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**Euler Hermes and Rosno extend co-operative venture in Russia**

*The world's leading credit insurer and one of Russia's largest universal insurance companies are blending their experience to extend the level of insurance cover in Russia by founding the company Euler Hermes Credit Management.*

Euler Hermes and Rosno, both members of the Allianz group, have been co-operating in Russia since 2004. The two companies are now extending their partnership. Following the opening of a Euler Hermes Representative Office in Russia at Rosno's premises, the foundation of the company "OOO Euler Hermes Credit Management" represents a further step on the way to expanding private credit insurance cover both for Russian firms and for companies exporting to Russia.

The credit insurance market in Russia is still in its early stages. Even though the volume of import and export trade with Russia is increasing year after year, only few companies are taking advantage of the benefits of private insurance for their merchandise shipments – in spite of constantly rising risks. In 2007 alone, the value of outstanding receivables came to € 292.1 bn – in 2001 the figure was as low as € 89.2 bn. The number of corporate insolvencies in Russia came to a substantial 19,200 cases in 2007.

Yet the demand for private credit insurance services is rising. Since last year alone, the number of limit requests relating to Russian companies received by Euler Hermes and Rosno was up 56 per cent. The volume of coverage has seen a similar rise, to € 1.9 bn in 2008.

A precondition for a further extension of credit insurance cover is a qualified audit of Russian risks. The foundation of Euler Hermes Credit Management is a key requirement in this regard. It allows to combine the long-standing international insurance experience of the two major market players.

Being an expert in the field of trade receivables and risk management, Euler Hermes monitors a database of more than 40 million companies worldwide. The business model of Euler Hermes provides for the closest proximity to risk, i.e. risk assessment techniques take the local specifics into account. Insurance cover is provided by Rosno, one of the few companies in Russia offering professional private credit insurance services to its clients. International technologies in combination with a deep knowledge of the Russian market guarantee a secure and reliable evaluation of risks and a high quality of insurance cover.

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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 income premium of 2.1 billion euros in 2007.**

Euler Hermes, subsidiary of AGF and a member of the Allianz group, is listed on Euronext Paris. The group and its principal credit insurance subsidiaries are rated AA- by Standard & Poor's.

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