



COFACE

Press Conference
Jean-Christophe Batlle
Africa Manager
MAR Commercial Director

12 NOVEMBER 2014

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An overview on the Coface Group

Coface

Your strong partner in risk management

With almost 70 years of experience in credit insurance, we provide our customers with professional risk management and comprehensive protection from bad debt losses.



- Coface is one of the global players in the credit insurance market
- International network with highly developed sector and business know-how
- Decades of expertise

Minimising risks – ensuring stability ^{1/2}

In business, **sufficient liquidity** often makes the difference between **success and failure**. Our business model focuses on the **risk of late payment** or non-payment.

Credit insurance by **Coface protects you** against the risk of losses from unpaid receivables – at home and abroad.

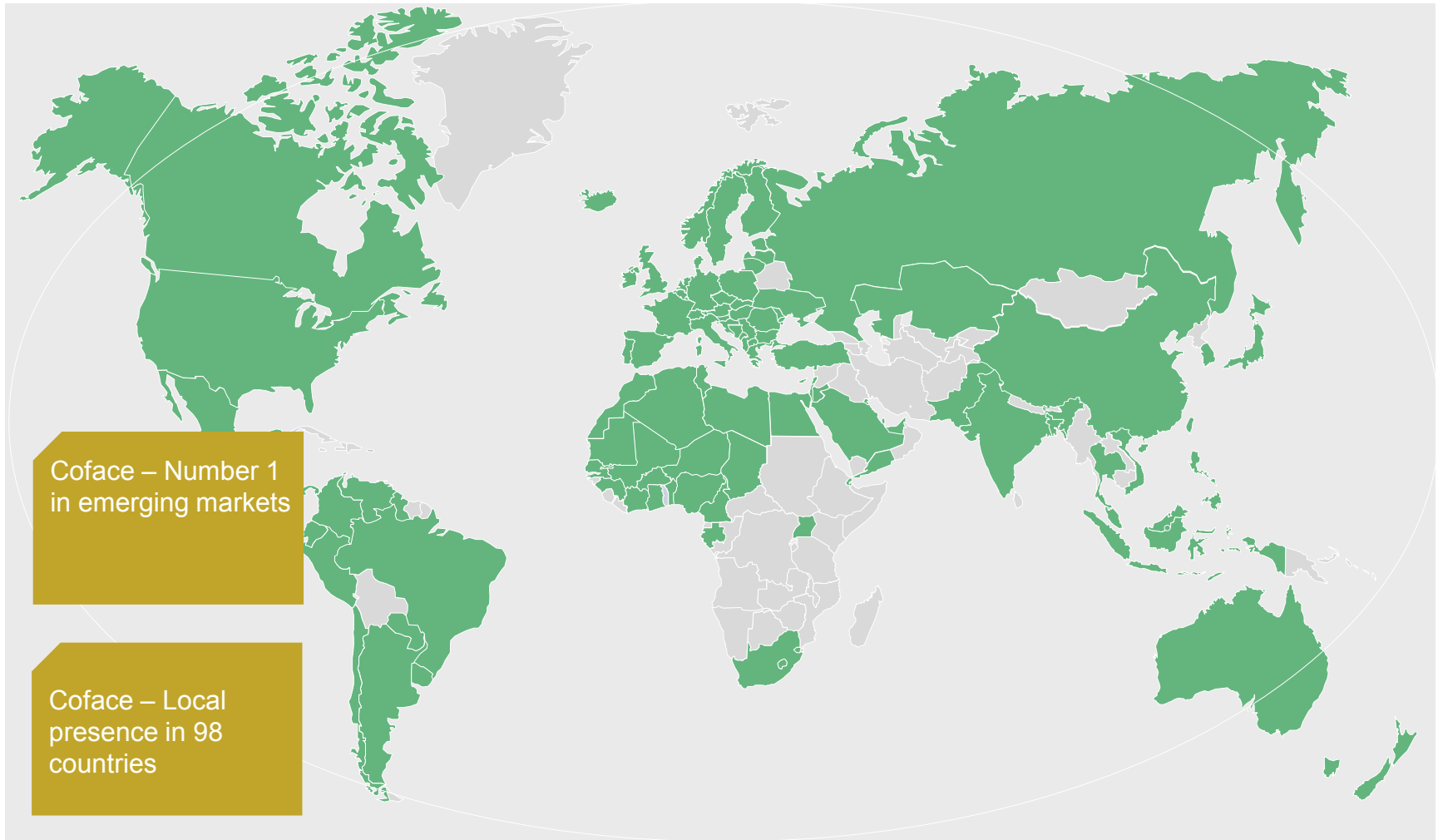
We have **customised solutions** for every size of company – from SMEs to multinational corporations.

Minimising risks – ensuring stability ^{2/2}

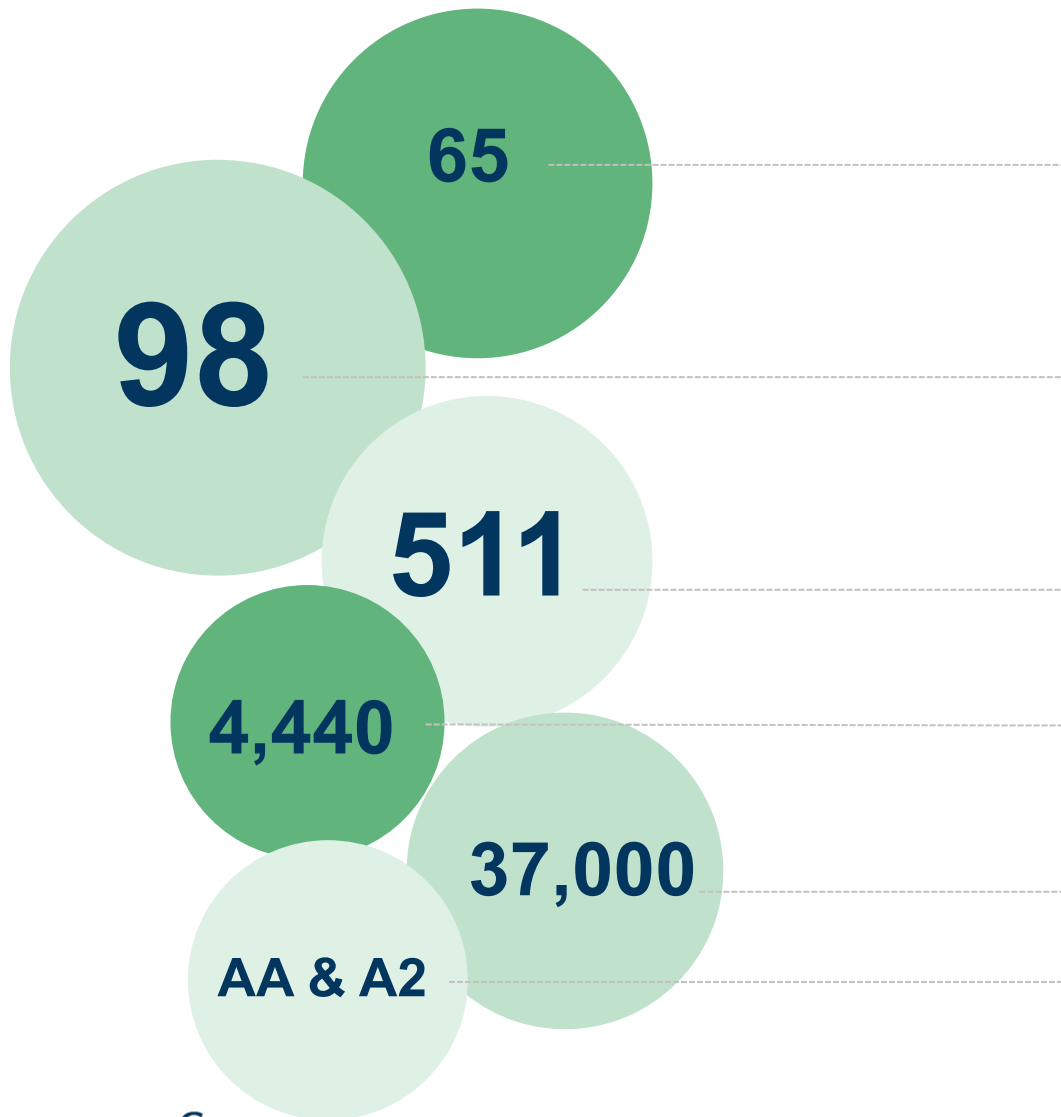
Our detailed **knowledge of more than 65 million companies**, various markets and sectors gives us a decisive advantage:

- **Preceding risk prevention through constant monitoring.**
- **Rapid response when risks arise. Our local presence and knowledge of local practice allow to take efficient collection measures.**

Worldwide presence – detailed knowledge of your risks.



