

## Euler Hermes targets growing leasing industry in the Nordics

**COPENHAGEN/STOCKHOLM/HELSINKI, 15 MAY 2017** – Expansion of the business-to-business leasing industry in the Nordics suggests it is becoming more common for businesses to lease rather than purchase equipment, potentially increasing the risk of late payment of lease instalments, according to Euler Hermes, the world's leading trade credit insurance company.

Euler Hermes is now launching the first insurance policy, "Cover Lease", in the Nordics to support the business-to-business leasing industry in managing the risks associated with non-payment of lease repayments. This transfer of risk means that companies taking out the insurance will continue to receive regular payments even if their leasing partner has failed or is unable to pay future installments.

"We recognize that hard-pressed entrepreneurs need to focus on what matters: innovation, finding new markets and making a profit by taking and managing calculated risks. As risk experts, it is our job to help them achieve those goals. In response to demand from leasing companies, financial organizations and brokers to protect leasing payments, we are putting our risk expertise and balance sheet at their service," says **Dominique Spiranski, CEO Euler Hermes Nordic Region**.

"According to some of the leasing companies we talk to, as much as 18% of all industrial equipment is leased today and, in the future, more assets will be leased rather than owned. We can help clients assess the financial capability of buyers, new markets and sectors as these new markets develop."

### **Demand from clients**

Trade credit insurance helps businesses trade and grow safely by covering the risk of late or non-payment of invoices when they supply goods or services to clients in return for payment at a later date. These payments due are frequently a business' major asset, so a late or non-payment could put a company at serious financial risk and create problems for all the businesses throughout an entire supply chain.

With the growth in leasing in the Nordics, Euler Hermes has received interest from various businesses in taking out insurance to protect leasing contracts. Typically, large leasing companies, banks and financial institutions leasing high-value machinery for the construction, agricultural and equipment industries are showing increased interest.

Cover Lease will be offered in all Nordic countries from mid-May 2017.

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Notes to Editors

### **Industry Background:**

- The European leasing industry grew 11.2% in 2016 according to Leaseurope
- According to Leaseurope, new production in the [Leaseurope Leasing Market](#) rose by 22.08% in Denmark, 12.07% in Sweden and 3.98% in Finland from 2014 to 2015
- Euler Hermes has been established in the Nordics since 1999
- Leading leasing company SG Finans reports that 15-18% of all industrial investments in the Nordics are leased and that equipment leasing is growing at about 13% a year in Denmark and Norway

## Key features of Cover Lease:

- Non-cancellable cover available up to 60 months (five years)
- Indemnification of unpaid rents in case of non-payment
- 70-90% of the loss insured (excluding taxes)
- The insured company has a Euler Hermes risk grade minimum of six (on a risk scale of 1-10 where 1 = lowest risk)
- Premium payable dependent on duration, rental repayment schedule and the type of lease.

**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 5,800+ 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](http://www.eulerhermes.com), [LinkedIn](#) or Twitter [@eulerhermes](#).

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