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Hoe u met de integratie van externe bedrijfsgegevens credit-risk-uitdagingen kunt oplossen



Sander Desmet
Product Manager Risk, Bureau van Dijk

bvdinfo.com



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Agenda

- Credit information management
- Assessing key risk areas
- Risk scoring and credit limit
- Decision and archiving
- Reporting
- Monitoring exposure and alert criteria



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Case study representing typical requirements

- Centralised access to high quality company information
- Centralise credit master data
- Centralise and integrate self-disclosed financial statements
- Automated input of financials and own data in scorecard
- Automated credit decisions based on integrated scoring system
- Understand group exposure
- Get better insight in the complete portfolio: KPI
- Link results with third party software
- Strong and flexible reporting functionalities
- Ranking risk and trigger action: task manager



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Bureau van Dijk

Delivering company information with added value

Currently providing information on more than
175 million companies across the globe ...



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Credit information management - Sources

External data sources



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External data items



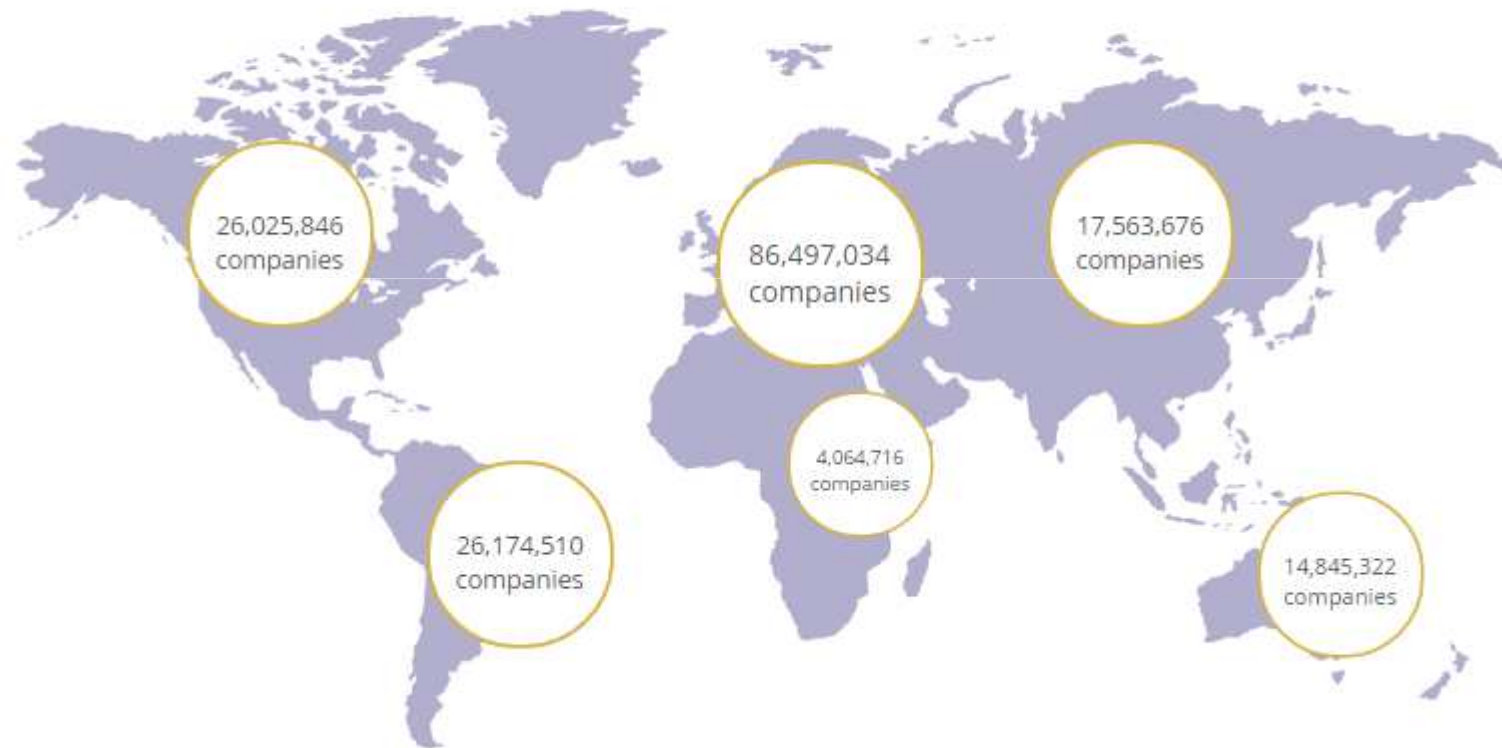


Adding value



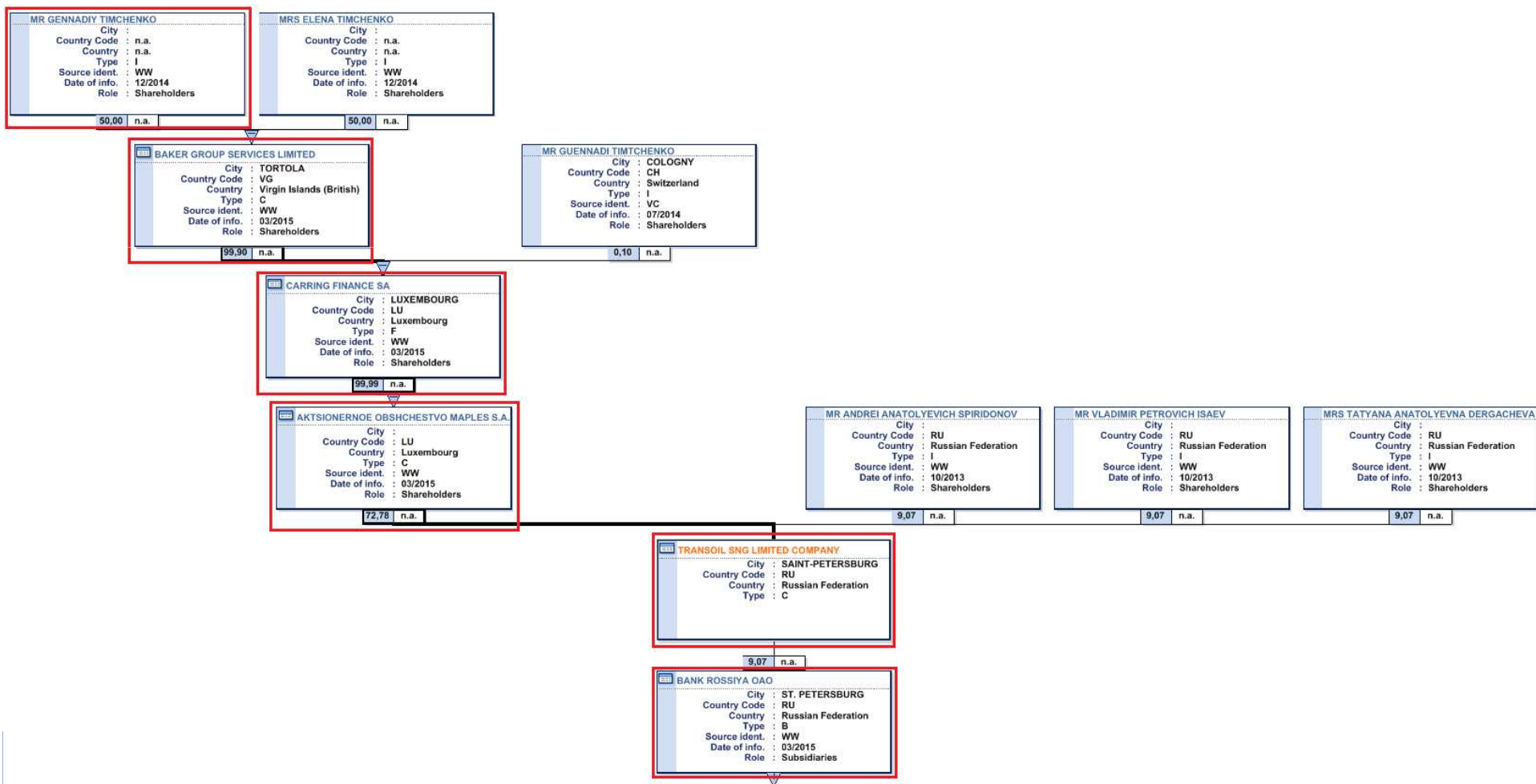


What can be expected ?