The Coface Group in figures



Monitoring of over
65 million companies

Coface and its partners are
present in over 98 countries
worldwide

EUR 511 billion
insured receivables

4,440 employees

More than 37,000
customers worldwide

International Top Ratings
Fitch (AA stable outlook),
Moody's (A2 stable outlook)



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Our competence in the region
The Mediterranean and Africa

Mediterranean and Africa

Algeria
Bahrain
Benin
Burkina Faso
Cameroon
Chad
Cyprus
Djibouti
Egypt
Gabon
Gambia
Ghana
Greece
Guinea
Israel
Italy
Ivory Coast
Jordan
Kuwait
Lebanon
Libya
Mali
Malta
Mauritania

Morocco
Niger
Nigeria
Qatar
Saudi Arabia
Senegal
South Africa
Tunisia
Turkey
UAE
Uganda
Yemen



Coface is represented in each country in the Mediterranean and Africa by its own experts, specialists and economists providing you with **continuously updated analyses, reports** (e.g. insolvency report) and further information.

Benefit from this advance in knowledge!

Leading private credit insurer in Africa – Footprint

Our commitment

Bring Innovation

Preferred partner

Follow our customers on their expansion strategy in Africa by :

- Improving quality of information and capability to underwrite risks

- Expand our footprint on countries relevant for South African companies



The South African Scenario

Coface Press Conference,
Saijil Singh – Lead Analyst

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2. Business Confidence
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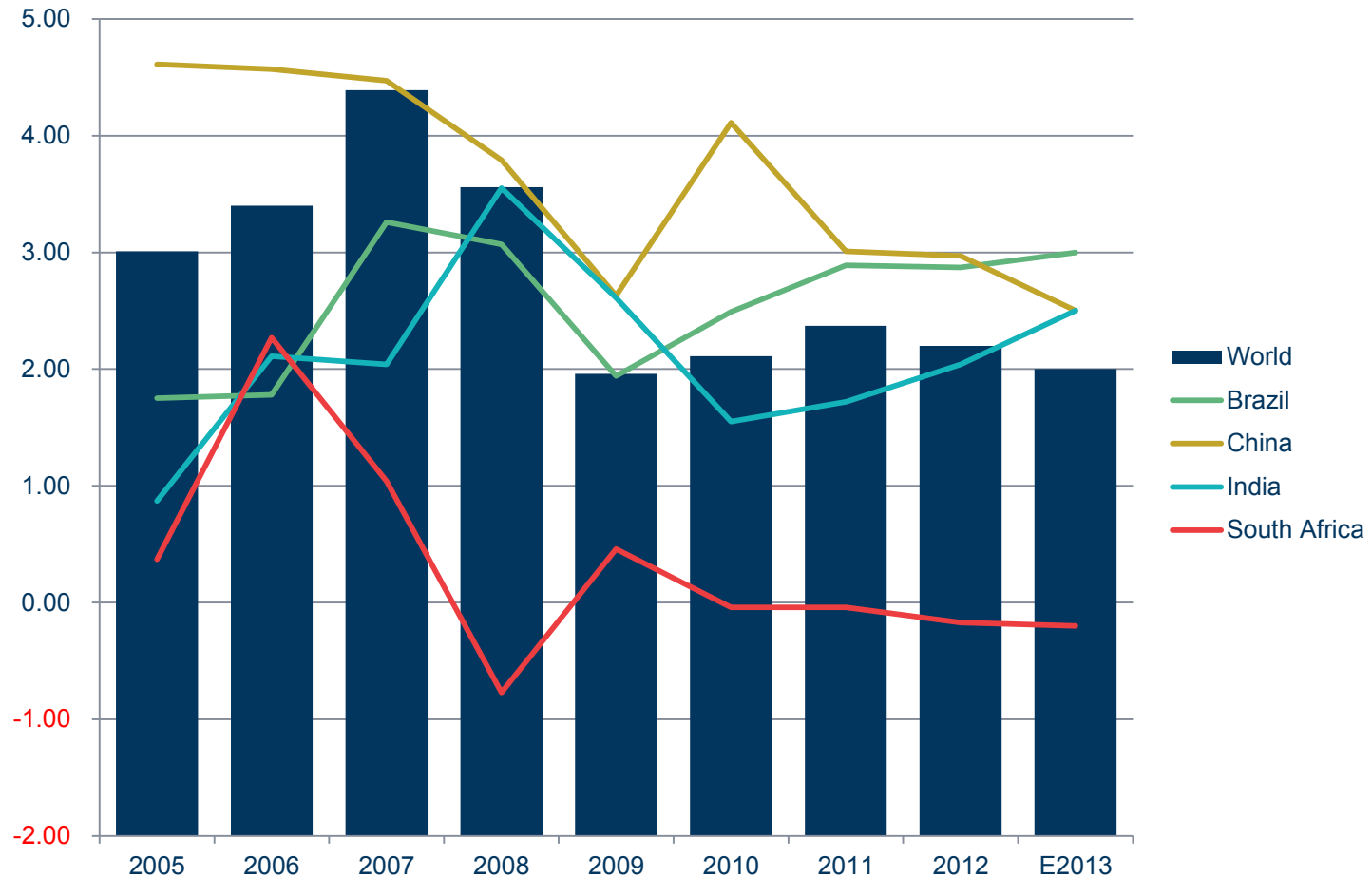
Foreign Direct Investment

Does FDI Matter?

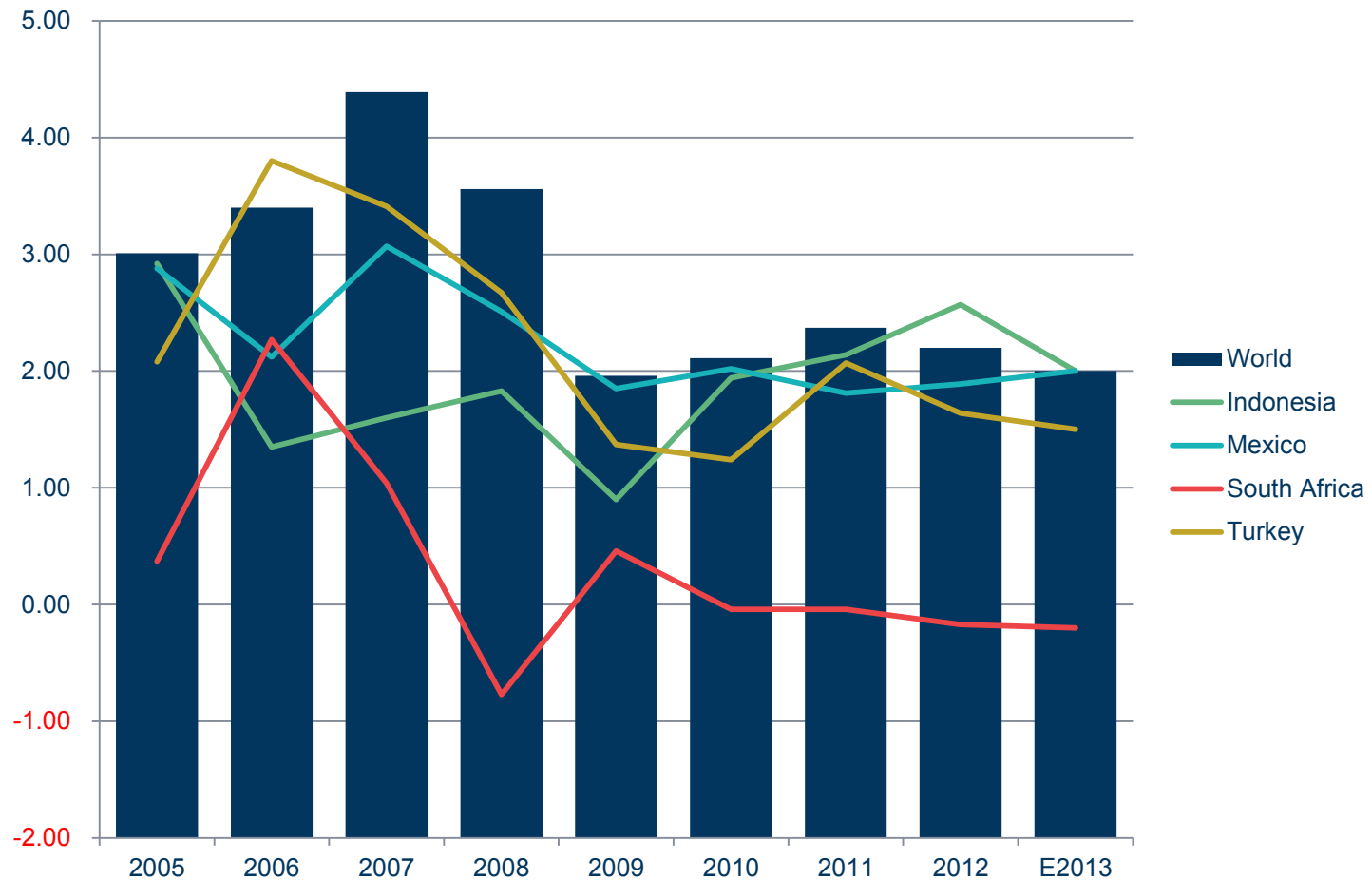
- External private capital – accelerates growth and improves economic conditions
- Investments are longer term and based on profit potential
- Establishment of distribution links for networked companies
- Skills and technology transference
- Risk dispersion
- Trade balance



