



EOS Ten Nations Survey 2011 'European Payment Practices'
Payment reliability varies across Europe

Western Europeans pay on time / Outstanding payments place strain on eastern European businesses / Payment practices expected to remain unchanged

Hamburg, 12 September 2011 – On average, individuals and corporate customers in Western Europe are more likely to pay on time than those in Eastern Europe. Over 75 per cent of all invoices are paid on time in Western Europe. In Eastern Europe, the proportion of receivables paid on time is 63 per cent on average. German (76.1 per cent), Bulgarian (74.6 per cent) and Spanish (73.5 per cent) businesses are among the most reliable payers. In the end consumer segment, 82.9 per cent of invoices are paid on time in Germany, 81.6 per cent in Belgium and 77.2 per cent in the UK. Customers in Greece are the least likely to respect payment deadlines. Only 46.09 per cent of invoices are settled on time in Greece, followed by Slovakia (57.13 per cent) and Russia (56.91 per cent). These are the key findings of the EOS 2011 Ten Nations Survey on European Payment Practices carried out by market research institute Ipsos on behalf of the international EOS Group.

'Payment practices differ considerably within Europe. Anyone wanting to safeguard their company's cash flow needs to adapt their business to these differences in customer payment practices,' said Hans-Werner Scherer, CEO of the EOS Group. 'This is all the more applicable when services are exchanged on the global market.'

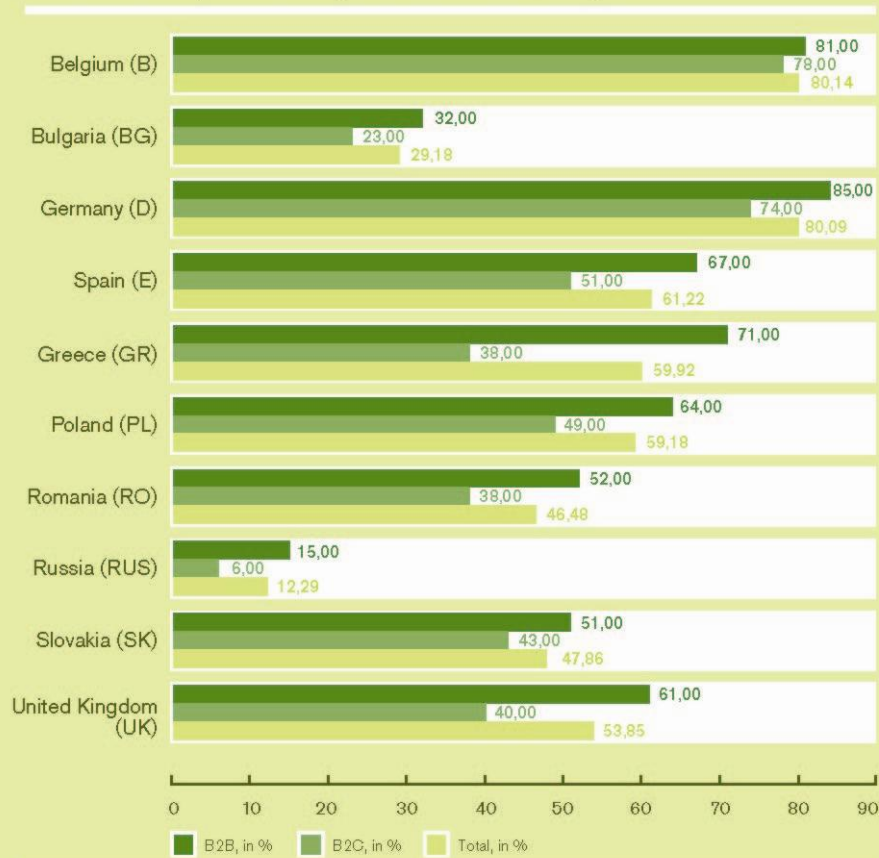
Outstanding payments place strain on eastern European economy

Another finding of the EOS survey is that the level of professionalism in receivables management varies widely. In western Europe, professional receivables management is something companies take for granted: nearly 69 per cent of the companies surveyed use external service providers, while 37.8 per cent rely on their own expertise. Among the survey participants in eastern Europe, 42.4 per cent rely on external support and 31.3 per cent employ their own specialists. This has an impact on the financial capacity of the participating companies: outstanding payments tend to account for a higher proportion of total sales in eastern European companies than in western European companies. The only exception is Russia, which has the lowest level of outstanding payments of all the countries surveyed (around 3.2 per cent of sales in the B2C sector and 9 per cent in the B2B sector). Another notable finding is that more eastern European firms (20.5 per cent) than western European firms (9 per cent) say they have faced cash flow problems as a result of bad debts or late payments.

