



P R E S S R E L E A S E

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COFACE engages to support Belgian companies alongside the state

The current, unprecedented health and economic context is undermining the activity and financial health of a significant number of companies. In response, the Belgian government, in collaboration with credit insurers, is setting up a reinsurance program to support the guarantees provided for supplier credits to Belgian companies and sustain the economy during this difficult period.

Coface is pleased to participate in this program and is committed to supporting Belgian companies in their trade, both on their domestic and export markets.

Thanks to this cooperation, credit insurers will be able to maintain a greater number of existing guarantees and cover, but also to grant new ones, despite a considerably increased risk of default.

Credit insurance plays a fundamental economic role, protecting companies against the risk of default by their customers all over the world. This mechanism will enable Belgian companies to secure their cash flow, and to maintain their trade activity in a context where the financial situation of their buyers is deteriorating.

Coface is committed to maintaining a targeted approach regarding managing the risks carried by its customers, taking into account the specific situation of each company in relation to its sector of activity.

The reinsurance mechanism chosen by the Belgian government is proportional reinsurance, with the cession rate increasing in line with the loss ratio. This cession rate (of premiums and claims) is 50% for a loss ratio below 100%, and can rise to 90%. As a reminder, in 2019, Coface earned a premium of around 15 million euros on the Belgian market.

Antonio Marchitelli, CEO for the Western Europe Region at Coface declares: *"The agreement between the Belgian government and credit insurers, including Coface, will allow credit insurance cover to be maintained at a crucial moment for many Belgian companies, and to secure trade. The implementation of this agreement will also make it possible to preserve the economy's ability to rebound at the end of the confinement period. All of Coface Belgium's teams have been strongly mobilized to provide our clients with the best possible level of support in this period, which looks set to be difficult"*.



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Coface: for trade

With over 70 years of experience and the most extensive international network, Coface is a leader in trade credit insurance and adjacent specialty services, including Factoring, Debt Collection, Single Risk insurance, Bonding and Information services. Coface's experts work to the beat of the global economy, helping ~50,000 clients build successful, growing, and dynamic businesses across the world. Coface helps companies in their credit decisions. The Group's services and solutions strengthen their ability to sell by protecting them against the risks of non-payment in their domestic and export markets. In 2019, Coface employed ~4,250 people and registered a turnover of €1.5 billion.

www.coface.com

COFACE SA. is listed on Compartment A of Euronext Paris.
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