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INSURANCE  
COMPANY  
Inc.**

# **“Credit Insurance”**

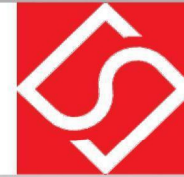
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Ladislav Arnik  
President of the Board and CEO

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21.11.2012

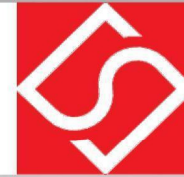
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## Mission and vision PKZ



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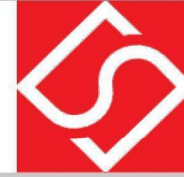
### **Mission:**

Providing **safe** financial security in the sale of goods and services and thus promoting trade and economic development

### **Vision:**

- A specialised credit insurance company with a dominant market share among the insurance companies based in Slovenia
- Specialists for the region

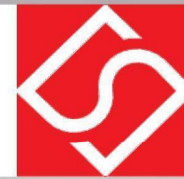
## Instruments of protection against default in payment



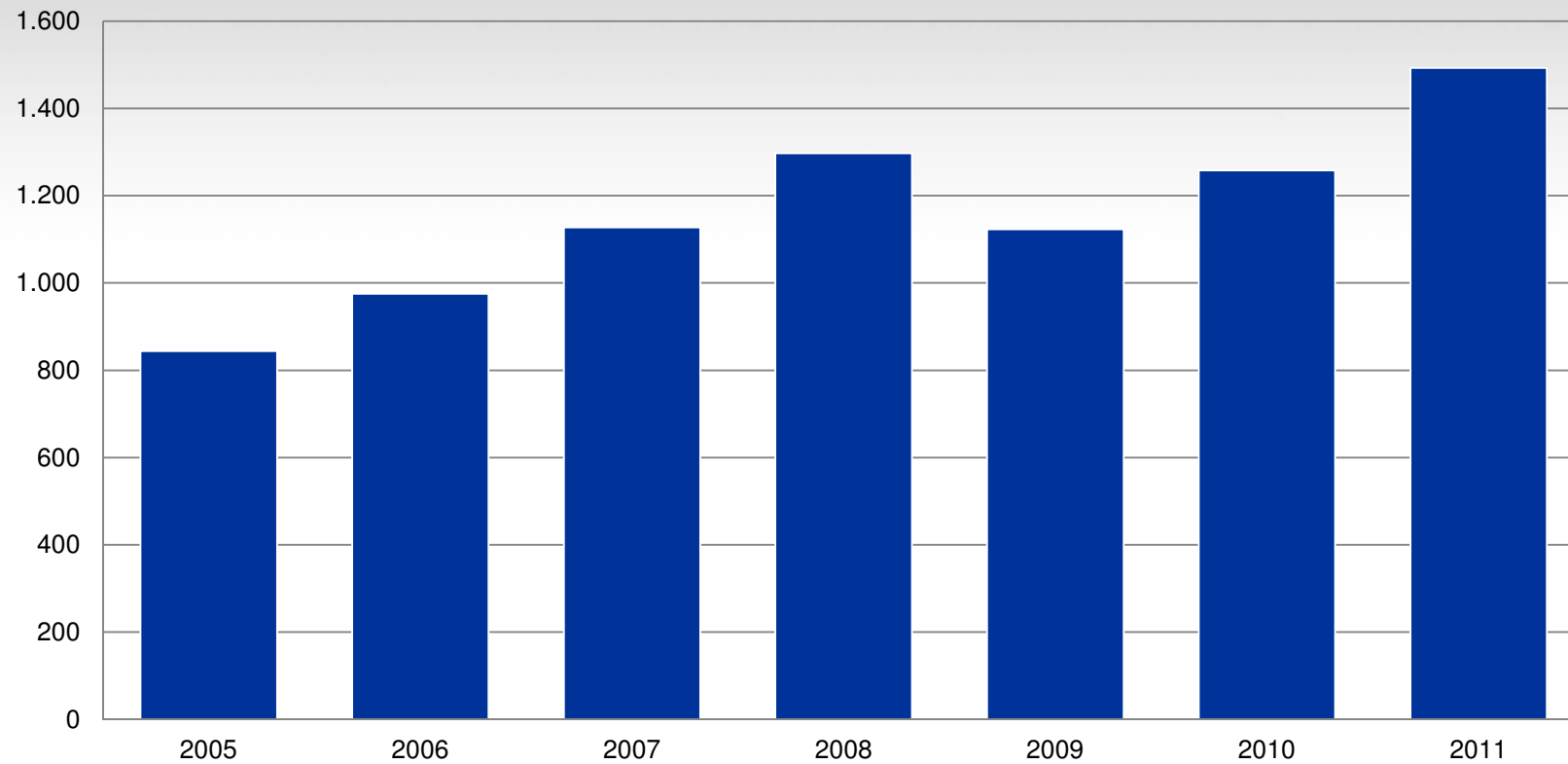
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- Advance payment
- Bank instruments
- Factoring
- Self - insurance
- Credit insurance

## Short Term Turnover covered in bln. USD



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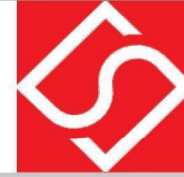
## Share of exports insured with PKZ



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- 26, 1 billion EUR (SLO exports 2011)
- 3,7 billion or 14.4% of Slovenian exports insured with PKZ
- PKZ's exposure per 31.12.2011 2 billion EUR

# Credit insurance by PKZ



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## **SCOPE OF INSURANCE:**

- Export credits to foreign and domestic debtors with agreed term of payment which does not exceed 180 days