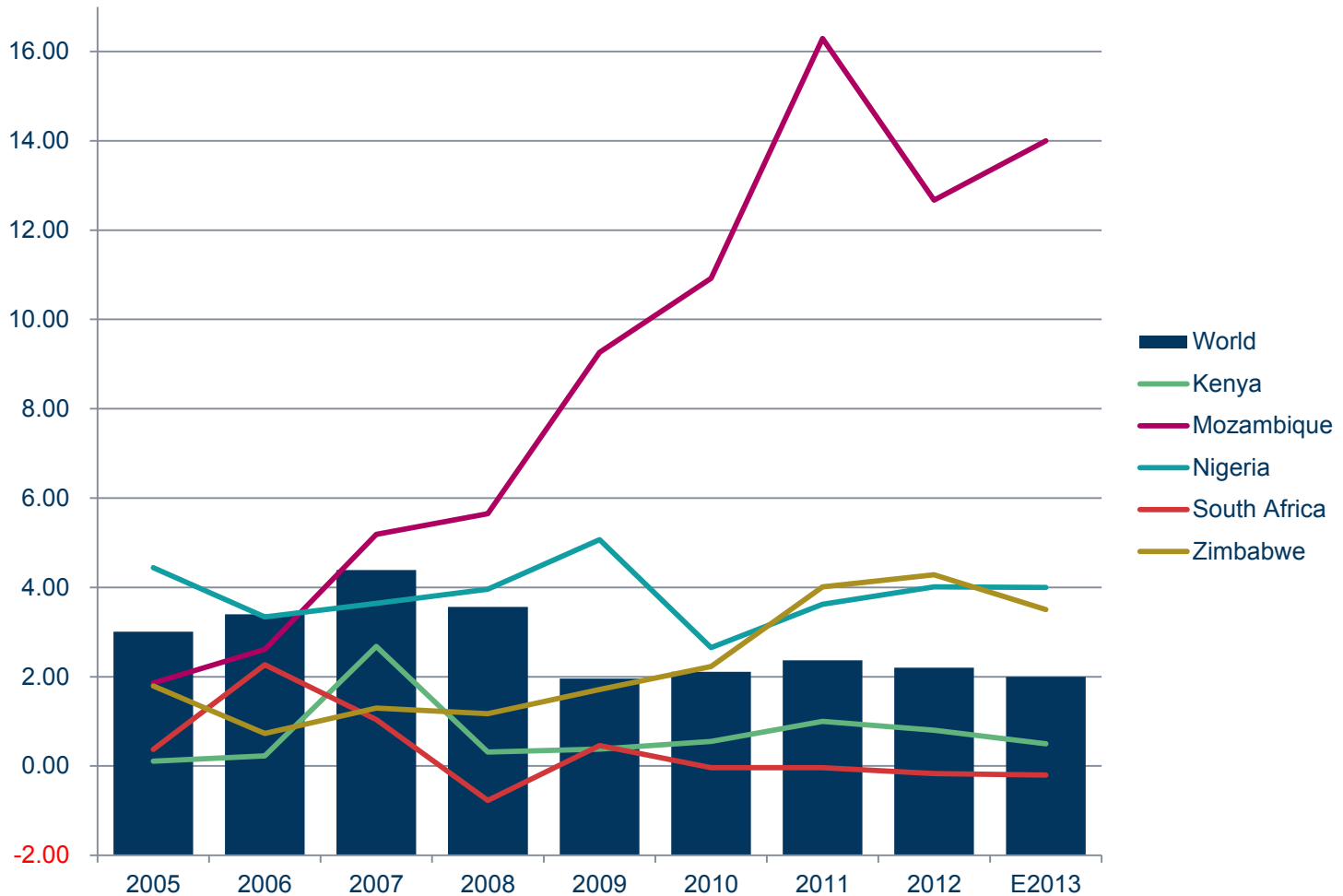
Net FDI Inflows as a % of GDP



Net FDI Inflows as a % of GDP



Net FDI Inflows as a % of GDP



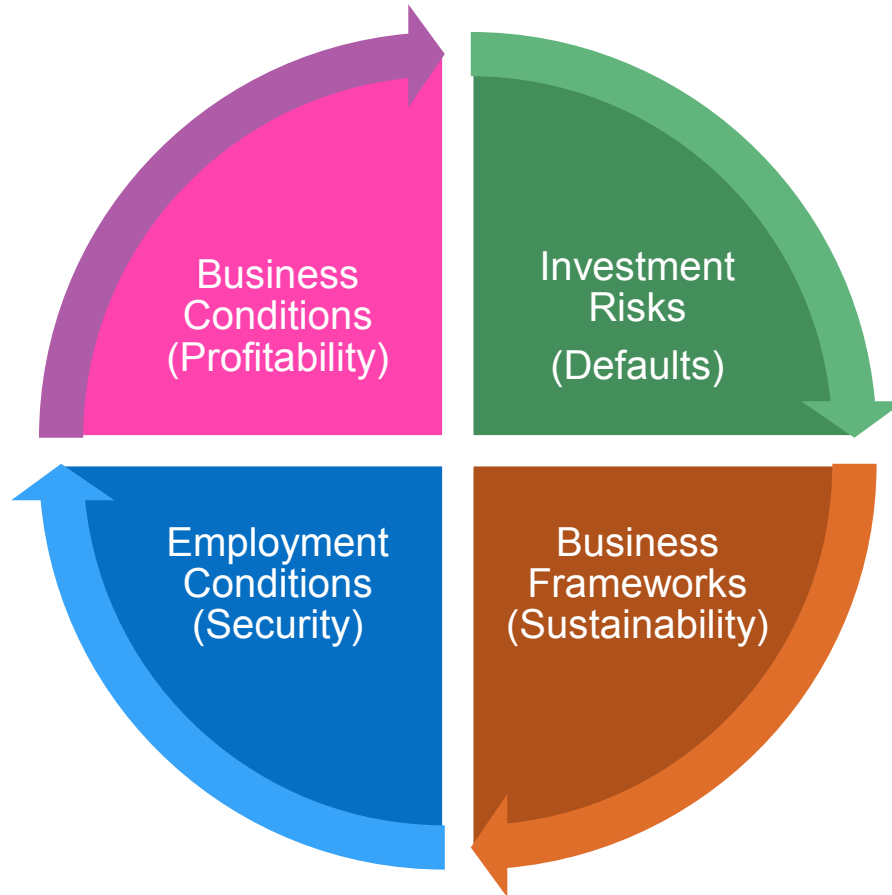