Who am I actually dealing with ?





And who is behind that company ?

Gennadiy Nikolayevich Timchenko (5331785)



Aliases	TIMCHENKO, Gennady
	TIMTCHENKO, Guennadi
	TIMCHENKO, Gennady Nikolayevich
	Timchenko, Gennadiy Nikolayevich
	TIMCHENKO, Gennady
	TIMCHENKO, Gennady
	TIMCHENKO, Gennady Nikolayevich
	TIMTCHENKO, Guennadi
	TIMCHENKO, Gennadiy Nikolayevich
	TIMCHENKO, Gennady Nikolayevich
NickNames	N/A
Category	Sanction List

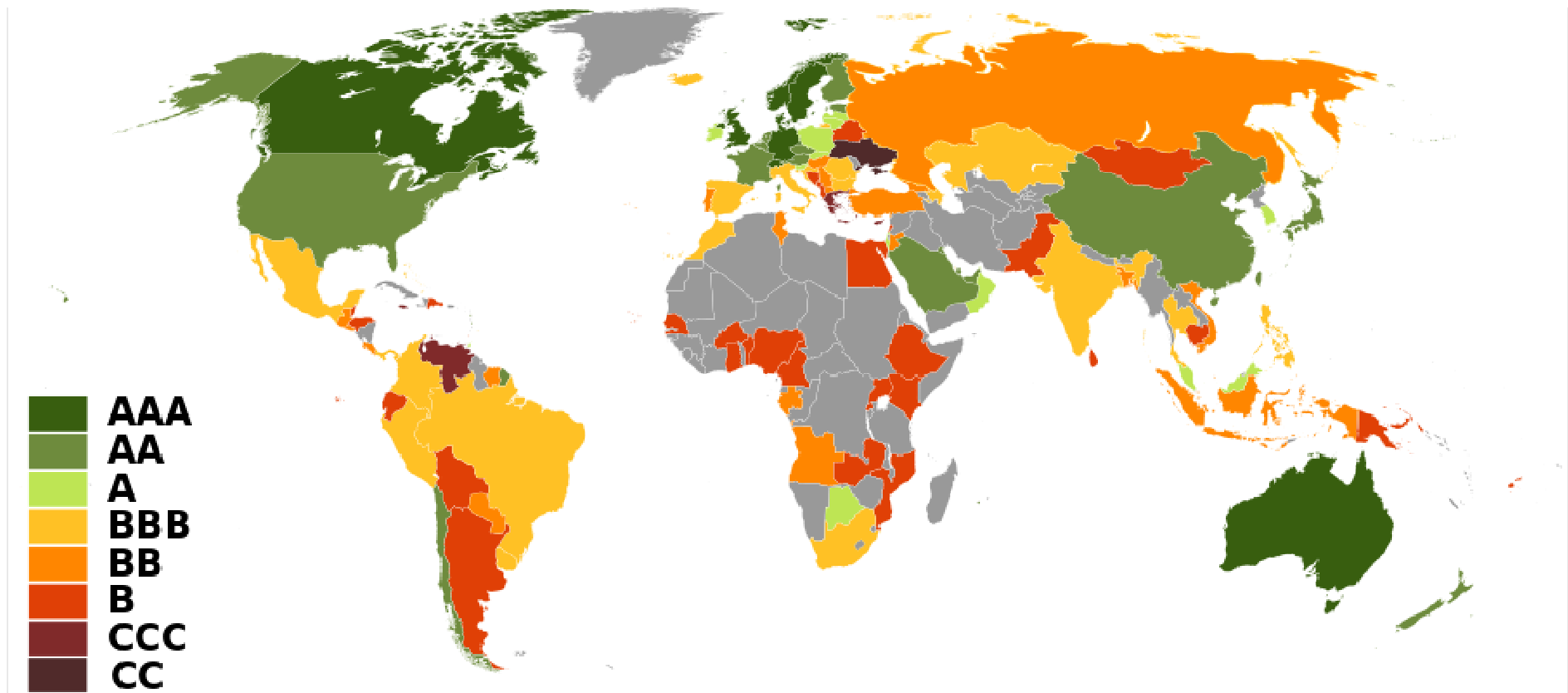


Relationships

Family	<ul style="list-style-type: none"> + Timchenko, Elena (Wife) + Frank, Ksenia (Daughter) + Frank, Gleb (Son-in-law)
Associated individuals	<ul style="list-style-type: none"> + AVIA GROUP LLC (Advisor) + Putin, Vladimir Vladimirovich (Associate) + Bokarev, Andrey