.

Bad debt loss
Calculation of the declared bad debt losses.

Forecast
Calculation of the forecast, prepared by the companies questioned, on how the payment risks are anticipated to develop.

Consequences
Calculation of the consequences stated by the companies of the payment risks for their company.

Please note the explanation below for a better understanding of the Payment Index.

Payment Index

The payment index is used to compare different economies, regions or sectors. Alongside technical financial figures, the index is based on assessments from the companies surveyed. The data forming the basis of the index is generated yearly using a standardised written panel survey. List of basic data elements: Contractual payment term (in days); Effective payment duration (in days); Age structure of receivables (DSO); Payment loss (in %); Estimate of risk trends; Characteristics of the consequences of late payment; Causes of late payment. The Payment Index is calculated from eight differently weighted sub-indices, which are based on a total of 21 individual values.

Payment Index - Implications for Credit Policy

100	No payment risk, cash on delivery, pre-payment, no credit
101-129	Low risk profile, stay alert to keep this profile
130-139	Low to medium risk profile, intervention necessary, take action now
140-149	Medium risk profile, action needs to be taken
150-159	Medium to high risk profile, take immediate actions to lower the risk
160-169	High risk profile, immediate actions are necessary
More than 170	Emergency risk profile

AUSTRIA

Key Findings

- 49% mentioned that late payments resulted in additional interest charges (+14% increase)
- When liquidity is squeezed Austrian companies prefer to negotiate longer payment terms with suppliers
- Public sector payments (taxes, charges and dues) are being paid first when not enough money is available

Payment Index

2009	153
2010	153
2011	155
2012	153
2013	**149**

Main export

Risk Index

Italy	168
Germany	144
Switzerland	137

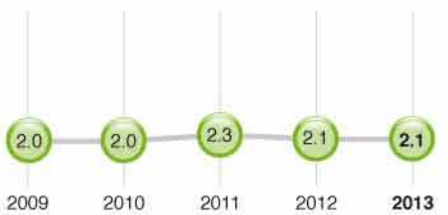
Economic Development

		Average EU 27
GDP per capita in euro	32.195	
GDP percentage growth	0.8	-0.3
Inflation	2.6	2.5
Unemployment rate	4.8	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)

total turnover



Payment Development

In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	18	23	29
Average payment duration	27	35	42
Average delay, in days 2013	**9**	**12**	**13**
Average delay, in days 2012	11	11	14
Average delay, in days 2011	11	12	19
Average delay, in days 2010	6	11	14
Average delay, in days 2009	16	8	11

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

BELGIUM

Key Findings

- Days delayed payment decreased, bad debt loss percentage increased
- 52% think that the risk from their debtors will increase the coming 12 months
- When money is tight, the most important supplier is paid first

Payment Index

2009	156
2010	156
2011	156
2012	157
2013	**158**

Main export
Risk Index

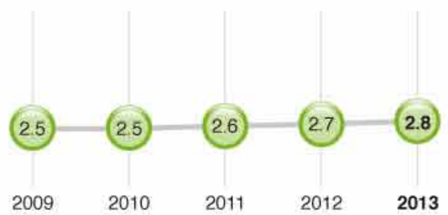
UK	162
Germany	144
Netherlands	154
France	152

Economic Development

		Average EU 27
GDP per capita in euro	29.508	
GDP percentage growth	-0.2	-0.3
Inflation	2.6	2.5
Unemployment rate	8.2	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	20	30	45
Average payment duration	34	48	69
Average delay, in days 2013	**14**	**18**	**24**
Average delay, in days 2012	16	19	28
Average delay, in days 2011	16	15	27
Average delay, in days 2010	12	17	31
Average delay, in days 2009	12	17	31

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

BULGARIA

Key Findings

- Late payments cause high loss of income (73%) and is prohibiting growth (77%)
- High bad debt loss and increasing
- Recession effects; 74% mentioned reduced sales, and 77% increased payment delays from clients

Payment Index

2012	188
2013	**190**

Main export
Risk Index

Romania	187
Greece	195
Germany	144
Italy	168
France	152

Economic Development

		Average EU 27
GDP per capita in euro	3.721	
GDP percentage growth	0.8	0.3
Inflation	2.4	2.5
Unemployment rate	12.5	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover

Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	10	20	30
Average payment duration	22	38	52
Average delay, in days 2013	**12**	**18**	**22**
Average delay, in days 2012	7	16	22

Shares of receivables (%)

Up to 30 days / 31 to 90 days / Older than 90 days

CROATIA

Key Findings

- Respondents reported overall high bad debt loss percentages
- 73% mentioned having liquidity problems due to late payments
- 75% said that the ongoing recession is reducing sales and liquidity

Payment Index

2013	191

Main export
Risk Index

Germany	144
Italy	168
Slovenia	185
Austria	149

Economic Development

		Average EU 27
GDP per capita in euro	8.297	
GDP percentage growth	-2.0	0.3
Inflation	3.4	2.5
Unemployment rate	18.0	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover

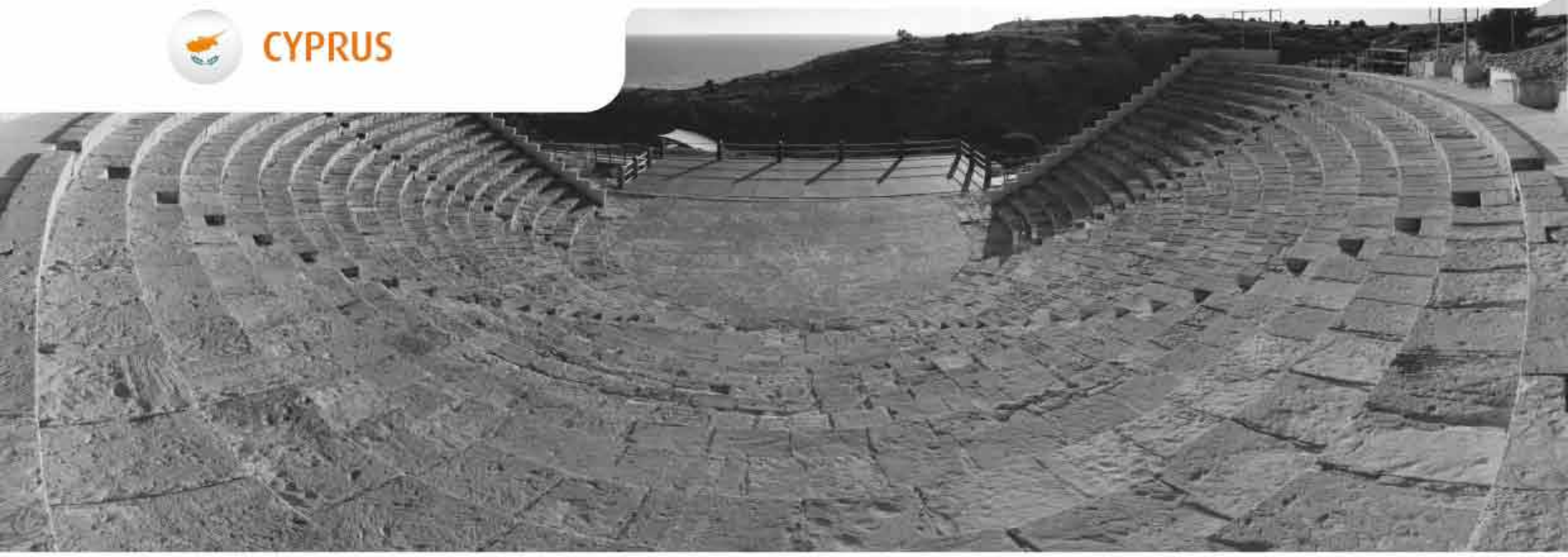
Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	30	30	30
Average payment duration	45	50	60
Average delay, in days 2013	**15**	**20**	**30**

