



**Working with you... Serving your world**

**Annual report summary 2012 Atradius N.V.**



## This is Atradius

Our mission is to support our customers' growth by strengthening their credit and cash management.

To do so, we offer a wide range of credit management products including credit insurance, reinsurance, bonding and debt collection services.

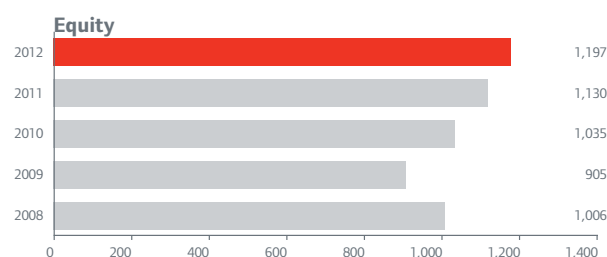
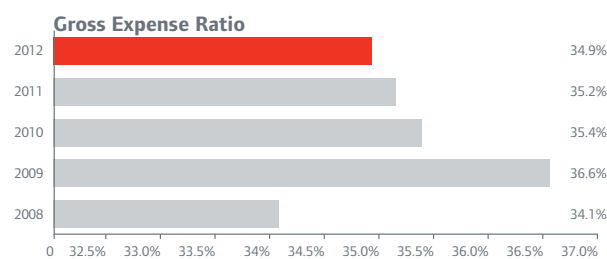
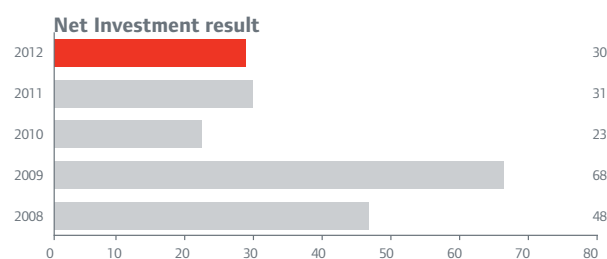
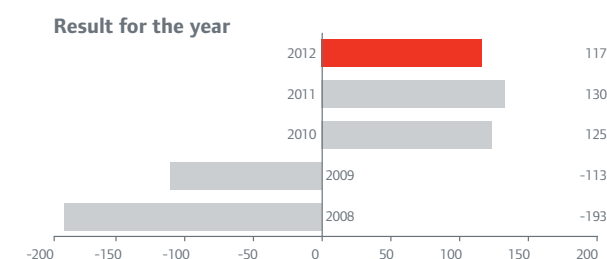
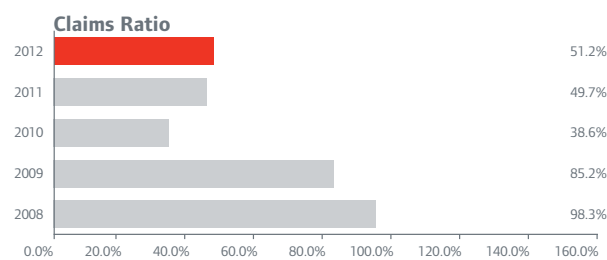
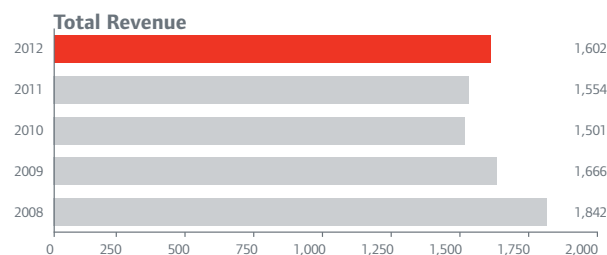
At the heart of our operations is the expertise of our people and our wealth of constantly updated intelligence on over 100 million companies across the globe. From our 160 offices worldwide we offer our services to clients in 45 countries, have total revenue of EUR 1,601.6 million, and a share of around 31% of the global trade credit insurance market.

## Our 2012 performance at a glance

### Key points

Atradius continues to be financially strong, despite the ongoing challenging economic environment.

- Total revenue increased by 3%.
- A stable investment result together with the improved quality of our investment portfolio.
- Effective risk management kept our claims ratio under control in a worsening risk environment, while our risk acceptance remained high.
- Increasing revenue and a continued focus on cost control resulted in an improvement in our cost ratio.
- A result for the year of EUR 117 million was achieved.
- Our equity position was strengthened by 5.9%, mainly due to profit generation.