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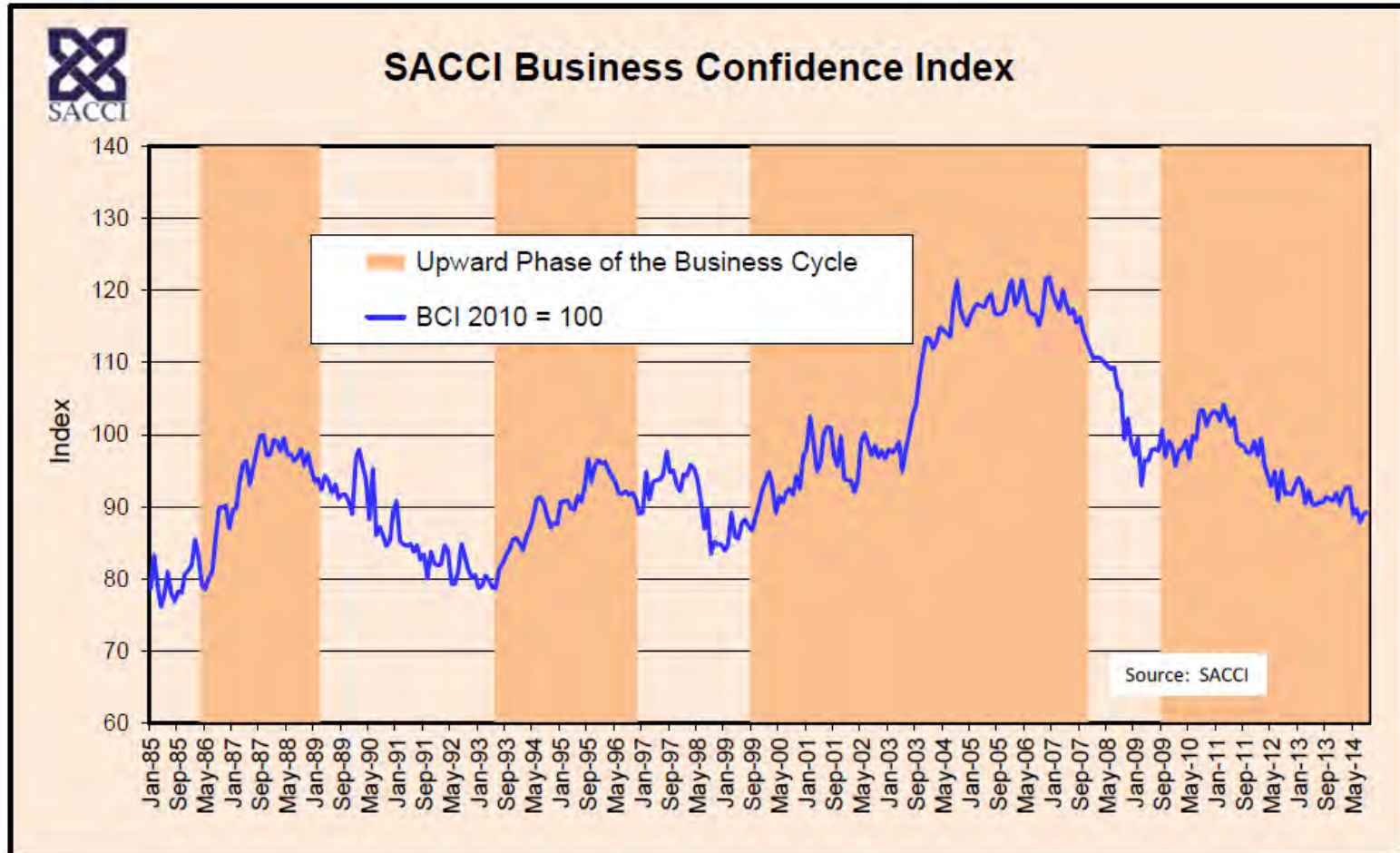


Business Confidence

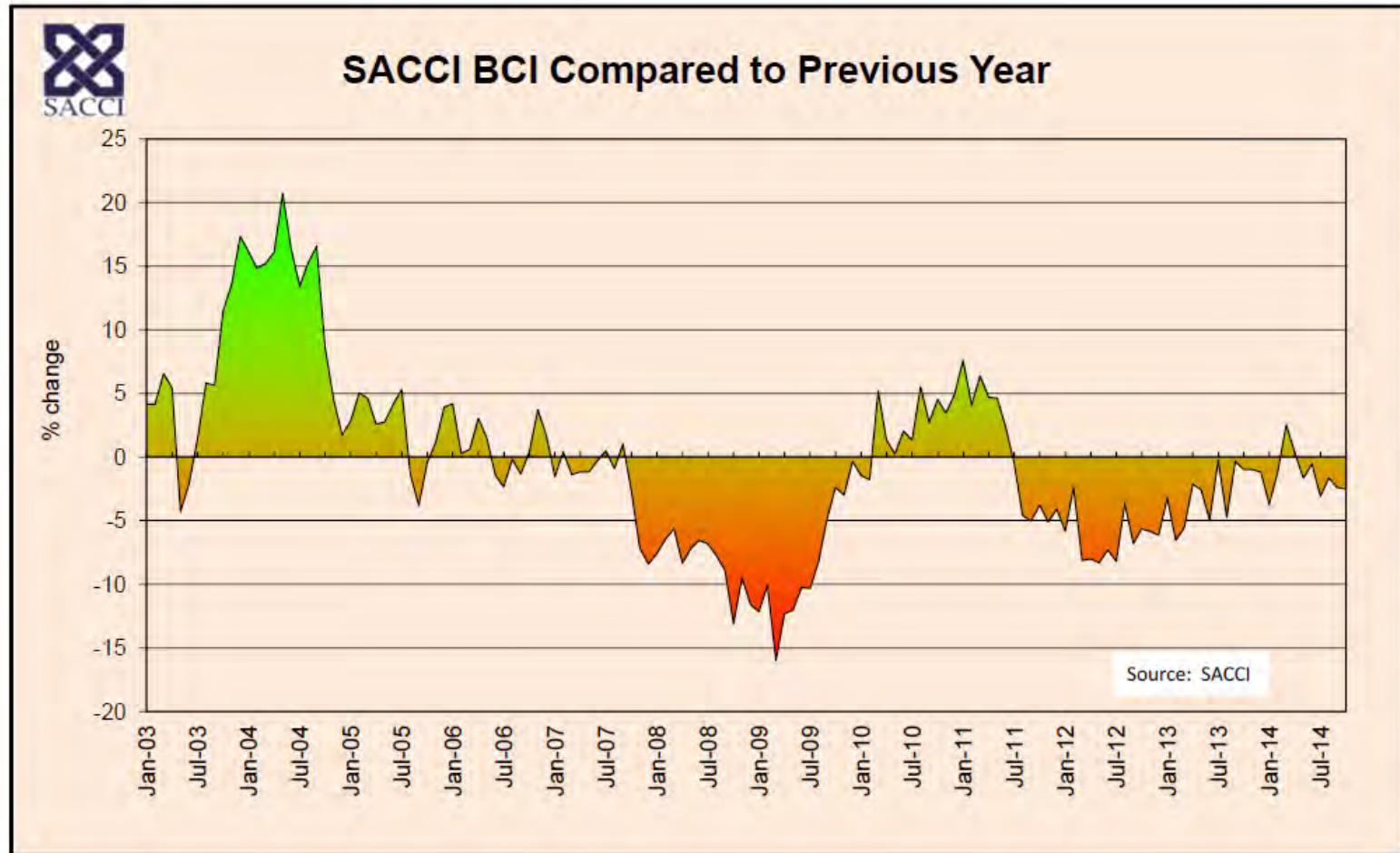
How is it measured?