Shares of receivables (%)

Up to 30 days · 31 to 90 days · Older than 90 days

CYPRUS



Key Findings

- Further payment delay in days from consumers and public sector
- Bad debt loss jumped to 3.6%
- When liquidity is squeezed the first and most important action taken is to cut costs and reduce overhead

Payment Index

2009	173
2010	173
2011	175
2012	175
2013	**180**

Main export
Risk Index

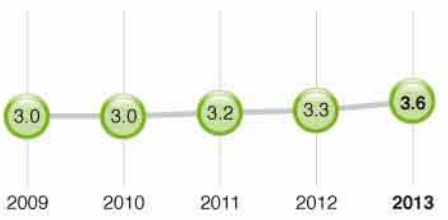
Spain	173
UK	162
Germany	144
France	152

Economic Development

		Average EU 27
GDP per capita in euro	17.441	
GDP percentage growth	-2.4	-0.3
Inflation	3.1	2.5
Unemployment rate	13.6	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	25	60	60
Average payment duration	57	90	85
Average delay, in days 2013	**32**	**30**	**25**
Average delay, in days 2012	26	30	23
Average delay, in days 2011	27	31	23
Average delay, in days 2010	25	30	20
Average delay, in days 2009	25	27	15

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

CZECH REPUBLIC

Key Findings

- Days delayed payment decreased for consumer and business transactions, bad debt loss percentage increased
- 58% think that the risk from their debtors will increase the coming 12 months, a steep increase from the 33% in 2012
- When money is tight, taxes, charges and dues from public sector are paid first

Payment Index

2009	172
2010	173
2011	174
2012	174
2013	**176**

Main export
Risk Index

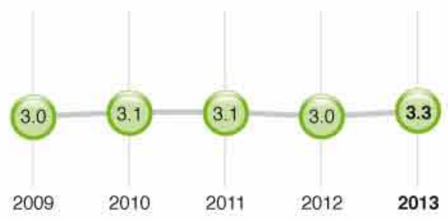
Poland	166
Italy	168
Slovakia	164
Austria	149
UK	162

Economic Development

		Average EU 27
GDP per capita in euro	11,438	
GDP percentage growth	-1.3	-0.3
Inflation	3.5	2.5
Unemployment rate	7.2	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	20	30	30
Average payment duration	30	44	45
Average delay, in days 2013	**10**	**14**	**15**
Average delay, in days 2012	11	16	12
Average delay, in days 2011	13	17	13
Average delay, in days 2010	12	15	10
Average delay, in days 2009	18	19	10

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

DENMARK

Key Findings

- Overall positive changes in payments done and bad debt loss percentages
- 58% see a stable business situation for the coming 12 months
- When less money is available than needed, the public sector charges and dues are paid first

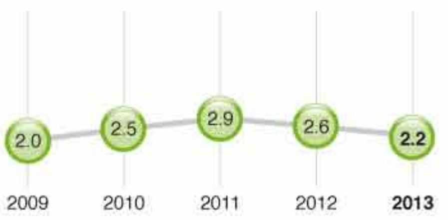
Payment Index	
2009	136
2010	137
2011	138
2012	137
2013	**135**

Main export Risk Index	
UK	162
Germany	144
Netherlands	154
France	152
Norway	128

Economic Development		Average EU 27
GDP per capita in euro	37.300	
GDP percentage growth	-0.6	-0.3
Inflation	2.4	2.5
Unemployment rate	7.4	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	15	25	25
Average payment duration	24	35	35
Average delay, in days 2013	**9**	**10**	**10**
Average delay, in days 2012	10	12	12
Average delay, in days 2011	12	13	12
Average delay, in days 2010	10	12	13
Average delay, in days 2009	10	12	13

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

ESTONIA

Key Findings

- Bad debt loss and payment duration stabilsed
- Only 27% of the respondents think that the risk from their debtors will increase the coming 12 months
- When cash flow is tight, the most important supplier is paid first

Payment Index

2009	152
2010	154
2011	154
2012	153
2013	**153**

Main export
Risk Index

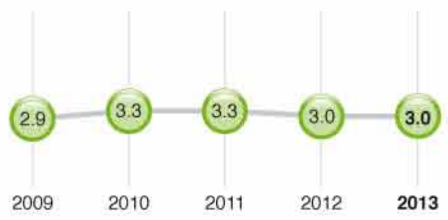
Lithuania	163
Germany	144
Latvia	165
Sweden	128
Finland	125

Economic Development

		Average EU 27
GDP per capita in euro	9.396	
GDP percentage growth	3.2	-0.3
Inflation	4.2	2.5
Unemployment rate	9.9	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	10	20	15
Average payment duration	17	35	25
Average delay, in days 2013	**7**	**15**	**10**
Average delay, in days 2012	7	15	10
Average delay, in days 2011	8	16	9
Average delay, in days 2010	8	16	9
Average delay, in days 2009	8	16	6

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

FINLAND

Key Findings

- Further positive developments in payment duration and bad debt loss percentage
- 44% of respondents mentioned reduced sales due to ongoing recession in Europe
- Public sector charges and dues are paid first when less money is available