## Working with you... Serving your world

The theme of our Annual report is 'Working with you... serving your world'. This captures concisely the driving force of our ongoing mission: to complement our customers' expertise, and indeed that of all our stakeholders, with our own, in a way that helps them achieve their business goals.

In fact we hope that, in providing world-class credit management support, we can help our business partners to exceed their own ambitions.

How do we do this? Many companies may claim that their defining characteristic is their level of service. But for Atradius that simply isn't enough. Excellent service such as we provide must be accompanied by products that meet our clients' business needs – that provide the right proactive solution to the issues that they face. Our modular approach to designing credit insurance cover is just one way in which we provide that right response, which may be a simple yet effective answer for a business start-up, more sophisticated products for established companies, or all-encompassing solutions to meet the complex requirements of multi-national corporations. And, as our wide range of products also encompasses reinsurance, bonding, instalment credit protection, solutions for specific complex transactions and our worldwide debt collection operation, we build strong and lasting partnerships with our clients to serve their world, helping them to strengthen their credit management, protect their cash flow and grow their bottom line.

Our Annual report looks at the factors that make us more than just a supplier, but a true business partner: notably our strategic presence in many countries across the world, our extensive storehouse of market and company intelligence and, most of all, the expertise of our people in each of their specialist roles.

Because it is our people who understand our clients' aspirations and goals and who work with them to deliver the winning combination of product and service excellence.



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Excellent service must be accompanied by products that meet clients' business needs  
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## Corporate strategy

Quite simply, we aim to be the market leader in trade credit risk management and to support our customers' growth by strengthening their credit and cash management. That means helping them to grow their business profitably by trading securely.

At the heart of our operation are our highly skilled and professional people who work hard to realise our ambition of customer service excellence. The business partners who distribute our products also play a key role in our success: we build long-lasting relationships that are mutually beneficial to the prosperity of the credit insurance industry.

In 2013 we expect global economic growth to be under pressure, with mature markets facing lower growth prospects than the 'new world' economies. While continuing to support our customers in those mature markets, our longer-term strategic plans will also take advantage of the opportunities for growth in those emerging markets that are leading the way in the shifting global trade landscape.

Our strategy is driven by our commitment to customer service excellence and a spirit of entrepreneurialism:

- growing our business by expanding our support to customers;
- continuing to develop our customer service proposition through our people and processes;
- ensuring our IT platform remains the most integrated in the industry;
- fostering a culture of entrepreneurialism and responsibility, and;
- being an 'employer of choice'.

Our success is measured by that of our customers. We therefore focus our efforts on maximising the cover that we can offer, so that our customers feel genuinely supported, and expanding our global reach to support customers in the countries where they do business. Risk management expertise is pivotal to this: our extensive network of skilled underwriters, supported by sophisticated technology, makes our risk assessment second to none in the credit insurance industry.

What's more, our organisational structure puts the power to drive business growth in the hands of our local teams, as they translate customer needs into innovative solutions.

Being an 'employer of choice' requires more than simply fringe benefits and job security. It demands that an organisation is inspiring and innovative. Although employee satisfaction is already high in Atradius, we will seek to go beyond this by offering training and development opportunities to our people, developing inspiring leaders, and ensuring that we attract and retain the best talent.

In addition to our core business of credit insurance, we offer a range of services to enhance our customers' credit management. Our collections service is truly international. Our Special Products unit delivers specialised and tailored risk solutions. We provide reinsurance solutions for the credit and bonding industry. Our Bonding unit covers administrative and market bonds. Instalment Credit Protection covers the short and medium-term risks involved in multiple instalment agreements. And Dutch State Business issues credit insurance policies and guarantees to Dutch companies on behalf of the Dutch State.

Overall, our people, expertise and technology will ensure that we achieve our strategic goals.

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Our success is measured by  
that of our customers  
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## Customer service excellence

Customer service excellence drives our strategy at every level, as we strive to deliver a unique customer experience by anticipating and exceeding our customers' needs. Our Customer Service Monitor, updated in 2012, makes sure customers are fully aware of the service they can expect from us - and enables them to monitor how well we are delivering that service. We have also enhanced our management information reports on buyer risks and exposure, claims and collections and added new features to improve the user's experience.