Business Confidence

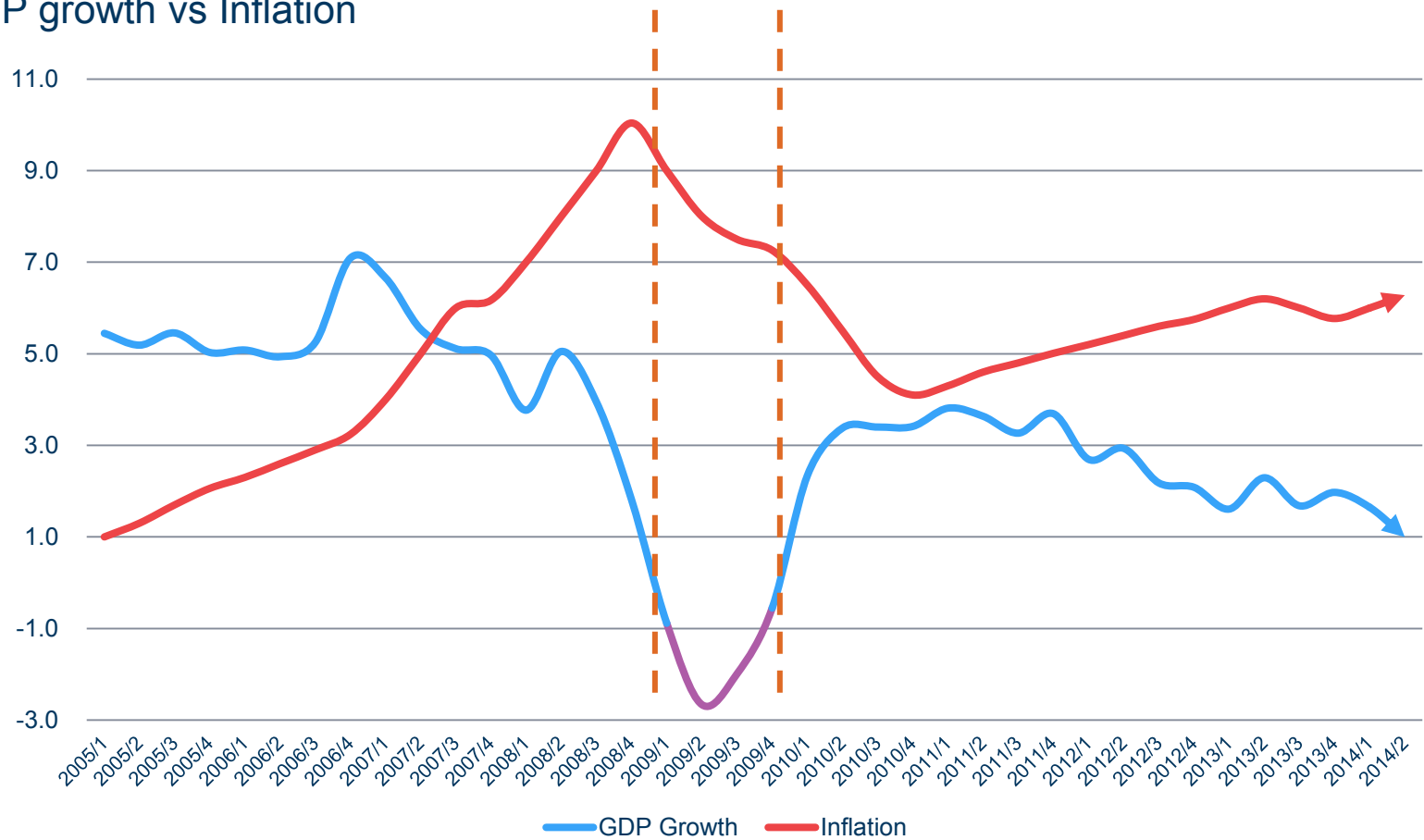


Business Confidence



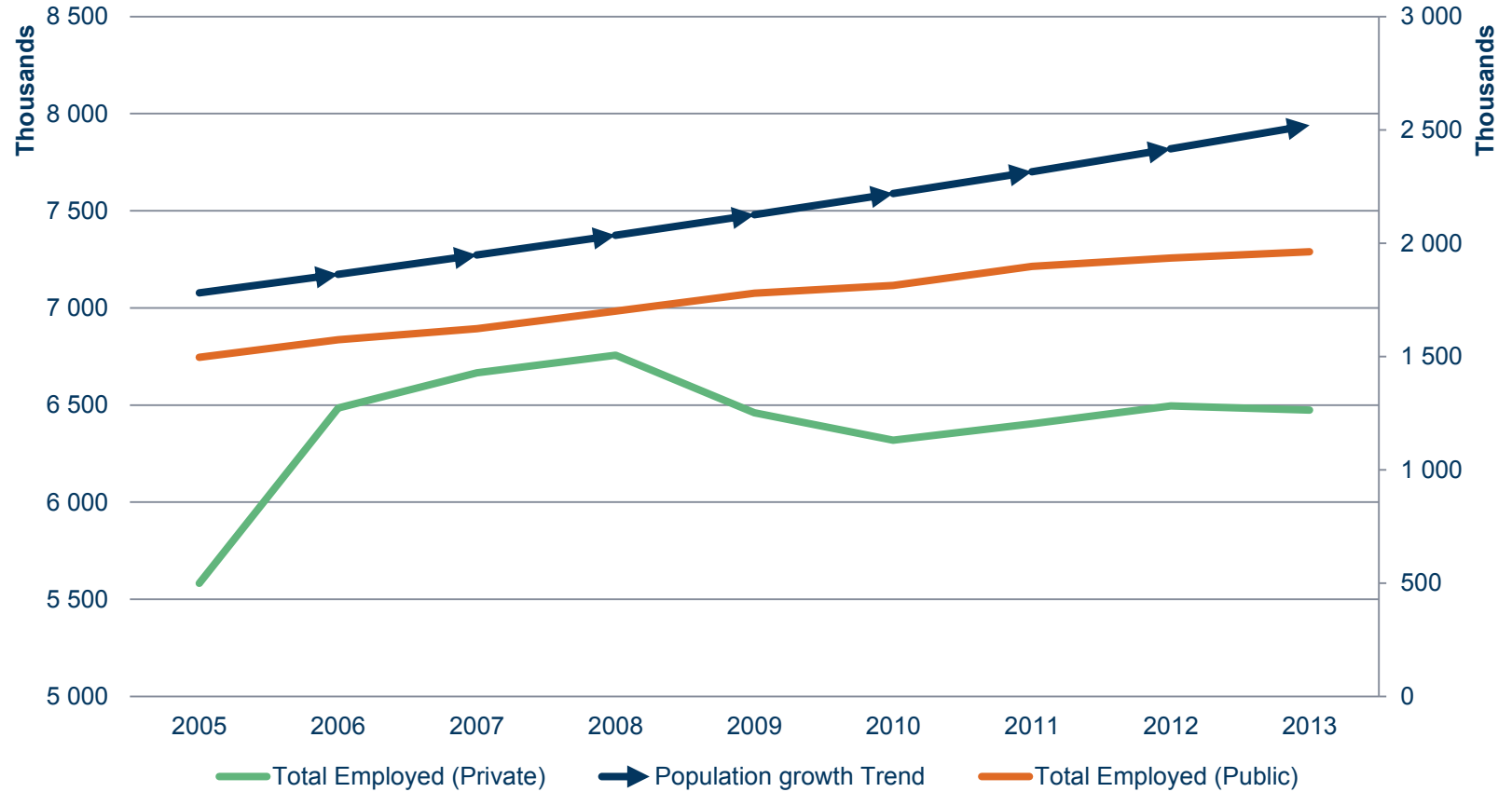
SA Growth Indicators

- GDP growth vs Inflation

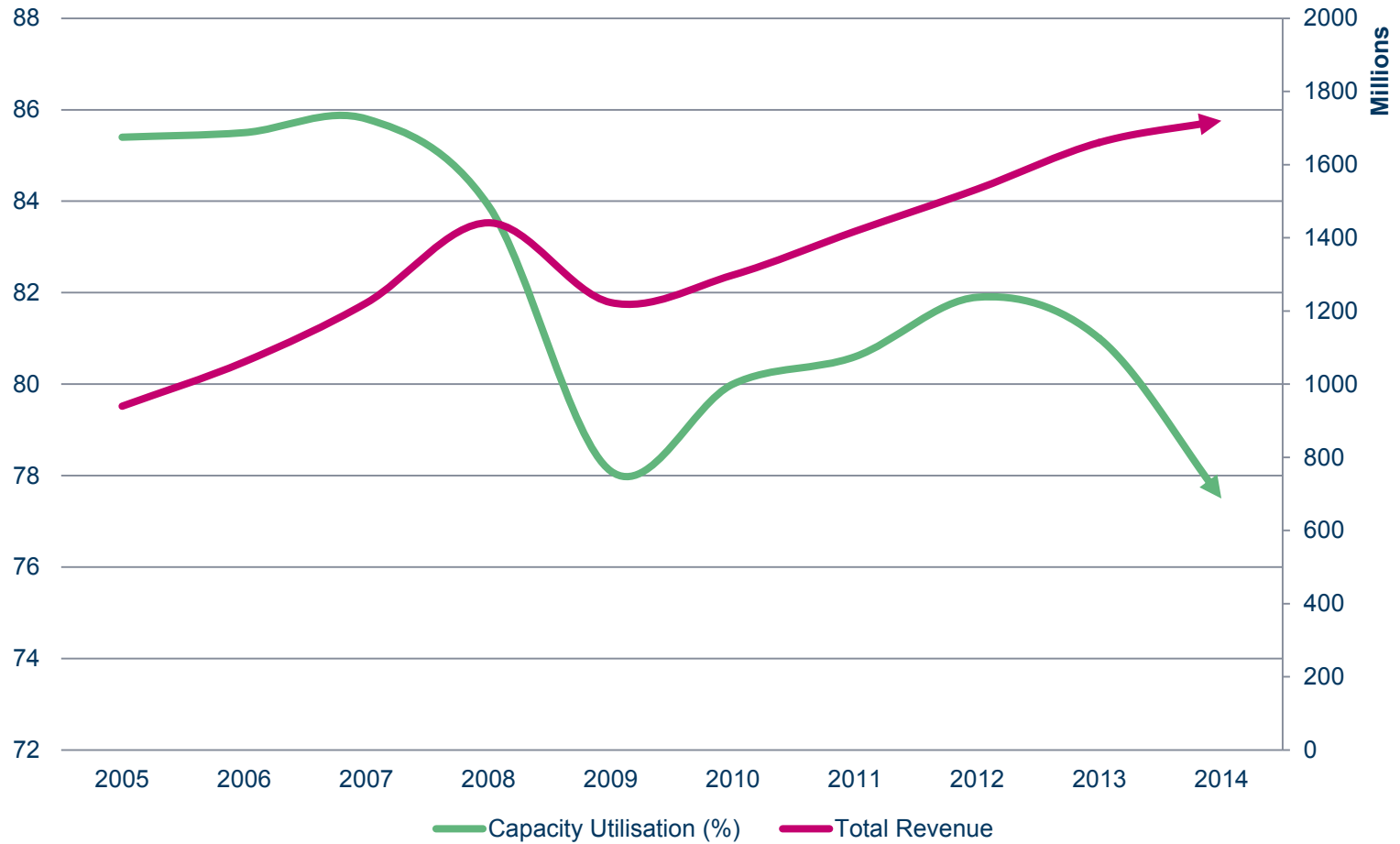


SA Growth Indicators

- Employment



Manufacturing



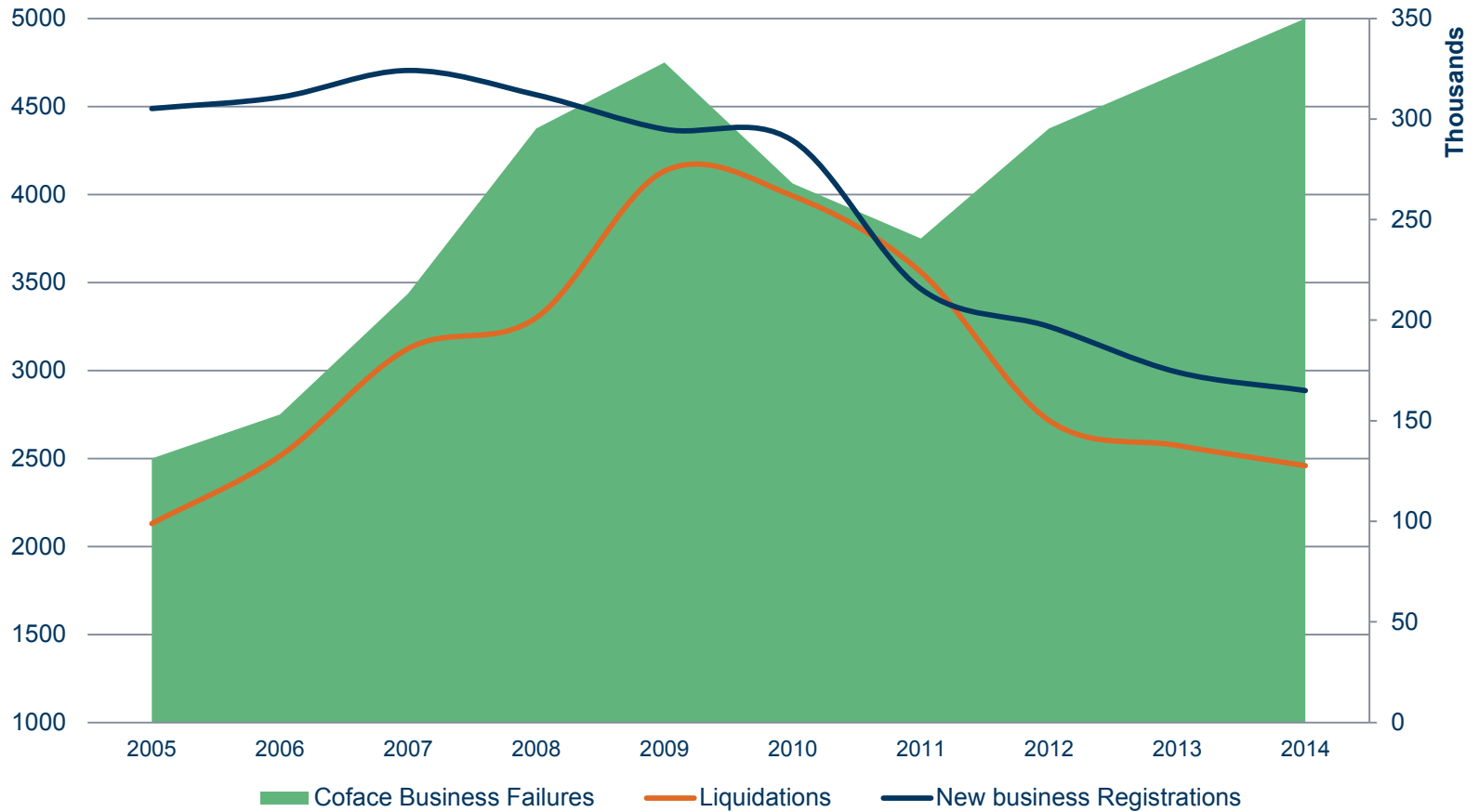


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Business Failures

Business Failures





Expansion into Sub-Saharan Africa

Coface Press Conference,
Maniki Rakgalakane – CEO

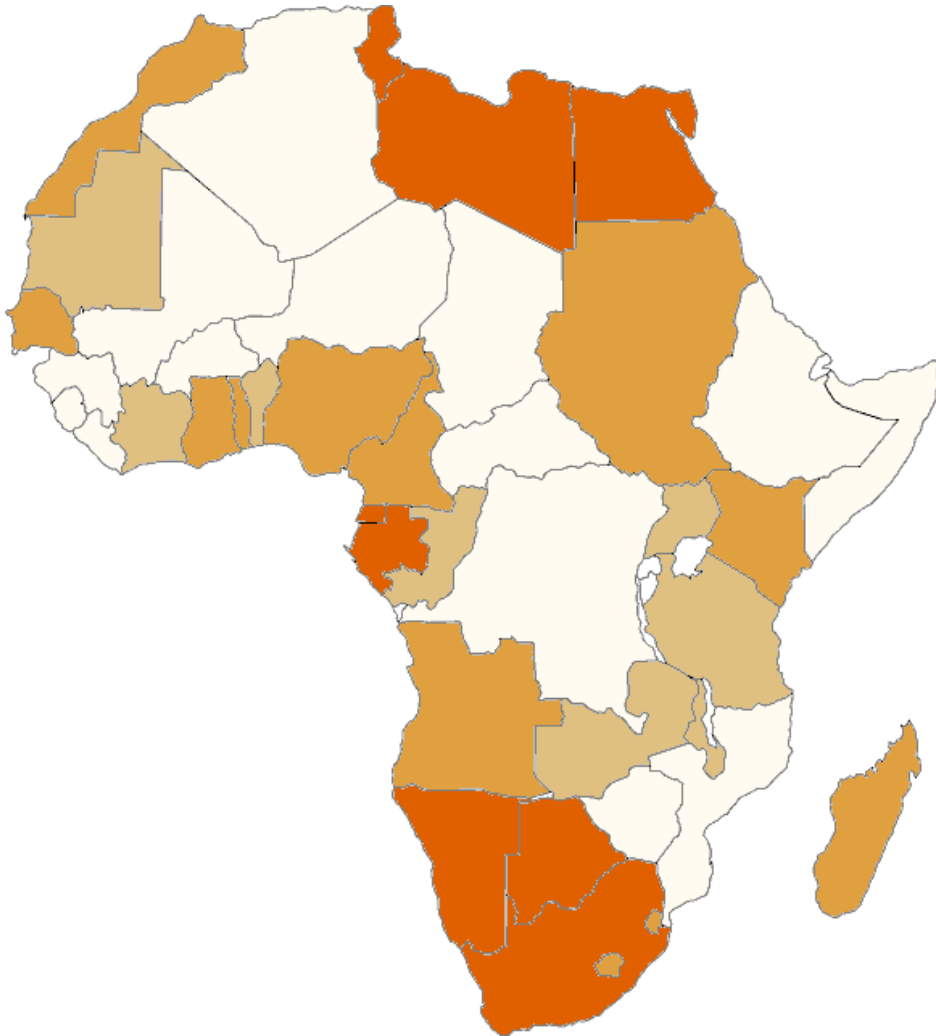
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6. Credit Risk Methodology
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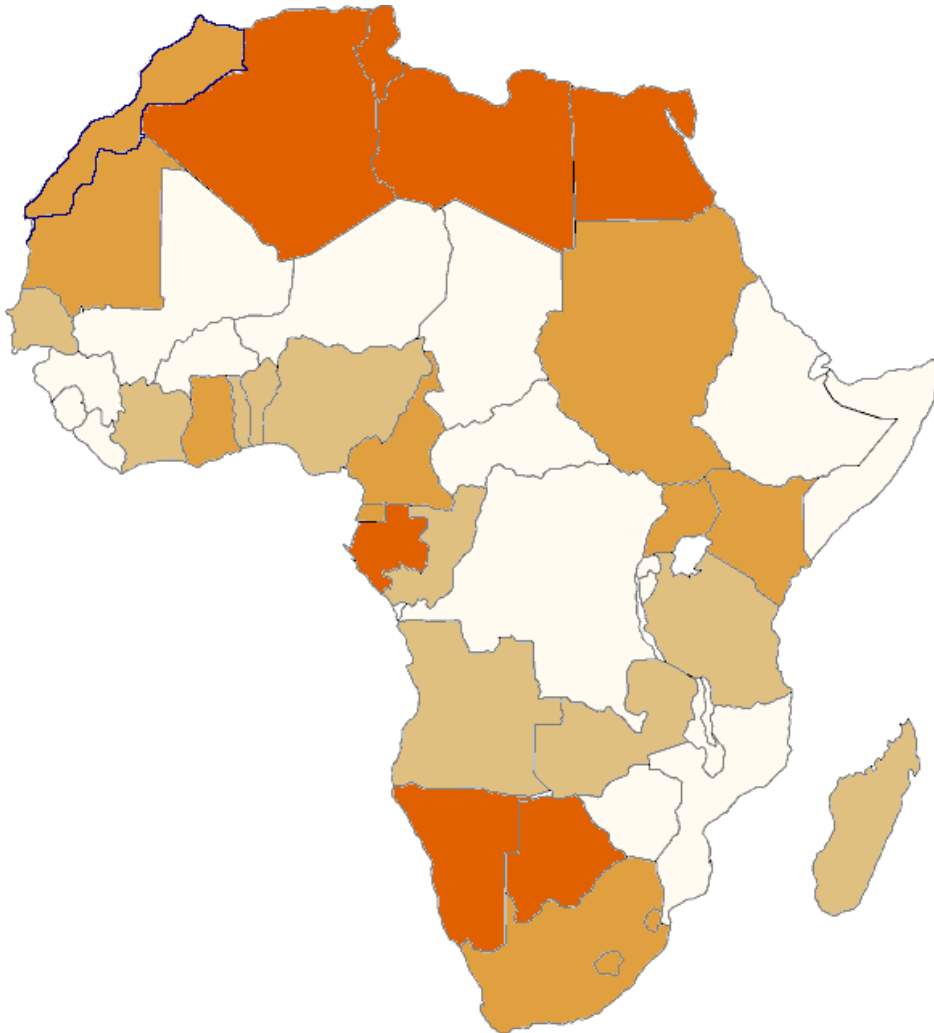
African Growth Regions



HUMAN DEVELOPMENT INDEX (AFRICA) – 2000