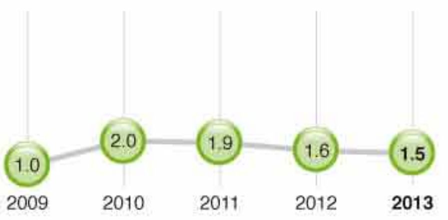
Payment Index	
2009	125
2010	126
2011	126
2012	126
2013	**125**

Main export Risk Index	
UK	162
Germany	144
Netherlands	154
Sweden	128

Economic Development		Average EU 27
GDP per capita in euro	31.160	
GDP percentage growth	-0.2	-0.3
Inflation	3.2	2.5
Unemployment rate	8.0	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	10	20	20
Average payment duration	15	26	24
Average delay, in days 2013	**5**	**6**	**4**
Average delay, in days 2012	5	7	4
Average delay, in days 2011	5	7	4
Average delay, in days 2010	5	7	4
Average delay, in days 2009	5	7	4

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

FRANCE

Key Findings

- 60% of the respondents mentioned reduced sales due to the ongoing recession
- Payments were slightly faster in all sectors
- When cash flow is tight; public sector charges and dues are paid first

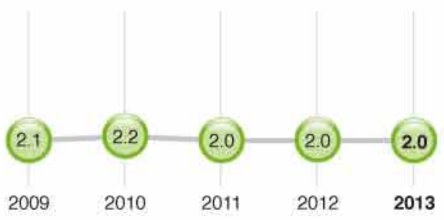
Payment Index	
2009	150
2010	150
2011	148
2012	149
2013	**152**

Main export Risk Index	
Spain	173
Italy	168
Belgium	158
UK	162
Germany	144

Economic Development		Average EU 27
GDP per capita in euro	27.568	
GDP percentage growth	0.0	-0.3
Inflation	2.2	2.5
Unemployment rate	10.6	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	25	40	40
Average payment duration	41	55	60
Average delay, in days 2013	**16**	**15**	**20**
Average delay, in days 2012	17	17	21
Average delay, in days 2011	16	18	20
Average delay, in days 2010	14	18	22
Average delay, in days 2009	19	18	22

Shares of receivables (%)
Up to 30 days | 31 to 90 days | Older than 90 days

GERMANY

Key Findings

- Stable situtiion in Germany, positive payment balance and fast payments, bad debt loss stabilsed
- 44% of the respondents mentioned increased delay from clients due to the recession
- When money is tight, public sector charges and dues are paid first

Payment Index	
2009	153
2010	153
2011	149
2012	147
2013	**144**

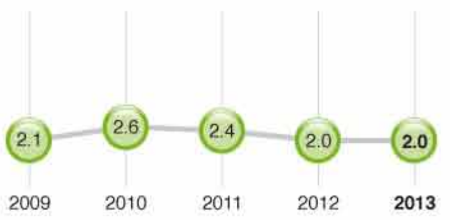
Main export Risk Index	
Italy	168
Belgium	158
Austria	149
UK	162
Netherlands	154

Economic Development		Average EU 27
GDP per capita in euro	30.151	
GDP percentage growth	0.7	-0.3
Inflation	2.1	2.5
Unemployment rate	5.4	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)

total turnover



Payment Development In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	15	25	25
Average payment duration	24	34	36
Average delay, in days 2013	**9**	**9**	**11**
Average delay, in days 2012	9	10	11
Average delay, in days 2011	8	12	10
Average delay, in days 2010	10	10	11
Average delay, in days 2009	15	19	15

Shares of receivables (%)

GREECE

Key Findings

- Contractual payment terms decreased with 5 to 10 days
- Bad debt loss increased to 9.9%
- 75% of the respondents forecast that the risks from their debtors will increase in the coming 12 months

Payment Index

2009	180
2010	180
2011	188
2012	190
2013	**195**

Main export

Risk Index

Italy	168
UK	162
Germany	144
France	152

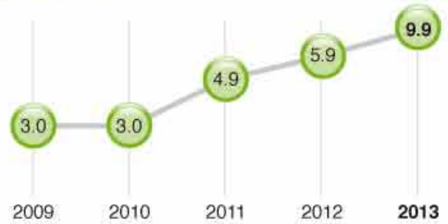
Economic Development

		Average EU 27
GDP per capita in euro	14.925	
GDP percentage growth	-6.4	-0.3
Inflation	1.0	2.5
Unemployment rate	26.4	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)

total turnover



Payment Development

In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	15	35	50
Average payment duration	50	78	159
Average delay, in days 2013	**35**	**43**	**109**
Average delay, in days 2012	39	40	114
Average delay, in days 2011	31	35	108
Average delay, in days 2010	30	30	65
Average delay, in days 2009	30	35	70

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

HUNGARY

Key Findings

- Payment delay decreased slightly, bad debt loss increased to 4.0%
- 80% mentioned reduced sales due to the ongoing recession
- Invoices regarding dues and charges from public sector are paid first when money is tight

Payment Index

2009	165
2010	165
2011	168
2012	170
2013	**175**

Main export
Risk Index

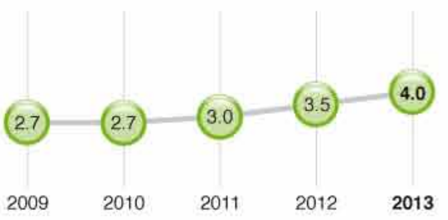
Poland	166
Italy	168
Austria	149
UK	162
Germany	144

Economic Development

		Average EU 27
GDP per capita in euro	8.826	
GDP percentage growth	-1.7	-0.3
Inflation	5.7	2.5
Unemployment rate	11.1	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development

In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	15	25	30
Average payment duration	29	43	55
Average delay, in days 2013	**14**	**18**	**25**
Average delay, in days 2012	14	20	27
Average delay, in days 2011	15	22	26
Average delay, in days 2010	13	15	20
Average delay, in days 2009	10	19	28

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

ICELAND

Key Findings

- Days delayed payment decreased, bad debt loss percentage decreased too.
- 42% think that the risk from their debtors will remain stable, 35% think it will increase the coming 12 months
- When money is tight, the public sector charges are paid first, and public sector pays fast as well

Payment Index	
2009	137
2010	138
2011	137
2012	137
2013	**137**

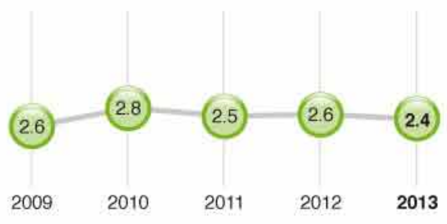
Main export Risk Index	
Spain	173
UK	162
Germany	144
Netherlands	154