Removich (Associate) + Minibaev, Igor Eduardovich (Associate) + Rotenberg, Arkady Romanovich (Associate) + Törnqvist, Torbjörn (Associate)
Related companies and organizations	<ul style="list-style-type: none"> + LLC Cordex (Affiliated Company) + OJSC Insurance company of gaz industry SOGAZ (Affiliated Company) + CJSC National Media Group (Affiliated Company)



Country risk indicators





Risk classes

Probability of default

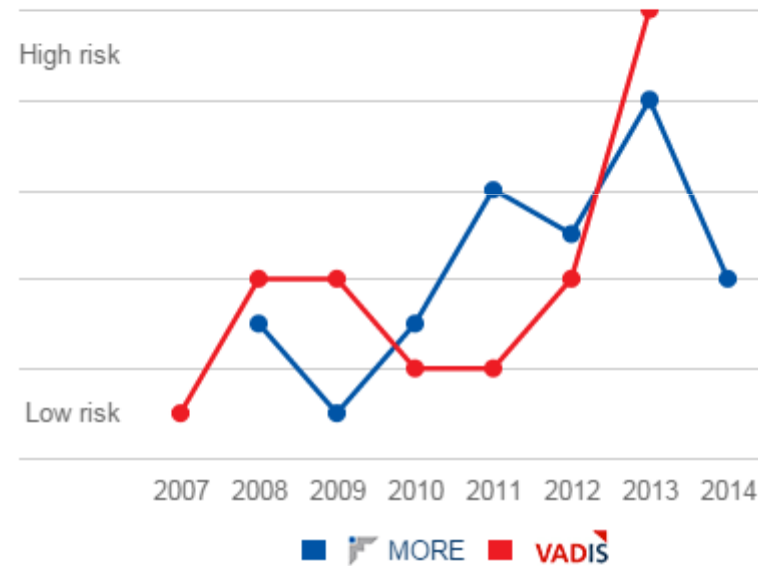
	Year	PD	Credit Limit
MORE	2014	BBB	1.40%
FALCON	2014	7	0.44%
WVB	2014	B-	

Financial stability

	Year	Peers	Peers		
			Min	Avg	Max
CRIF	2014	738	267	602	819

Propensity of bankruptcy

VADIS	2014	E
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Scorecard integration