- **Developed Southern Region**
- **Developed Northern Region**
- **Dominance of South Africa and Egypt**

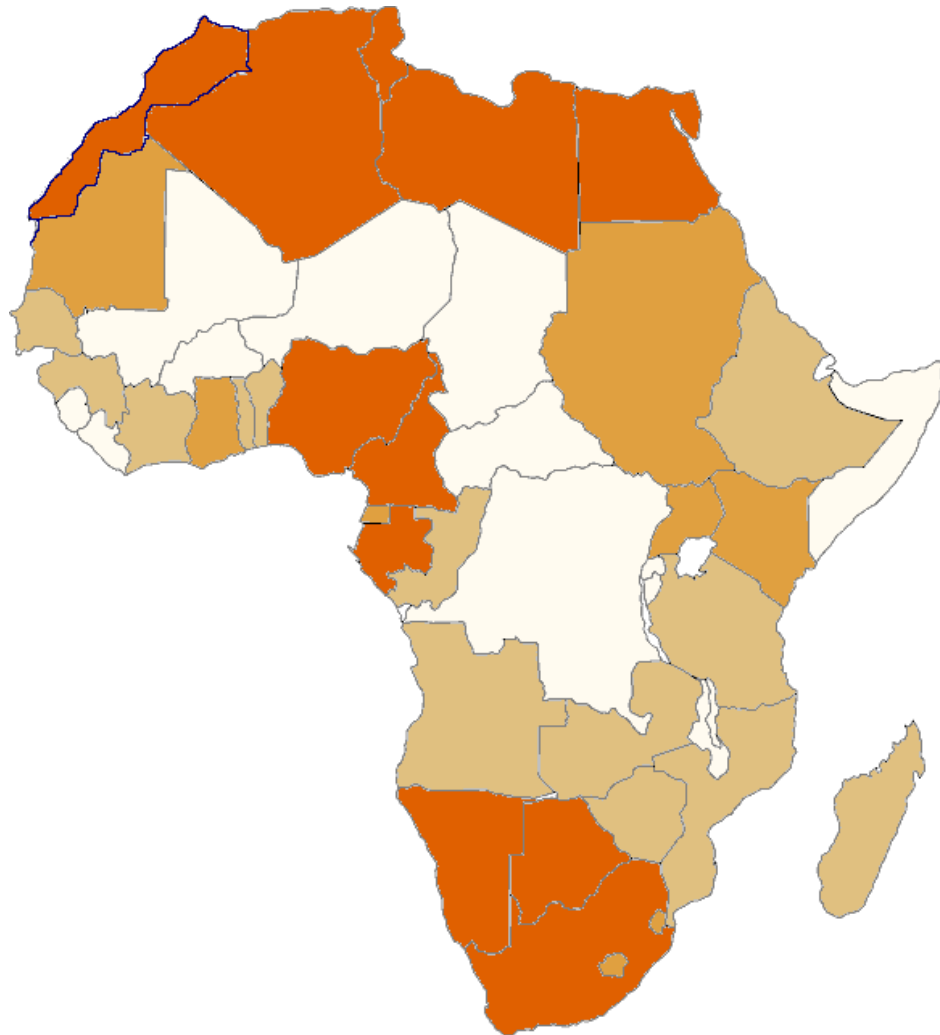
African Growth Regions



HUMAN DEVELOPMENT INDEX (AFRICA) – 2010

- Improved Development in Northern Region
- Slight decline in the development of South Africa
- Improved development in Eastern Region
- Improved development in Western Region
- Improved development in Northern Region

African Growth Regions



HUMAN DEVELOPMENT INDEX (AFRICA) – 2020

- Improved South African Situation
- Further improvement in the Northern Region
- Re-emergence of Nigeria in the West
- Seismic shift in development for Mozambique and Ethiopia
- Slight decline in the dominance of Nigeria in Western Region

Sub-Saharan African HDI Rankings