Economic Development		Average EU 27
GDP per capita in euro	28.885	
GDP percentage growth	1.6	-0.3
Inflation	6.0	2.5
Unemployment rate	5.2	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)

total turnover



Payment Development In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	15	25	25
Average payment duration	25	35	33
Average delay, in days 2013	**10**	**10**	**8**
Average delay, in days 2012	12	12	9
Average delay, in days 2011	12	12	9
Average delay, in days 2010	14	9	7
Average delay, in days 2009	9	8	13

Shares of receivables (%)

Up to 30 days 31 to 90 days Older than 90 days

IRELAND

Key Findings

- The contractual payment days decreased in all sectors, payment delays remained more or less at the same level
- Bad debt loss percentage jumped from 2.8% to 3.5%
- The most important supplier is paid first when money is limited

Payment Index

2009	146
2010	147
2011	153
2012	154
2013	**160**

Main export
Risk Index

Italy	168
Belgium	158
UK	162
Germany	144
France	152

Economic Development

		Average EU 27
GDP per capita in euro	37.079	
GDP percentage growth	0.9	-0.3
Inflation	1.9	2.5
Unemployment rate	14.2	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover

Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	20	30	30
Average payment duration	35	60	45
Average delay, in days 2013	**15**	**30**	**15**
Average delay, in days 2012	15	31	13
Average delay, in days 2011	14	30	14
Average delay, in days 2010	14	25	13
Average delay, in days 2009	16	22	15

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

ITALY

Key Findings

- Payment balance improved slightly, bad debt loss percentage increased
- 65% of respondents fear that payment risks will increase the coming 12 months
- When money is tight, the most important supplier is paid first

Payment Index

2009	162
2010	163
2011	164
2012	164
2013	**168**

Main export
Risk Index

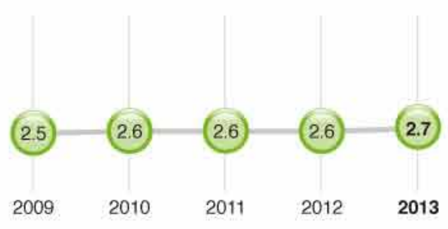
Spain	173
UK	162
Germany	144
France	152

Economic Development

		Average EU 27
GDP per capita in euro	22.853	
GDP percentage growth	-2.4	-0.3
Inflation	3.3	2.5
Unemployment rate	11.2	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	45	65	80
Average payment duration	74	96	170
Average delay, in days 2013	**29**	**31**	**90**
Average delay, in days 2012	30	31	90
Average delay, in days 2011	34	34	90
Average delay, in days 2010	30	30	86
Average delay, in days 2009	30	21	52

Shares of receivables (%)

Up to 30 days   31 to 90 days   Older than 90 days

LATVIA

Key Findings

- Business contractual payment terms decreased, bad debt loss increased
- When liquidity is squeezed Latvian companies pay their most important supplier first
- 64% mentioned loss of income due to late payments

Payment Index

2009	156
2010	156
2011	158
2012	160
2013	**165**

Main export
Risk Index

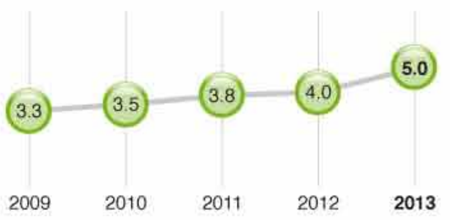
Poland	166
Lithuania	163
Germany	144
Estonia	153
Sweden	128

Economic Development

		Average EU 27
GDP per capita in euro	6.771	
GDP percentage growth	5.6	-0.3
Inflation	2.3	2.5
Unemployment rate	14.3	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	10	15	20
Average payment duration	29	37	37
Average delay, in days 2013	**19**	**22**	**17**
Average delay, in days 2012	20	21	18
Average delay, in days 2011	12	20	12
Average delay, in days 2010	15	22	13
Average delay, in days 2009	20	23	14

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

LITHUANIA

Key Findings

- Days delayed payment decreased, bad debt loss percentage increased
- 69% of respondents mentioned lack of organic growth due to the ongoing recession
- 93% of Lithuanian respondents said that they were paid late because their debtors have financial difficulties

Payment Index

2009	162
2010	164
2011	162
2012	159
2013	**163**

Main export
Risk Index

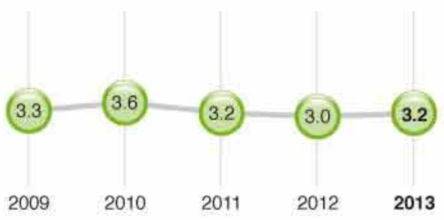
Poland	166
UK	162
Germany	144
Estonia	153
Latvia	165

Economic Development

		Average EU 27
GDP per capita in euro	8.053	
GDP percentage growth	3.6	-0.3
Inflation	3.2	2.5
Unemployment rate	13.3	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	20	30	30
Average payment duration	34	47	51
Average delay, in days 2013	**14**	**17**	**21**
Average delay, in days 2012	17	20	26
Average delay, in days 2011	17	20	26
Average delay, in days 2010	17	24	30
Average delay, in days 2009	15	17	15

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

THE NETHERLANDS

Key Findings

- Payment delay in days improved slightly, bad debt loss percentage increased
- When liquidity is squeezed Dutch companies pay their most important supplier first
- 67% (+13%) of respondents mentioned reduced sales due to the recession

Payment Index

2009	153
2010	153
2011	153
2012	153
2013	**154**

Main export
Risk Index

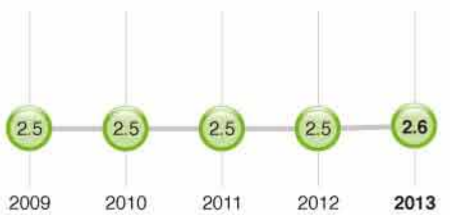
Italy	168
Belgium	158
UK	162
Germany	144
France	152

Economic Development

		Average EU 27
GDP per capita in euro	32.896	
GDP percentage growth	-1.0	-0.3
Inflation	2.8	2.5
Unemployment rate	5.4	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	20	25	25
Average payment duration	31	42	43
Average delay, in days 2013	**11**	**17**	**18**
Average delay, in days 2012	12	18	19
Average delay, in days 2011	13	18	21
Average delay, in days 2010	11	17	23
Average delay, in days 2009	11	16	22

Shares of receivables (%)

Up to 30 days / 31 to 90 days / Older than 90 days

NORWAY

Key Findings

- Positive development continues in Norway
- 80% think that the risk from their debtors will remain stable in the coming 12 months
- When money is tight, the public sector charges are paid first