‘Company cash flow is affected in a number of different ways. It is only by integrating systematic risk management into the core business processes that firms can secure their cash flow over the long term,’ said Mr Scherer. ‘In western Europe, this task is traditionally taken on by specialist service providers. Their expertise provides considerable support for cash flow within companies.’

COLLABORATION WITH EXTERNAL SPECIALISTS VARIES WIDELY

Collaboration with specialist service providers in international comparison

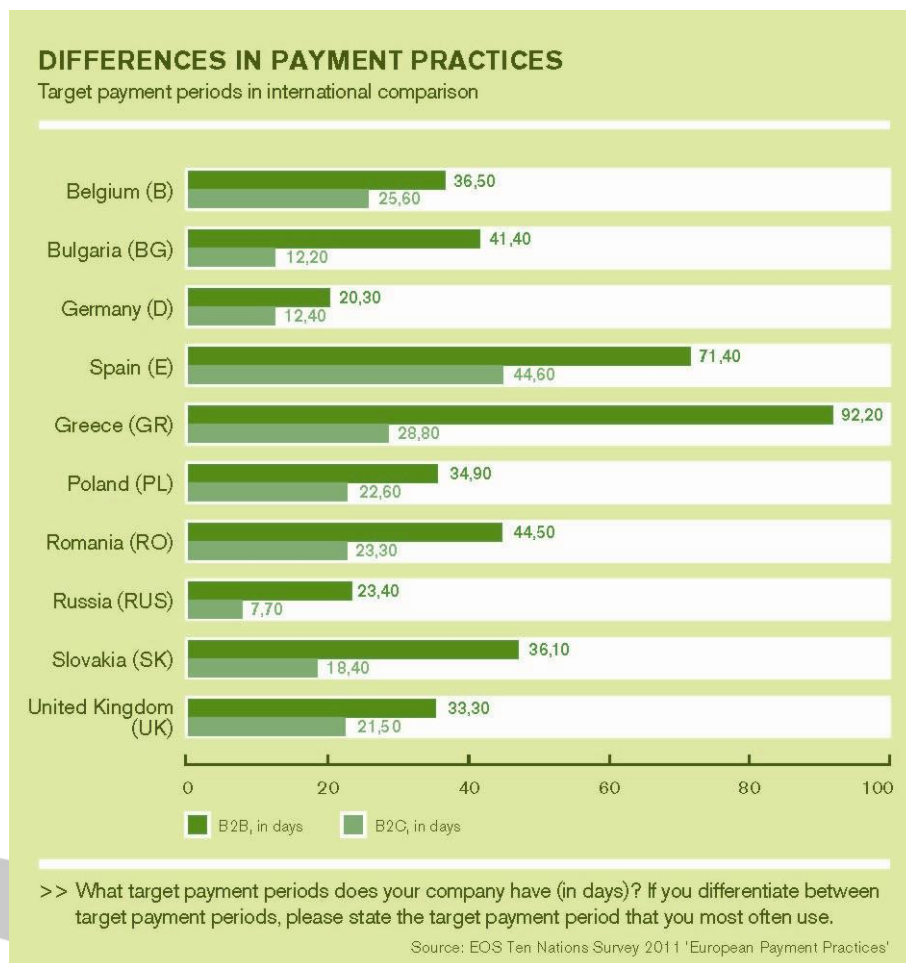


Source: EOS Ten Nations Survey 2011 'European Payment Practices'

Marked difference in payment terms

The EOS survey also identifies significant differences in payment terms. German and Russian companies have the shortest payment deadlines, at 16.78 and 18.67 days on average. In Greece and Spain, customers have 70.92 and 61.72 days respectively to settle invoices. In all of the survey countries, end consumers are required to pay sooner than business customers. Europeans agree in their assessment of future payment practices: the majority forecast that payment behaviour will remain the same

over the next two years. Only Greek companies expect the situation to worsen.



The EOS Ten Nations Survey 2011 'European Payment Practices'

In spring 2011, in cooperation with the independent market research organization Ipsos, the EOS Group asked a total of 2200 companies in ten countries about prevailing payment practices in their respective countries. 200 companies in each of the United Kingdom, Spain, Greece, Romania, Russia, Slovakia, Bulgaria, Poland and Belgium and 400 companies in Germany answered questions on all aspects of their payment experiences, economic trends in their home country and risk and receivables management in general. Further results from the survey can be found online at www.eos-solutions.com/media/expertise/studies/.

The EOS Group

The EOS Group is one of the leading international providers of individual services connected with the customer relationship life cycle – from customer acquisition to electronic payments processing and ultimately debt collection and factoring. The main focus is on receivables management. EOS stands for high-quality debt collection for the protection of creditors and consumers. With over 5000 employees and more than 40 subsidiaries, EOS provides services for 20,000 clients in more than 20 countries around the world. For more information, see: www.eos-solutions.com

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