Online, our customers and brokers can view, manage and consolidate all their financial transactions with us - including an 'early costs assessment' feature that indicates our likely contribution to the cost of collecting debts placed. This all adds transparency and efficiency for customers in managing their accounts receivable.

Our many publications, seminars, conferences and webinars on trade related subjects are designed to keep customers and brokers informed of economic and risk developments and the opportunities for secure trade.

## Geographic strategy

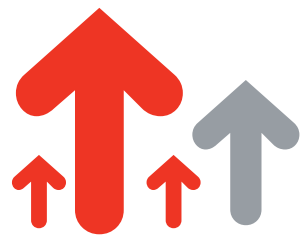
Atradius has a presence in 45 countries, from where we can offer our range of credit management services to a wide range of businesses, from small and medium-size enterprises (SMEs) to large multinational companies.

However, in a rapidly changing world we need to look ahead and identify future opportunities. That means not only maintaining and building on our value proposition in established markets but also focusing on those markets that are gaining in economic power and importance. As world trade patterns change, the emerging nations of Asia, Latin America and the Middle East will lead global growth in the coming years. With this in mind, extending our operations in those emerging markets is crucial to the long-term growth prospects of our customers - and therefore Atradius.



## ATRADIUS RISES 12 PLACES

on the Dutch  
Government's  
Transparency  
Benchmarking



Atradius Collections  
income rises to

# €43.3m

## DECAVI Innovation Trophy

awarded for Atradius'  
ICP product

# €156.2m

profit before tax

# 2012 – ONE YEAR IN FOCUS



Atradius US staff  
respond rapidly to  
**Hurricane  
Sandy**

Atradius named  
**best credit  
insurance  
provider -  
Europe**



Revenue in Asia

# +28%

Atradius credit rated

# A

 by A.M. Best

# A3

 by Moody's

## Product offering

Our products and services have never been more relevant than they are now, because the need to trade securely is high on every business's agenda. We give our customers credit protection and invaluable insights into the trading risks and opportunities they face.

Our products are designed to be flexible, so that we can tailor cover to meet each customer's unique needs and mirror the way they do business. For example, our 'whole turnover' credit insurance is designed in an adaptable modular format that serves SMEs, mid-sized and large customers engaged in both domestic and export trade. Our credit insurance can also be easily combined with other Atradius products, such as our debt collection service, to create a comprehensive credit management solution.

### Our Global proposition

For multinational corporations, we offer a tailored credit management solution in the form of our Global policy: widely acknowledged to be 'best in class'. Customers can choose between a single policy with terms and conditions that serve both the parent company and all its subsidiaries, stand-alone policies to accommodate varying country conditions, or a combination of the two.

### Buyer rating

Our buyer rating tool enables customers to assess the quality of their buyer portfolio and monitor their credit risk. Currently it provides ratings for buyers in more than 110 countries. In addition, through our Group company Iberinform, we offer a comprehensive credit information service on Spanish buyers.

### Special Products

'Whole turnover' cover is not always the right solution for every customer. We therefore offer a range of structured credit risk solutions for specific large and complex transactions through our Special Products unit: from enhanced credit protection for single contracts or buyers to pre-export finance.

### Collections

Atradius Collections helps businesses - both credit insured and uninsured - to collect domestic and international trade debts while maintaining sound business relationships with their clients.

### Instalment Credit Protection

Atradius Instalment Credit Protection (ICP) covers the short and medium-term risks involved in multiple instalment agreements with private individuals and businesses (such as consumer credit, leasing and renting) and is currently offered in Belgium and Luxembourg.

### Bonding

Our range of bonding products puts customers in a stronger financial position when dealing with their business partners, protecting the beneficiary if the supplier - our customer - fails to meet its contractual obligations.

### Reinsurance

Atradius Re offers a wide range of reinsurance solutions for the credit insurance and bonding insurance business of primary insurers around the world.

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Our products and services  
have never been more  
relevant than they are now

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## Enthusiasm and imagination – the key to real corporate responsibility

While Atradius is a committed signatory of the UN Global Compact on corporate responsibility (CR), we can never be wholly satisfied with our performance. That's why we constantly look for ways to improve our CR progress in all its forms: in our use of energy and other finite – and valuable – resources, our carbon footprint, and our activities in the communities in which we share.