Payment Index

2009	134
2010	134
2011	133
2012	130
2013	**128**

Main export

Risk Index

UK	162
Germany	144
Netherlands	154
France	152
Sweden	128

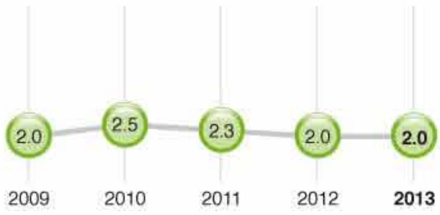
Economic Development

		Average EU 27
GDP per capita in euro	31.157	
GDP percentage growth	3.2	-0.3
Inflation	0.4	2.5
Unemployment rate	3.5	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)

total turnover



Payment Development

In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	15	25	25
Average payment duration	22	33	34
Average delay, in days 2013	**7**	**8**	**9**
Average delay, in days 2012	8	9	9
Average delay, in days 2011	7	9	8
Average delay, in days 2010	7	8	5
Average delay, in days 2009	9	11	8

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

Key Findings

- Payment delays decreased, bad debt loss percentage increased
- 60% of Polish respondents reported squeezed liquidity due to late payments
- The invoices from the public sector are paid first, when money is tight

Payment Index

2009	163
2010	163
2011	161
2012	164
2013	**166**

Main export
Risk Index

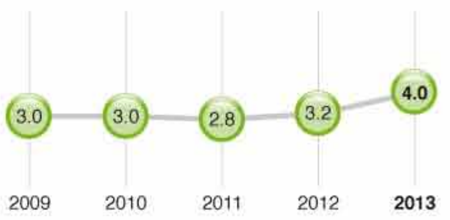
Italy	168
Germany	144
Switzerland	137

Economic Development

		Average EU 27
GDP per capita in euro	8.499	
GDP percentage growth	2.0	-0.3
Inflation	3.7	2.5
Unemployment rate	10.4	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	20	20	20
Average payment duration	39	40	38
Average delay, in days 2013	**19**	**20**	**18**
Average delay, in days 2012	20	21	19
Average delay, in days 2011	14	16	18
Average delay, in days 2010	15	15	20
Average delay, in days 2009	18	18	24

Shares of receivables (%)

Up to 30 days 31 to 90 days Older than 90 days

PORTUGAL

Key Findings

- Days delayed payment decreased, bad debt loss percentage increased
- 85% of the respondents think that the risk from their debtors will increase the coming 12 months
- When money is tight, the invoices from the utility companies are paid first

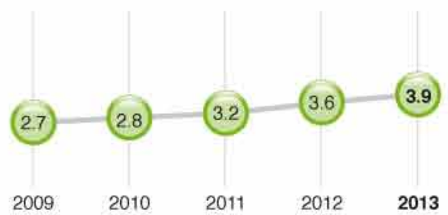
Payment Index	
2009	184
2010	185
2011	186
2012	190
2013	**190**

Main export Risk Index	
Spain	173
Italy	168
UK	162
Germany	144
Netherlands	154

Economic Development		Average EU 27
GDP per capita in euro	14.336	
GDP percentage growth	-3.2	-0.3
Inflation	2.8	2.5
Unemployment rate	17.3	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	30	50	60
Average payment duration	60	85	133
Average delay, in days 2013	**30**	**35**	**73**
Average delay, in days 2012	30	40	79
Average delay, in days 2011	34	41	82
Average delay, in days 2010	32	37	84
Average delay, in days 2009	30	35	72

Shares of receivables (%)

ROMANIA

Key Findings

- Share of receivables and bad debt loss percentage show a negative trend
- 87% (+32%) of the respondents mentioned liquidity problems due to late payments
- 72% fear that payment risks will further increase in the coming 12 months

Payment Index

2012	185
2013	**187**

Main export
Risk Index

Germany	144
Italy	168
France	152
Hungary	175

Economic Development

		Average EU 27
GDP per capita in euro	4.354	
GDP percentage growth	0.3	-0.3
Inflation	3.4	2.5
Unemployment rate	6.7	10.9

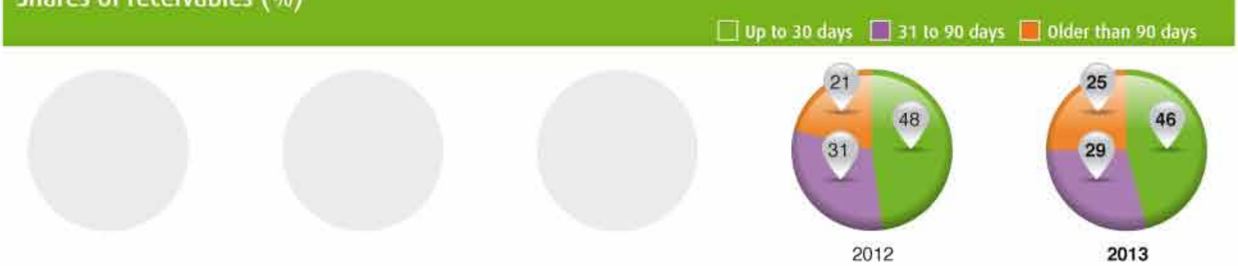
(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover

Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	10	20	25
Average payment duration	24	33	45
Average delay, in days 2013	**14**	**13**	**20**
Average delay, in days 2012	15	14	20

Shares of receivables (%)



Key Findings

- 27% of the respondents mentioned experiencing restricted credit from suppliers due to the global recession
- 55% think that the risk from their debtors will remain stable the coming 12 months
- 73% said that because their debtors are having financial difficulties they get paid later

Payment Index

2013	na

Main export
Risk Index

Germany	144
Italy	168
Poland	166
Finland	125

Economic Development

		Average EU 27
GDP per capita in euro	13.775	
GDP percentage growth	3.6	-0.3
Inflation	5.0	2.5
Unemployment rate	6.6	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover

Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	15	25	25
Average payment duration	25	40	55
Average delay, in days 2013	**10**	**15**	**30**

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

SLOVAKIA

Key Findings

- Late payments decreased, bad debt loss percentage increased
- When liquidity is squeezed Slovakian companies prefer to pay outstanding interest and amortization payments to the bank first
- 74% of respondents mentioned reduced sales due to the recession