COUNTRY	HDI RANKING	GDP PER CAPITA		
		2009	2010	2011
Seychelles	71	\$9 356	\$11 131	\$11 675
Mauritius	63	\$7 201	\$7 477	\$8 659
Botswana	109	\$5 178	\$7 427	\$8 533
South Africa	118	\$9 356	\$9 497	\$9 678
Namibia	127	\$4 133	\$5 013	\$5 439
Cape Verde	123	\$3 331	\$3 474	\$3 616
Swaziland	148	\$2 698	\$3 281	\$3 399
Sao Tome	179	\$1 253	\$1 254	\$1 519
Kenya	147	\$768	\$794	\$819
Angola	149	\$3 989	\$4 324	\$5 318
Tanzania	159	\$504	\$526	\$526
Nigeria	152	\$2 030	\$2 135	\$2 221
Lesotho	162	\$863	\$1 004	\$1 114
Uganda	164	\$1 121	\$1 149	\$1 188
Zambia	141	\$998	\$1 238	\$1 426
Comoros	159	\$989	\$984	\$980
Malawi	174	\$771	\$795	\$805
Zimbabwe	156	\$476	\$591	\$695
Guinea-Bissau	177	\$1 050	\$1 064	\$1 097
Sierra Leone	183	\$435	\$432	\$483
Mozambique	178	\$788	\$823	\$861

