

Euler Hermes Digital Agency, Flowcast partnership: Credit insurance benefits from artificial intelligence (AI)

NEW YORK (Lendit USA) – March 6, 2017 – [Euler Hermes](#), the world’s leading trade credit insurer, today announced a pioneering partnership between its Digital Agency and [Flowcast](#), a fintech company focused on revolutionizing trade and supply chain finance with artificial intelligence (AI). The announcement was made as the partners attended Lendit USA, a major lending and fintech conference in New York this week.

Euler Hermes provides trade credit insurance solutions to protect companies against non-payment of accounts receivables by customers. Its Digital Agency recently launched its first breakthrough product – [Single Invoice Cover](#) – which protects B2B companies from non-payment, transaction by transaction, while optimizing end-to-end supply chains by extending the optimal credit terms to buyers. Based on a proprietary API (application program interface), it creates a seamless process for businesses, while facilitating a comprehensive and granular management of credit exposure.

Flowcast will use its strength in analyzing transaction data to significantly evolve the concept by developing smart algorithms to create the foundation of an innovative underwriting solution within Single Invoice Cover. Benefits include improved working capital and financing along the supply chain.

Based on invoice-level data, Flowcast has developed smart algorithms that predict a range of risk parameters, such as the probabilities of default or expected timing of invoice payment – critical factors for business. The process applies sophisticated machine learning techniques that significantly outperform more traditional models. EHDA and Flowcast are working together to extend the scope and the performance of these models to “reinvent” trade credit insurance and risk management offerings, particularly at the transaction and Single Invoice Cover levels.

“The powerful combination of AI, data and API is changing the game in trade finance,” said Ken So, Flowcast founder. “Together with Euler Hermes Digital Agency, a leader in the charge to digitally transform the credit insurance industry, we aim to help B2B clients extend more credit to customers and accelerate sales growth.”

Christophe Spoerry, EHDA co-founder said, “Together EHDA and Flowcast are creating new and exciting opportunities for B2B commerce – more productive, more efficient and safer.”

Flowcast is a provider of underwriting technology to the supply chain finance industry. Founded in San Francisco in 2015, Flowcast provides financial providers with advanced analytics solutions to power financing programs. Its predictive analytics platform enables funders to make real-time lending decisions and dramatically lower risks. Its mission is to make financing efficient and accessible at every stage of the supply chain lifecycle. The company is led by a team of finance and data science experts deeply experienced in deploying highly scalable machine learning models at large financial institutions.

Euler Hermes is the global leader in trade credit insurance, as well as a recognized specialist in the areas of bonding, guarantees and collections. With more than 100 years of experience, the company offers B2B clients financial services to support trade receivables management. Its proprietary intelligence network tracks and analyzes daily changes in corporate solvency among small, medium and multinational companies active in markets representing 92% of global GDP.

At Euler Hermes, the Digital Agency focuses on technological disruption. Leveraging Euler Hermes' global leadership and experience, it acts as a platform where innovators and entrepreneurs can take the driver's seat. The EHDA mission is to incubate breakthrough ideas in trade finance to better serve customers, cultivate a digital culture and quickly create new disruptive fintech products. Digital Agency teams use data mining, machine learning and advanced algorithms to create and test client solutions for better risk and marketing decisions. They and their partners focus on extremely scalable credit risk technologies and services by fast tracking ideas into experiments and new products, many designed to serve startups in alternative finance and fintech.

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Euler Hermes is the global leader in trade credit insurance and a recognized specialist in the areas of bonding, guarantees and collections. With more than 100 years of experience, the company offers business-to-business (B2B) clients financial services to support cash and trade receivables management. Its proprietary intelligence network tracks and analyzes daily changes in corporate solvency among small, medium and multinational companies active in markets representing 92% of global GDP. Headquartered in Paris, the company is present in over 50 countries with 5,900+ employees. Euler Hermes is a subsidiary of Allianz, listed on Euronext Paris (ELE.PA) and rated AA- by Standard & Poor's and Dagong Europe. The company posted a consolidated turnover of €2.6 billion in 2016 and insured global business transactions for €883 billion in exposure at the end of 2016. Further information: www.eulerhermes.com, [LinkedIn](#) or Twitter [@eulerhermes](#).

Cautionary note regarding forward-looking statements: The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, the words "may", "will", "should", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in the Euler Hermes Group's core business and core markets, (ii) performance of financial markets, including emerging markets, and including market volatility, liquidity and credit events (iii) the frequency and severity of insured loss events, including from natural catastrophes and including the development of loss expenses, (iv) persistency levels, (v) the extent of credit defaults, (vi) interest rate levels, (vii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (viii) changing levels of competition, (ix) changes in laws and regulations, including monetary convergence and the European Monetary Union, (x) changes in the policies of central banks and/or foreign governments, (xi) the impact of acquisitions, including related integration issues, (xii) reorganization measures, and (xiii) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences. The company assumes no obligation to update any forward-looking statement.