Payment Index

2009	160
2010	162
2011	161
2012	162
2013	**164**

Main export

Risk Index

Czech Rep.	176
Italy	168
Poland	166
Germany	144

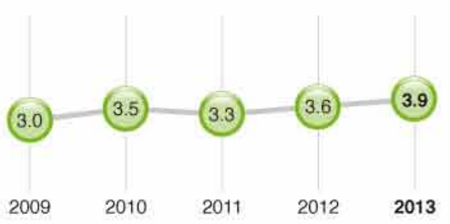
Economic Development

		Average EU 27
GDP per capita in euro	9.422	
GDP percentage growth	2.0	-0.3
Inflation	3.7	2.5
Unemployment rate	14.5	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)

total turnover



Payment Development

In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	15	25	30
Average payment duration	27	44	57
Average delay, in days 2013	**12**	**19**	**27**
Average delay, in days 2012	13	21	32
Average delay, in days 2011	13	20	25
Average delay, in days 2010	15	17	21
Average delay, in days 2009	10	13	14

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

SLOVENIA

Key Findings

- Days delayed payment decreased for business and consumer transactions, bad debt loss percentage increased
- 66% of the respondents think that the payment risk from their debtors will increase the coming 12 months
- 86% (+17%) mentioned having less liquidity due to late payments

Payment Index	
2012	182
2013	**185**

Main export Risk Index	
Germany	144
Italy	168
Austria	149
France	152
Hungary	175

Economic Development		Average EU 27
GDP per capita in euro	14.997	
GDP percentage growth	-2.3	-0.3
Inflation	2.8	2.5
Unemployment rate	9.4	10.9

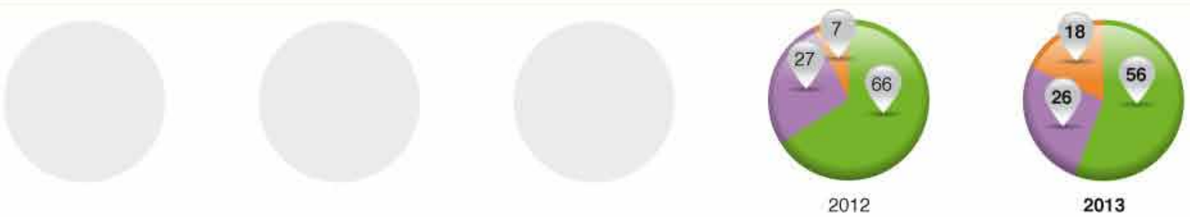
(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover

Payment Development In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	20	30	30
Average payment duration	44	60	49
Average delay, in days 2013	**24**	**30**	**19**
Average delay, in days 2012	25	32	15

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days



SPAIN

Key Findings

- Public sector improves payments with 5 days, average delay now 75 days
- When liquidity is squeezed Spanish companies pay the public sector bills first and their most important supplier second
- 57% of the respondents fear that payment risks will further increase the coming 12 months

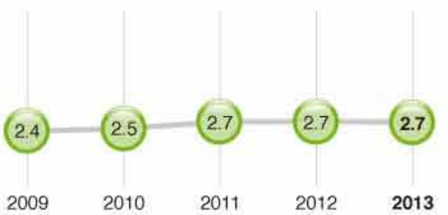
Payment Index	
2009	166
2010	167
2011	168
2012	170
2013	**173**

Main export Risk Index	
Italy	168
UK	162
Germany	144
France	152

Economic Development		Average EU 27
GDP per capita in euro	20.324	
GDP percentage growth	-1.4	-0.3
Inflation	2.4	2.5
Unemployment rate	26.1	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development In days	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	40	60	80
Average payment duration	58	85	155
Average delay, in days 2013	**18**	**25**	**75**
Average delay, in days 2012	20	27	80
Average delay, in days 2011	22	29	66
Average delay, in days 2010	19	28	65
Average delay, in days 2009	17	26	51

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

Key Findings

- Days delayed payment is stable, bad debt loss percentage decreased
- 77% of the respondents think that the risk from their debtors will remain stable the coming 12 months
- When money is tight, the public sector is paid first

Payment Index

2009	129
2010	130
2011	130
2012	129
2013	**128**

Main export
Risk Index

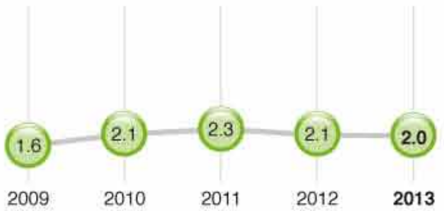
UK	162
Germany	144
Denmark	135
Norway	128
Finland	125

Economic Development

		Average EU 27
GDP per capita in euro	35.661	
GDP percentage growth	0.8	-0.3
Inflation	0.9	2.5
Unemployment rate	8.0	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



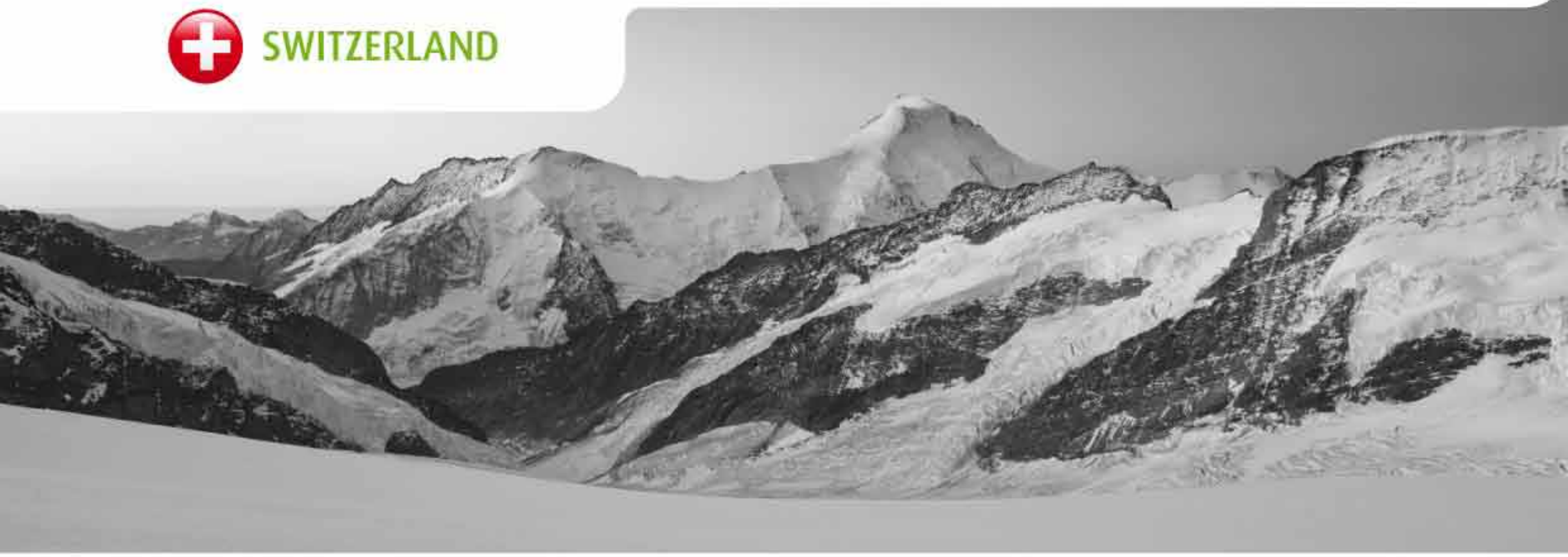
Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	20	28	28
Average payment duration	26	35	34
Average delay, in days 2013	**6**	**7**	**6**
Average delay, in days 2012	6	7	7
Average delay, in days 2011	6	8	7
Average delay, in days 2010	6	8	7
Average delay, in days 2009	6	8	7