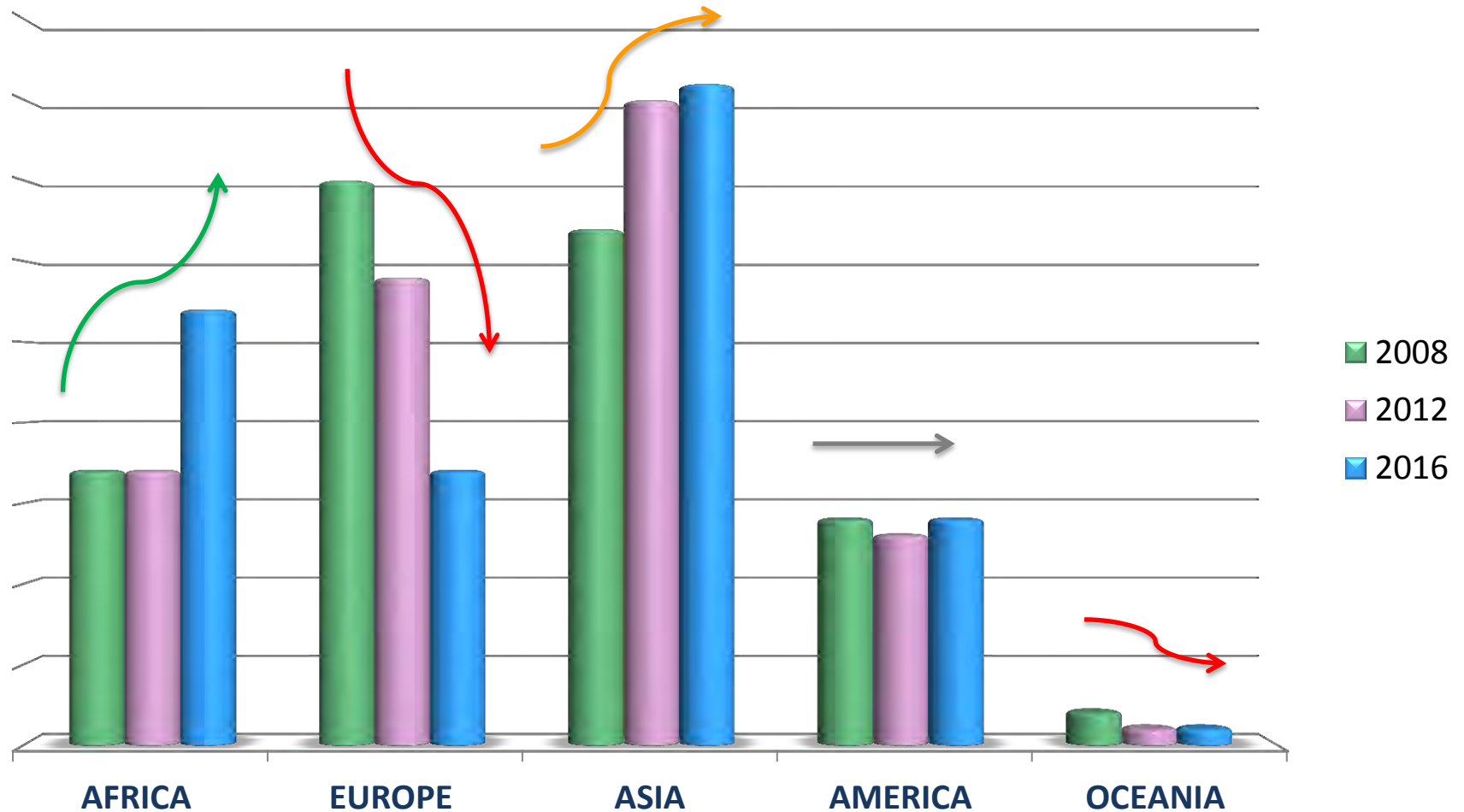


Is Africa Attractive?









Source : Ernst and Young FDI report 2014

South African Change in Export Territory

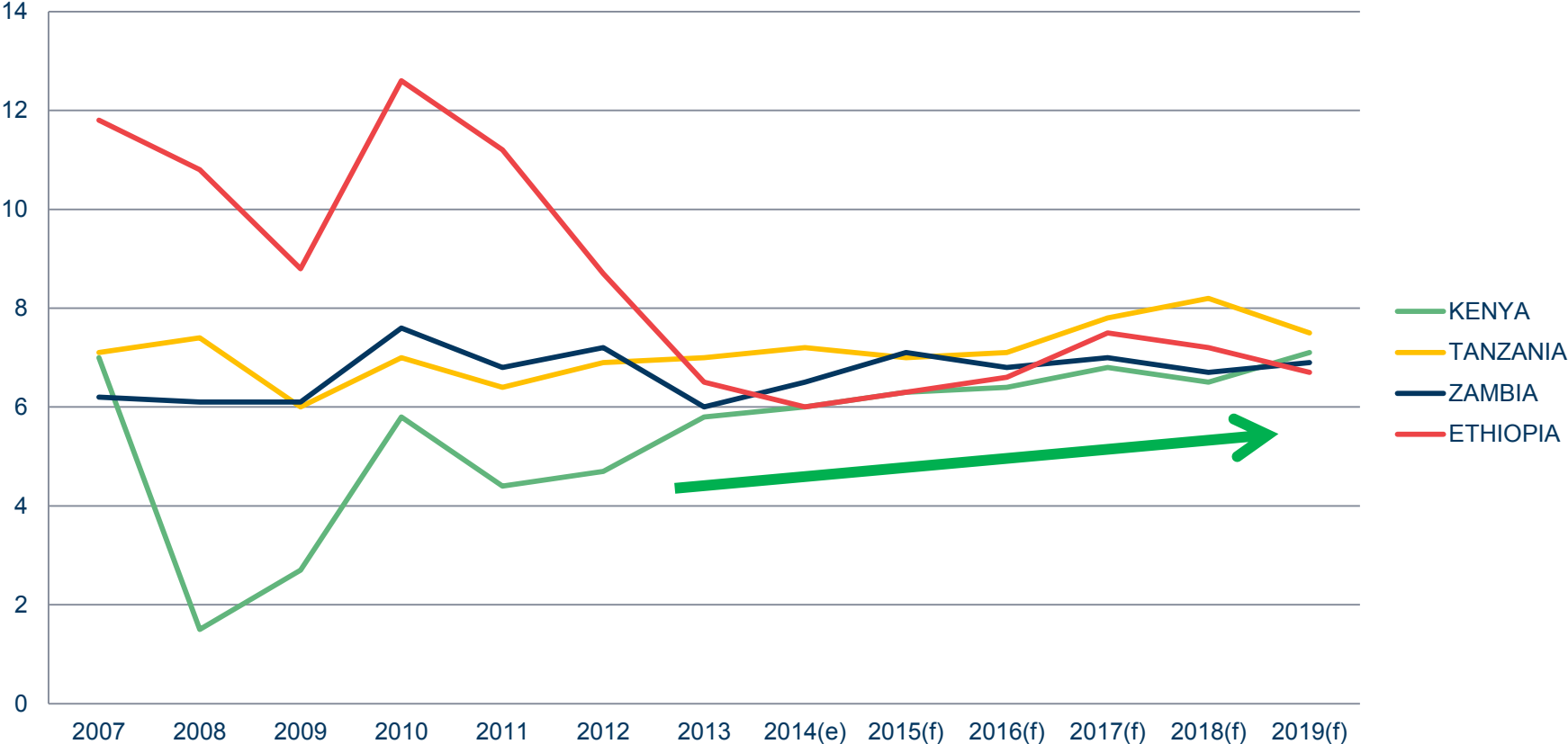


Economic Growth (Real % change in GDP)

Country	2012	2013	2014(e)	Growth Trend	GDP per Capita	HDI Trend
MOZAMBIQUE	7.2	7.1	8.3		\$ 861	
ZAMBIA	7.2	6	7.3		\$ 1 426	
UGANDA	2.8	6	6.4		\$ 1 188	
KENYA	4.6	5.6	6.3		\$ 819	
ANGOLA	5.2	4.1	5.3		\$ 5 318	
SOUTH AFRICA	2.5	1.9	1.4		\$ 9 678	

KTZE Nations: High Risk and Good Returns

 GDP Growth (%)



Emerging players In Africa with the Most Potential



- Good Growth
- Resilience to Global shocks
- Political threat
- Lack of good trade agreements
- Poor infrastructure
- Developing financial systems and policies
- Poorer socio-economic and education policies



How Can Coface Help You?

Coface Press Conference,
Saijil Singh – Lead Analyst

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