## **INSURED EVENT:**

- Permanent insolvency or bankruptcy
- Protracted default

## **EXCLUSION:**

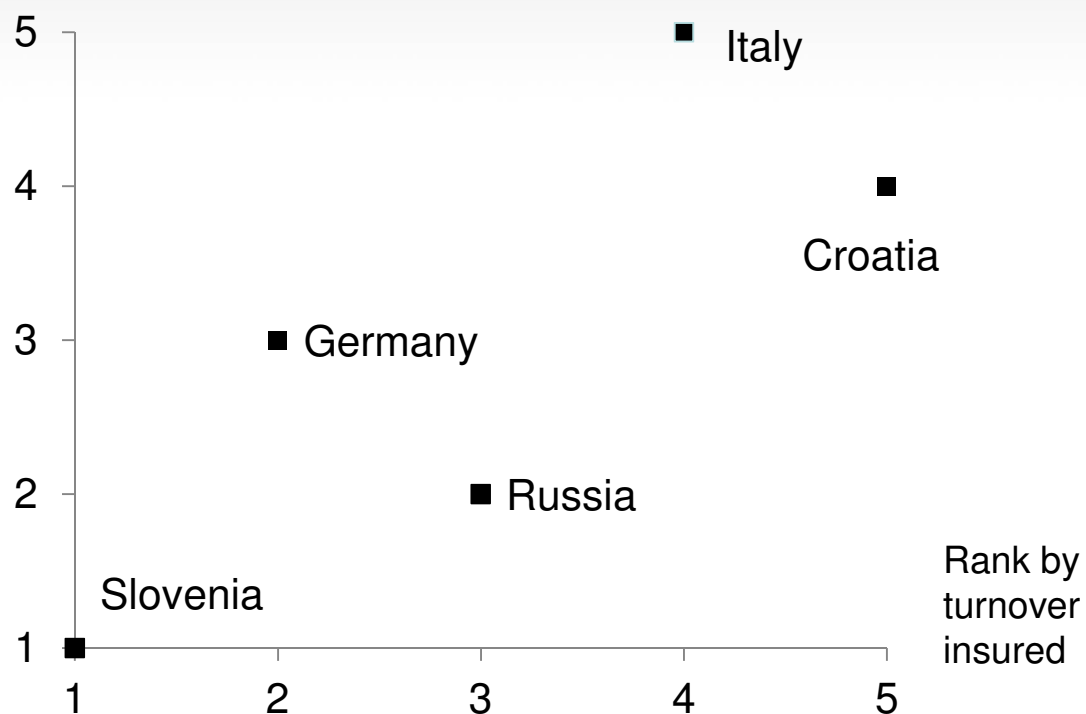
- Letters of credit
- Guarantees

## Countries per premium and turnover insured to PKZ in 2011



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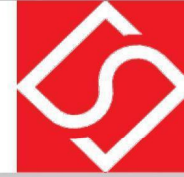
Rank by calculated  
premium



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## Insurance benefits



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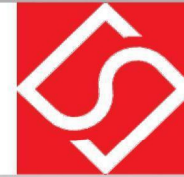
### **Payment of indemnity when insurance event occurs:**

- better planning of cash flow
- better financial conditions and credit report of a company
- debt collection assistance

### **Increase regulation of business:**

- awareness of risks in sales
- easier decision to select new buyers
- fresh information on buyers/monitoring

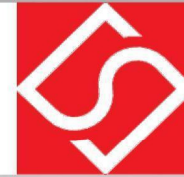
## Credit rating information sources



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- Cooperation with 25 credit report agencies, ECA's and other credit insurers:
  - D&B
  - Creditreform
  - Prokolekt
  - .
  - .
  - .
  - .

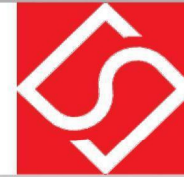
## Assessment of the buyer



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- Crucial figures from Balance Sheet + P&L Account
- Calculated financial ratios
- Soft information from insured and information from media
- Analysis of sector
- Analysis of country

# Monitoring



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## **BUYER**

- Updates from credit report agencies
- Acquiring new financial statements
- Utilization check
- Payment discipline check
- News from media

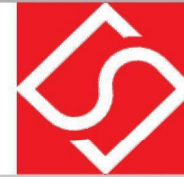
## **SECTOR**

- Constant monitoring of development in specific sector

## **COUNTRIES**

- Constant monitoring of development in specific country

## SECTOR: Paper industry, publishing, graphics



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- Highly fragmentised sector
- Majority of world's growth in Asia (growth of countries in development, predominately in Asian – pacific region)
- Important threat are internet media (mostly in developed countries)
- High dependency from volatile prices of raw material and energy

## Exposure in sector



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PKZ's exposure (in EUR) in TOP 5 countries in 2011

- Slovenia 45,4 mio
- Italy 17,3 mio
- Germany 16,2 mio
- Croatia 9,4 mio
- France 9,3 mio

Whole sector 170,3 mio EUR or 8,26 % of whole PKZ's exposure

## Turnover insured in sector in 2011



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- 364.1 mio EUR
- 7 % of all turnover insured

## Losses in sector



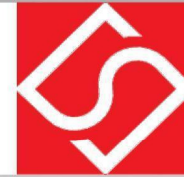
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Losses paid and losses under examination per 31.12.2011

- 1.8 mio EUR
- 7% of all paid losses and losses under examination



# References



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- PAPIRNICA VEVČE
- Group VIPAP
- GORIČANE
- Group GORENJE
- Group KRKA
- Group HELIOS

**WELCOME!**



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**Zanesljivejši  
od tistih, ki jim  
zaupate.**

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