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

SWITZERLAND



Key Findings

- Overall positive findings and outlook
- When liquidity is squeezed Swiss companies prefer to pay their most important supplier first
- 69% of the respondents think the risk situation will remain unchanged the coming 12 months

Payment Index

2009	145
2010	145
2011	143
2012	142
2013	**137**

Main export

Risk Index

Spain	173
Italy	168
UK	162
Germany	144
France	152

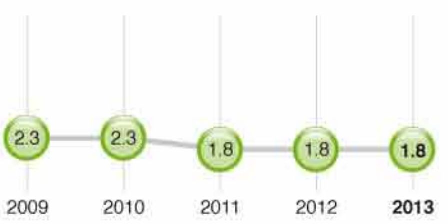
Economic Development

		Average EU 27
GDP per capita in euro	34.166	
GDP percentage growth	1.0	-0.3
Inflation	-0.7	2.5
Unemployment rate	3.1	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)

total turnover



Payment Development

In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	25	30	30
Average payment duration	35	39	42
Average delay, in days 2013	**10**	**9**	**12**
Average delay, in days 2012	12	10	12
Average delay, in days 2011	11	11	14
Average delay, in days 2010	12	13	15
Average delay, in days 2009	11	13	16

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

TURKEY

Key Findings

- 86% of the respondents mentioned experiencing loss of income and liquidity squeeze due to late payments
- 50% think that the risk from their debtors will increase the coming 12 months
- 94% said that their debtors are having financial difficulties, thus paying late

Payment Index

2013	na

Main export
Risk Index

Germany	144
Italy	168
UK	162
France	152

Economic Development

		Average EU 27
GDP per capita in euro	11.440	
GDP percentage growth	8.5	-0.3
Inflation	6.5	2.5
Unemployment rate	9.8	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover

Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	45	90	60
Average payment duration	57	110	71
Average delay, in days 2013	**12**	**20**	**11**

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

UNITED KINGDOM

Key Findings

- Payment duration decreased, bad debt loss percentage increased
- 58% mentioned reduced liquidity due to the ongoing recession, 57% also mentioned reduced sales
- The most important supplier is being paid first when not enough money is available

Payment Index

2009	155
2010	155
2011	160
2012	161
2013	**162**

Main export
Risk Index

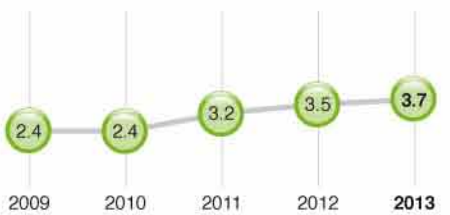
France	152
Germany	144
Ireland	160
Netherlands	154

Economic Development

		Average EU 27
GDP per capita in euro	30.502	
GDP percentage growth	0.3	-0.3
Inflation	2.8	2.5
Unemployment rate	7.7	10.9

(all 2012 Eurostat estimates)

Bad debt loss (%)
total turnover



Payment Development
In days

	Consumer B-2-C	Business B-2-B	Public Authorities
Average payment term	20	25	25
Average payment duration	33	41	41
Average delay, in days 2013	**13**	**16**	**16**
Average delay, in days 2012	17	19	18
Average delay, in days 2011	19	16	18
Average delay, in days 2010	16	18	19
Average delay, in days 2009	18	20	20

Shares of receivables (%)

Up to 30 days | 31 to 90 days | Older than 90 days

RECOMMENDATIONS

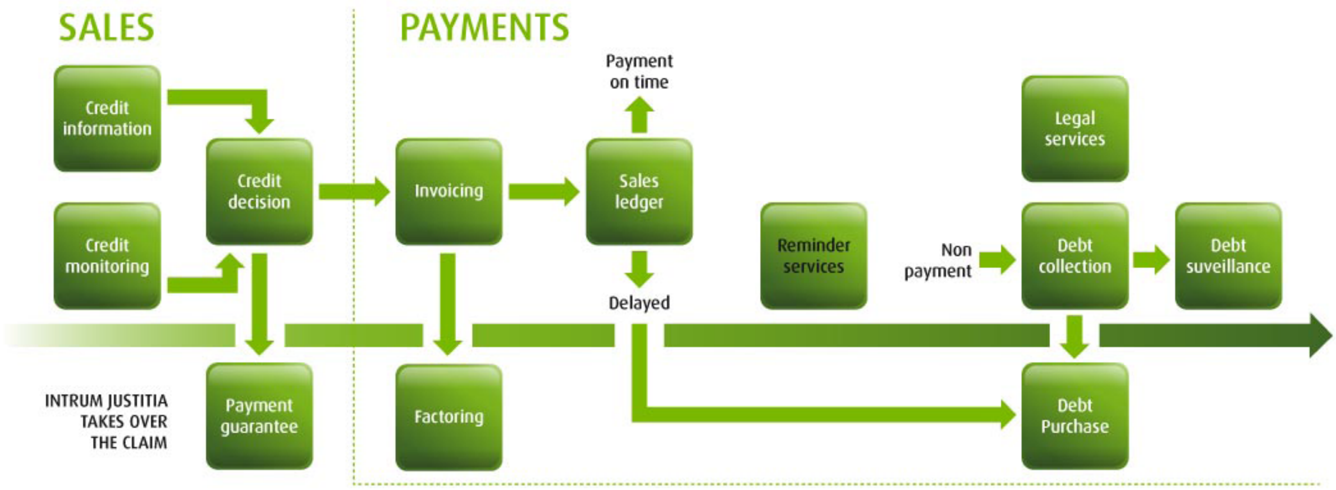
Intrum Justitia believes that there are many measures at all business levels (local, national and international) that business owners and managers can include in their arsenal to battle late payment. The recommended tools are listed below.