### Giving our time effectively

An essential aspect of CR is that we give our time and our expertise to the benefit of others. That means not just ensuring the use of low energy lighting in our offices or the recycling of paper – important as these are, nowadays they are simply expected of any organisation. Beyond that, we also harness the enthusiasm and imagination of our people so that they can drive CR initiatives through their own ingenuity and a passionate belief that what they are doing is both necessary and valuable.

Throughout our organisation, we can point to many examples of fundraising for worthwhile causes and charities, involvement in providing education and financial services in the developing world, the promotion of employment for disabled workers, and practical ways to reduce our carbon footprint by the use of low emission company vehicles, discounted tickets for public transport and 'cycle to work' schemes.

For example, in the Netherlands, staff have raised money to supply school equipment to disadvantaged children in Eastern Europe. And our French organisation is supporting an initiative to help children in Africa progress through the school system.

### Our response to Hurricane Sandy

In the US our Baltimore based staff responded urgently to the devastation wrought by Hurricane Sandy, donating vital supplies to those in New Jersey and New York whose lives had been turned upside down by the hurricane and encouraging their contacts outside the organisation to do likewise. The response was exceptional and within a few days Atradius was able to send three truckloads of much needed supplies to the worst affected areas.

Atradius cannot function effectively without the fast and efficient relaying of information, internally and to our business partners. Our investment in new technology means that we have enhanced our services while at the same time reducing energy usage in our Data Centre by 4% this year, complementing our eco-friendly replacement of office hardware with more energy efficient equipment.



All amounts in thousands of Euro, unless otherwise stated.

## Consolidated statement of financial position

Assets	31.12.2012	31.12.2011
<b>Intangible assets</b>	<b>161,414</b>	<b>160,703</b>
<b>Property, plant and equipment</b>	<b>130,970</b>	<b>131,840</b>
<b>Investment property</b>	<b>11,523</b>	<b>13,338</b>
<b>Investments in associated companies and joint ventures</b>	<b>36,147</b>	<b>30,750</b>
<b>Financial investments</b>	<b>1,754,365</b>	<b>1,534,429</b>
<b>Reinsurance contracts</b>	<b>693,982</b>	<b>691,975</b>
<b>Deferred income tax assets</b>	<b>113,386</b>	<b>134,872</b>
<b>Current income tax assets</b>	<b>18,672</b>	<b>38,289</b>
<b>Receivables</b>	<b>210,967</b>	<b>203,530</b>
Accounts receivable on insurance and reinsurance business	169,174	172,324
Other accounts receivable	41,793	31,206
<b>Other assets</b>	<b>414,225</b>	<b>359,148</b>
Deferred acquisition costs	70,737	63,664
Miscellaneous assets and accruals	343,488	295,484
<b>Cash and cash equivalents</b>	<b>191,591</b>	<b>270,968</b>
<b>Total</b>	<b>3,737,242</b>	<b>3,569,842</b>
<b>Equity</b>		
Capital and reserves attributable to the equity holders of the Company	1,196,794	1,130,151
Non-controlling interests	(41)	(26)
<b>Total</b>	<b>1,196,753</b>	<b>1,130,125</b>
<b>Liabilities</b>		
<b>Subordinated loan</b>	<b>118,803</b>	<b>118,085</b>
<b>Employee benefit liabilities</b>	<b>100,372</b>	<b>71,815</b>
<b>Insurance contracts</b>	<b>1,592,783</b>	<b>1,549,285</b>
<b>Provisions</b>	<b>6,212</b>	<b>7,102</b>
<b>Deferred income tax liabilities</b>	<b>110,948</b>	<b>136,668</b>
<b>Current income tax liabilities</b>	<b>11,330</b>	<b>23,977</b>
<b>Payables</b>	<b>205,573</b>	<b>171,086</b>
Accounts payable on insurance and reinsurance business	171,490	137,933
Trade and other accounts payable	34,083	33,153
<b>Other liabilities</b>	<b>390,854</b>	<b>360,250</b>
<b>Borrowings</b>	<b>3,614</b>	<b>1,449</b>
<b>Total</b>	<b>2,540,489</b>	<b>2,439,717</b>
<b>Total equity and liabilities</b>	<b>3,737,242</b>	<b>3,569,842</b>

