

**Euler Hermes highlights Asian regional growth,
export opportunities**

BEIJING, SHANGHAI, TOKYO, OSAKA – 18 DECEMBER 2012 – Euler Hermes recently offered insights into global and Asian economic scenarios, and [trade credit insurance](#) trends to clients, partners and business community leaders in China and Japan.

More than 400 business partners joined [Euler Hermes](#) at presentations held in Beijing, Shanghai, Tokyo and Osaka to discuss developments and forecasts related to the global and Asian economies, emerging export market opportunities and growth risks.

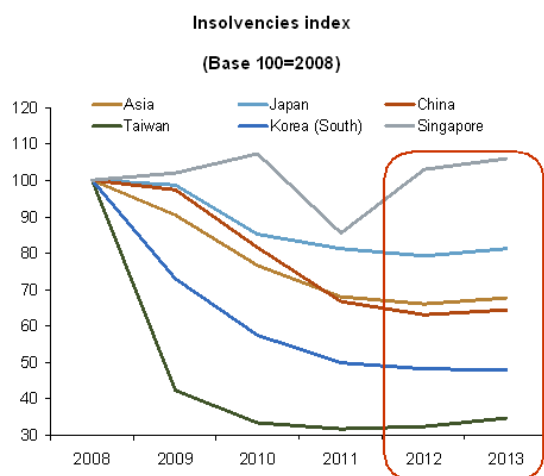
Below are speech highlights from the events:

[Ludovic Subran, chief economist](#), Euler Hermes:

- 2013 will be “double or quits” on a macroeconomic level. The euro zone will remain at bay. The U.S. faces the risk of its “fiscal cliff.” There are also growing concerns in the BRIC and MIST countries (Mexico, Indonesia, South Korea and Turkey), all of whom have yet to demonstrate the kind of superpowers they might become.
- As a key market for the West, Asia will continue to grow and will remain resilient, although there are already indications that the first-round effect (for China) and second-round effect (for ASEAN) of decelerating demand from the West have started to emerge. These may negatively impact economic growth, particularly exports from China and Japan.
- As a consequence, counterparty risks – measured in the form of corporate insolvencies – are expected to rise in Asia by +2.5% in 2013, after a fall of -3.1% in 2012. This increases the need for and relevance of more prudent risk and credit management practices, including the use of trade credit insurance.
- Strong headwinds face key sectors: Over-capacities continue to impact the steel sector, while slowing growth of the middle class and increasing purchasing costs are restricting distribution sector growth. In the chemicals sector, Asia’s position far upstream in the value chain (thereby generating lower added value), means greater sensitivity to variations in energy costs.
- Nevertheless, significant opportunities in Asia remain: The food industry is seeing a sharp rise in the consumption of processed food products and changing consumption patterns (meat, dairy products, etc), and there is growing demand for agrifoods. Automotive sector growth continues, in tandem with strong air transport expansion. Improving drug refund program quality is benefiting the pharmaceutical sector. The presence of IT equipment manufacturers is key and includes the growth sector of telecommunication equipment, underpinned by the regional supply chain.

The conference also provided participants with the latest Euler Hermes Asian Insolvency Index:

Euler Hermes Asia Insolvency Index (September 2012)



Insolvencies forecasts	2010	2011	2012	2013
Asia	-15.6%	-11.0%	-3.1%	2.5%
Japan	-13.9%	-4.4%	-2.6%	2.4%
China	-16.5%	-18.3%	-5.2%	2.1%
Taiwan	-21.4%	-4.5%	1.6%	7.7%
Korea (South)	-21.4%	-13.4%	-2.9%	-0.8%
Hong Kong	-23.6%	-24.0%	-0.9%	3.0%
Singapore	5.2%	-20.4%	20.4%	2.9%

Sources: Euler Hermes

Euler Hermes Asia Pacific trade credit insurance activities were established in 2000 and today are present in Australia, China, Hong Kong, India, Japan, Korea, Malaysia, New Zealand, Singapore, Taiwan and Thailand. More than 250 people are employed in trade credit, bonding and collection services. Euler Hermes' Asia Pacific headquarters are based in Hong Kong.

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Euler Hermes is the worldwide leader in credit insurance and one of the leaders in the areas of bonding, guarantees and collections. With 6,000+ employees in over 50 countries, Euler Hermes offers a complete range of services for the management of B-to-B trade receivables and posted a consolidated turnover of € 2.27 billion in 2011.

Euler Hermes has developed a credit intelligence network that enables it to analyze the financial stability of 40+ million businesses across the globe. The Group insured worldwide business transactions totaling € 702 billion exposure end of December 2011.

Euler Hermes, a subsidiary of Allianz, is listed on NYSE Euronext Paris (ELE.PA) and is rated AA- by Standard & Poor's.

For more information visit www.eulerhermes.com or follow us on Twitter [@eulerhermes](https://twitter.com/eulerhermes)

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