☐ QUANTITATIVE SCORE

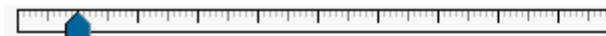
Current ratio (x) Score



25%

12.5%

Liquidity ratio (x) Score



10%

5%

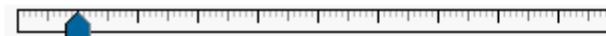
Solvency ratio (%) Score



20%

10%

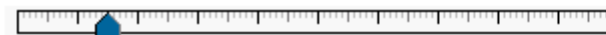
Shareholders funds Score



10%

5%

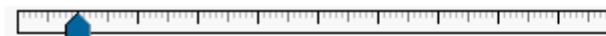
EBIT margin (%) Score



15%

7.5%

Profit margin (%) Score



10%

5%

Operating revenue (Turnover) Score



10%

5%

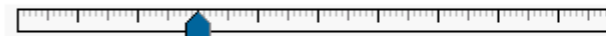
Subtotal QUANTITATIVE SCORE



50%

☐ TREND SCORE

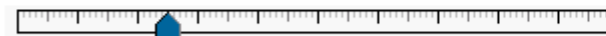
Current ratio (x) Score



30%

3%

Shareholders funds Score



25%

2.5%

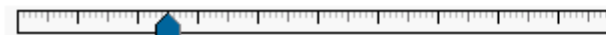
Operating revenue (Turnover) Score



20%

2%

EBIT margin (%) Score



25%

2.5%

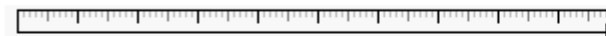
Subtotal TREND SCORE



10%

☐ QUALITATIVE SCORE

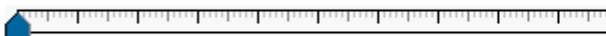
Incorporation date Score



100%

40%

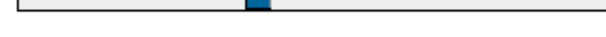
Country Score



0%

0%

Subtotal QUALITATIVE SCORE



40%

Total Score

Recommended Credit Limit

`if(exist(SHFD),if((SHFD*#0,1)>#50000000,#50...`



Understand group exposure

Corporate group: exposure

	AR USD Sum	Current AR USD Sum	Overdue USD Sum	Total 1-30 USD Sum	Total 31-60 USD Sum	Total 61-90 USD Sum	Credit Limit USD Sum
▣ ARKEMA	334,274	214,631	119,643	15,423	-	3,912	3,356,861
ALTUGLAS INTERNATIONAL SAS	-	-	0	-	-	-	53,700
ARKEMA FRANCE	280,438	160,795	119,643	15,423	-	3,912	2,638,946
ARKEMA GMBH	-	-	-	-	-	-	19,867
ARKEMA ROTTERDAM B.V.	-	-	-	-	-	-	10,746
ARKEMA S.R.L.	32,397	32,397	-	-	-	-	214,780
BOSTIK SA	1,224	1,224	-	-	-	-	53,695
CECA BELGIUM	-	-	-	-	-	-	161,085
CECA SA	19,785	19,785	-	-	-	-	139,607
COATEX	-	-	-	-	-	-	10,739
MLPC INTERNATIONAL	430	430	-	-	-	-	53,695
Total	334,274	214,631	119,643	15,423	0	3,912	3,356,861



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Strong and flexible reporting functionalities

Aging per BU

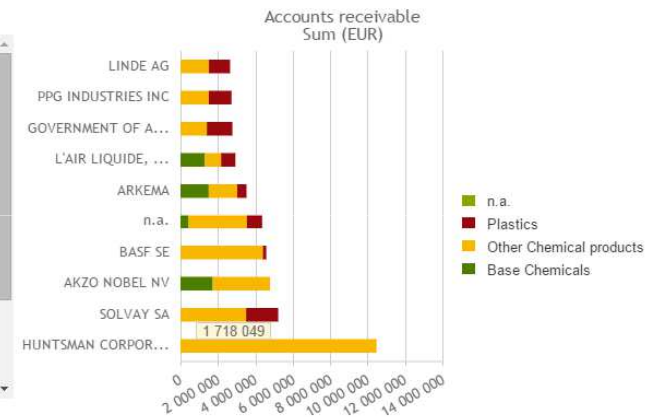
	Accounts rec... Sum (EUR)	AR current Sum (EUR)	AR over due Sum (EUR)	1-15 Sum (EUR)	16-30 Sum (EUR)	31-60 Sum (EUR)	61-90 Sum (EUR)
Base Chemicals	5 845 281	2 583 472	3 261 808	743 676	1 477 148	289 436	706 549
Other Chemical products	53 022 136	17 868 708	35 153 428	13 330 036	10 013 745	5 360 998	6 377 485
Plastics	14 255 798	4 851 889	8 903 909	3 242 485	2 452 902	1 319 595	1 888 927
Total	73 123 215	25 304 069	47 319 145	17 316 197	13 943 796	6 970 028	8 972 960