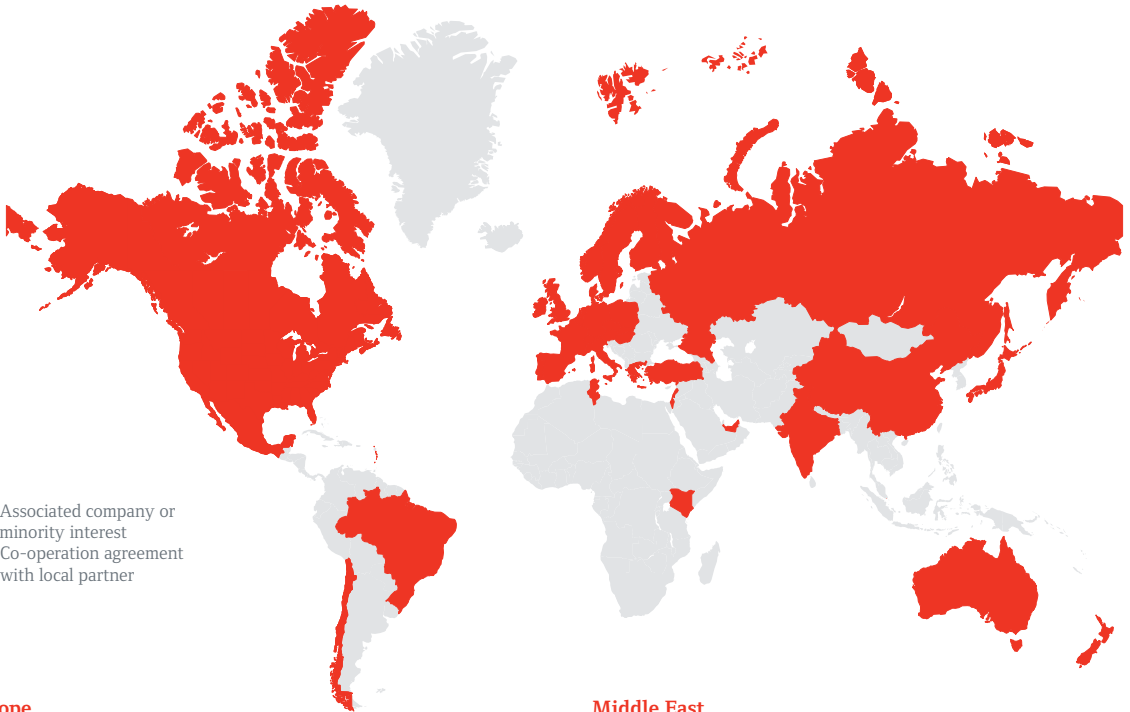
All amounts in thousands of Euro, unless otherwise stated.

## Consolidated income statement

	2012	2011
Insurance premium revenue	1,439,847	1,403,359
Insurance premium ceded to reinsurers	(653,582)	(635,775)
<b>Net premium earned</b>	<b>786,265</b>	<b>767,584</b>
Service and other income	161,784	150,460
Share of income of associated companies and joint ventures	7,722	8,710
Net income from investments	22,619	22,394
<b>Total income after reinsurance</b>	<b>978,390</b>	<b>949,148</b>
Insurance claims and loss adjustment expenses	(788,050)	(744,834)
Insurance claims and loss adjustment expenses recovered from reinsurers	352,677	311,575
<b>Net insurance claims</b>	<b>(435,373)</b>	<b>(433,259)</b>
Net operating expenses	(384,842)	(351,078)
<b>Total expenses after reinsurance</b>	<b>(820,215)</b>	<b>(784,337)</b>
<b>Operating result before finance costs</b>	<b>158,175</b>	<b>164,811</b>
Finance income and expenses	(2,019)	(4,719)
<b>Result for the year before tax</b>	<b>156,156</b>	<b>160,092</b>
Income tax expense	(38,892)	(30,256)
<b>Result for the year</b>	<b>117,264</b>	<b>129,836</b>
<b>Attributable to:</b>		
Equity holders of the Company	117,278	129,847
Non-controlling interests	(14)	(11)
	<b>117,264</b>	<b>129,836</b>
<b>Earnings per share for profit attributable to the equity holders of the Company during the year</b> (expressed in EUR per share):		
- Basic	1.48	1.64
- Diluted	1.48	1.64