How can you boost your company?

1. Create and implement a solid credit policy to manage your risks and increase revenue
2. Follow up on every step in your credit management process
3. Make sure you identified the customer you are doing business with
4. Make a clear agreement with your customer stating all conditions for your business
5. Integrate sales, marketing and financial department in avoiding defaults
6. Implement customer address checks regularly
7. Monitor economic & industry information, and the solvency of key customers
8. Implement swift reminders and possibly charge default interest
9. Always extend and balance your customer structure
10. Never, ever wait, always take immediate action to get paid

For more in depth info go to Intrum.com

Our Credit Management Services offering:



EXPLANATION OF ECONOMIC INDICATORS USED IN THE REPORT

Gross domestic product (GDP)

Gross domestic product (GDP) is a measure for economic activity. It is defined as the value of all goods and services produced less the value of any goods or services used in their creation.

GDP growth rate

All information given represents the real GDP growth rate (Growth rate of GDP volume - percentage change on previous year). The calculation of the annual growth rate of GDP volume allows comparisons of economic development both over time and between economies of different sizes, irrespective of changes in prices. Growth of GDP volume is calculated using data at previous year's prices.

Per capita GDP performance

All information given represents the GDP per capita in PPS (GDP per capita in Purchasing Power Standards [PPS] - EU27 = 100). The volume index of GDP per capita in Purchasing Power Standards (PPS) is expressed in relation to the European Union (EU27) average set to equal 100. If the index of a country is higher than 100, this country's level of GDP per head is higher than the EU average and vice versa. Basic figures are expressed in PPS, i.e. a common currency that eliminates the differences in price levels between countries allowing meaningful volume comparisons of GDP between countries.

Level of capacity utilization

All information given represents the current level of capacity utilization in the manufacturing industry.

Consumer confidence indicator

All information given represents the seasonally adjusted balance of the consumer confidence indicator. The calculation of the indicator is based on four questions:

A Financial situation over the next 12 months

B General economic situation over the next 12 months

C Unemployment expectations over the next 12 months (with inverted sign)

D Savings over the next 12 months

Unemployment rate

All information given represents the total unemployment rate (men and women). Unemployment rates represent unemployed persons as a percentage of the labour force. The labour force is the total number of people employed and unemployed. Unemployed persons comprise persons aged 15 to 74 who were:

A without work during the reference week

B currently available for work, i.e. were available for paid employment or self-employment before the end of the two weeks following the reference week

C actively seeking work, i.e. had taken specific steps in the four weeks period ending with the reference week to seek paid employment or self-employment or who found a job to start later, i.e. within a period of, at most, three months.

General government debt

All information given represents the General government consolidated gross debt as a percentage of GDP. EU definition: the general government sector comprises the subsectors of central government, state government, local government and social security funds. GDP used as a denominator is the gross domestic product at current market prices. Debt is valued at nominal (face) value, and foreign currency debt is converted into national currency using year-end market exchange rates (though special rules apply to contracts). The national data for the general government sector is consolidated between the sub-sectors. Basic data is expressed in national currency, converted into euro using year-end exchange rates for the euro provided by the European Central Bank.

Inflation rate

All information given represents the annual average rate of change in Harmonized Indices of Consumer Prices (HICPs). The inflation rate is the rate of increase of the average price level.

Sources used: Eurostat, IMF, World Bank, national figures

INFORMATION ON THE SURVEY

The survey was conducted simultaneously in 31 countries between January and March 2013. The survey was conducted in written form. The questionnaire was translated into the respective national languages. Dispatch and return of the questionnaires was carried out on a decentralised basis by the countries concerned, whereas the analysis was carried out centrally in accordance with pre-determined guidelines. All information has been verified and uncertainties were not included in the evaluation. Furthermore, all anonymously sent questionnaires were not taken into account for the final evaluation. Companies in UK, Ireland, Greece, Cyprus and Latvia were questioned on-line by a specialised company (BING Research). Bulgaria, Slovenia, Croatia and Romania were researched in the countries and double checked against a separate on-line survey. Turkey and Russia were surveyed in country in written form.

Structure of the sample according to

Company size	up to 19 employees	40%
	20 to 49 employees	27%
	50 to 249 employees	27%
	250 to 499 employees	3%
	500 to 2,499 employees	2%
	more than 2,500 employees	1%
Business sector	manufacturing	20%
	wholesale	15%
	retail	15%
	services	41%
	public administration	3%
	other	6%
Customer groups	consumers (B2C)	30%
(share of turnover: more than 50%)	corporates (B2B)	60%
	public authorities	10%

ABOUT INTRUM JUSTITIA

Intrum Justitia is Europe's leading Credit Management Services (CMS) company. In each local market, Intrum Justitia offers efficient services and high quality in relations with both clients and debtors, thereby helping clients to improve their cash flow and long-term profitability.

Intrum Justitia's services cover the entire credit management chain, from credit information via invoicing, reminders and collection, to debt surveillance and recovery of written-off receivables. Intrum Justitia also offers sales ledger services, purchased debt services and a number of specialized services related to credit management.

The Group was founded in 1923 and has around 3,500 employees in 20 countries and collaborates with agent companies in a further 160 countries. The head office is located in Stockholm, Sweden. The Intrum Justitia share has been listed on Stockholmsbörsen since June 2002.

Intrum Justitia values

We understand people

Behind every transaction, every company, every invoice, every debt and every ambition is a person. By understanding people, Intrum Justitia can contribute to profitable business relationships, unhindered trade and sound, long-term business practices for everyone involved.

We are committed to challenge

Intrum Justitia deals with situations that can impact the future of a business or an individual. Likewise, our work can influence the economy as a whole by contributing to fair trade and sound business practices.

Seeking insight to feed innovation

By understanding people, being a market leader, and having the necessary expertise, Intrum Justitia is creating new solutions that benefit clients, their customers and other stakeholders. The key to this work is the use of the unique information, knowledge and experience the group has gained from various aspects of sales, credit and payment processes.

We make a difference

Many companies and individuals need help managing their finances. Intrum Justitia's role is to develop solutions that contribute to a sound, stable economy and ultimately benefit our clients and their customers alike. In our work, we show respect for individuals and businesses, which, for whatever reason, face payment difficulties. Negotiation, realistic solutions and settlements increase the chances of obtaining payment.

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Impressum

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