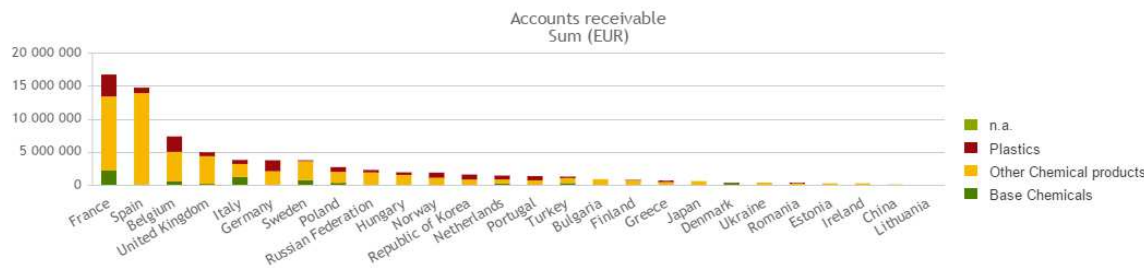
Accounts receivable Sum (EUR)	
Other Chemical products	53 022 136
Plastics	14 255 798
Base Chemicals	5 845 281
Other	0

Aging per Country

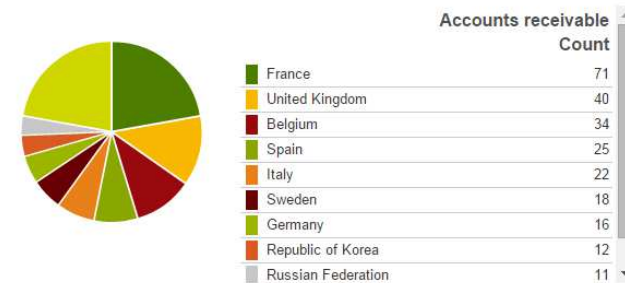
	Accounts rec... Sum (EUR)	AR current Sum (EUR)	AR over due Sum (EUR)	1-15 Sum (EUR)	16-30 Sum (EUR)	31-60 Sum (EUR)	61-90 Sum (EUR)
France	16 683 991	6 033 739	10 150 251	3 732 813	2 817 778	1 391 661	2 162 999
Spain	14 686 711	4 996 388	9 690 322	3 365 450	2 801 158	1 391 168	2 132 546
Belgium	7 312 775	2 444 627	4 868 148	1 894 863	1 360 103	700 500	912 682
United Kingdom	4 913 173	1 637 724	3 275 448	1 336 474	841 546	491 317	602 447
Italy	3 750 723	1 309 187	2 441 536	734 138	853 520	325 064	528 815
Germany	3 706 439	1 235 480	2 470 959	1 076 655	719 716	370 644	303 945
Sweden	3 706 151	1 305 747	2 400 404	757 428	836 949	301 632	436 895
Poland	2 672 756	899 366	1 773 390	720 152	375 838	263 981	413 419
Russian Federation	2 246 297	748 766	1 497 532	524 136	434 284	329 457	209 654
Hungary	1 884 670	628 223	1 256 446	585 317	519 616	188 467	-36 953
Norway	1 846 630	733 893	1 112 737	300 695	359 446	138 507	314 089
Republic of Korea	1 553 720	517 007	1 036 713	343 616	300 205	227 870	463 027



Accounts receivable per Country per BU



Customers per country





Ranking risk and trigger next action

External triggers

- Legal status
- Financial statements
- Risk score
- Country rating
- Directors
- Corporate group
- Credit insurance

Internal triggers

- New credit application
- Periodic review
- Blocked orders
- Exposure / Limit
- DSO
- Payment behaviour



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Technology: catalyst towards effectiveness



SUNGARD[®]

SHS VIVEON

Atradius
Managing risk, enabling trade

ORACLE[®]


Prof. Schumann GmbH
Innovative Informationssysteme

Tinubu Square
CREDIT RISK SOLUTIONS

 **EULER HERMES**

 **Microsoft Dynamics**

OnGuard 

CREDIT2B[™]
A SMYTH COMPANY

coface

 **salesforce**

CORTERA. 

intellimind
Credit Management Solutions

 **CREDIMUNDI**

anachron 

SIDETRADE
your money on time 

bvdingfo.com



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Advantages summarised

- Central and immediate availability of credit data
- Large majority of customers scored automatically
- Pro-active portfolio approach possible
- Enables focus on important tasks and high risk customers
- Standardised professional and tailored reporting
- Immediate and personalised analysis
- Automated link to internal systems



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