The Annual report summary 2012 is derived from, and should be read in conjunction with, the Atradius N.V. Annual report 2012. The Annual report 2012 is available on [www.atradius.com](http://www.atradius.com)

# Global footprint



(\*) Associated company or minority interest  
 (\*\*) Co-operation agreement with local partner

## Europe

- |                |   |
|----------------|---|
| Austria        | Vienna  |
| Belgium        | Namur, Antwerp  |
| Czech Republic | Prague  |
| Denmark        | Copenhagen, Århus   |
| Finland        | Helsinki  |
| France         | Paris, Aix en Provence, Bordeaux, Compiègne, Lille, Lyon, Nancy, Orléans, Rennes, Strasbourg, Toulouse  |
| Germany        | Cologne, Berlin, Bielefeld, Bremen, Dortmund, Frankfurt, Freiburg, Hamburg, Hanover, Kassel, Munich, Nuremberg, Stuttgart   |
| Greece         | Athens  |
| Hungary        | Budapest  |
| Iceland        | Reykjavik (**)  |
| Ireland        | Dublin  |
| Italy          | Rome, Milan   |
| Luxembourg     | Luxembourg  |
| Netherlands    | Amsterdam, Ommen  |
| Norway         | Oslo  |
| Poland         | Warsaw, Krakow, Poznan, Jelenia Gora  |
| Portugal       | Lisbon, Porto   |
| Russia         | Moscow  |
| Slovakia       | Bratislava  |
| Spain          | Madrid, Alcalá de Henares, Alicante, Barcelona, Bilbao, Castellón, A Coruña, Girona, Granollers, Las Palmas de Gran Canaria, Málaga, Murcia, Oviedo, Pamplona, Seville, Tarragona, Terrassa, Valencia, Valladolid, Zaragoza |
| Sweden         | Stockholm   |
| Switzerland    | Zurich, Lausanne, Lugano  |
| Turkey         | Istanbul  |
| United Kingdom | Cardiff, Belfast, Birmingham, Glasgow, Leeds, London, Manchester  |

## Middle East

- |                      |              |
|----------------------|--------------|
| Israel               | Tel Aviv (*) |
| Lebanon              | Beirut (*)   |
| United Arab Emirates | Dubai (**)   |
| Saudi Arabia         | Dubai (**)   |

## Asia

- |             |                   |
|-------------|-------------------|
| China       | Shanghai          |
| Hong Kong   | Hong Kong         |
| India       | Mumbai            |
| Indonesia   | Jakarta (**)      |
| Japan       | Tokyo             |
| Malaysia    | Kuala Lumpur (**) |
| Philippines | Manila (**)       |
| Singapore   | Singapore         |
| Taiwan      | Taipei (**)       |
| Thailand    | Bangkok (**)      |
| Vietnam     | Hanoi (**)        |

## Africa

- |              |                   |
|--------------|-------------------|
| Kenya        | Nairobi (*)       |
| South Africa | Johannesburg (**) |
| Tunisia      | Tunis (*)         |

## Americas

- |           |   |
|-----------|---|
| Argentina | Buenos Aires (**)   |
| Brazil    | São Paulo   |
| Canada    | Almonte (Ontario), Mississauga (Ontario), Duncan (British Columbia)                       |
| Chile     | Santiago de Chile (*)   |
| Mexico    | Mexico City, Guadalajara, Monterrey   |
| USA       | Hunt Valley (Maryland), Chicago (Illinois), Los Angeles (California), New York (New York) |

## Oceania

- |             |                                    |
|-------------|------------------------------------|
| Australia   | Sydney, Brisbane, Melbourne, Perth |
| New Zealand | Wellington                         |

Connect with Atradius on social media



www.atradius.com

Atradius N.V.  
 David Ricardostraat 1, 1066 JS Amsterdam  
 P.O. Box 8982, 1006 JD Amsterdam  
 The Netherlands  
 Phone: +31 20 553 9111  
 Fax: +31 20 553 2811  
 Email: info@atradius.com