



Let's grow together



# Let's grow together

Growth is at the forefront of all of our business goals. Like our customers, Atradius is also focused on growth. But for Atradius to grow, we need to help all of our stakeholders grow.

We help our shareholders grow by building profits and value in their investment in Atradius. We help our bondholders grow by delivering a strong, stable cash flow and a secure balance sheet. We help our employees grow by providing them with training and motivation to achieve more. And most importantly, we are focusing everything we do to help you, our customer, grow by enabling you to safely and efficiently transact more business with new and existing customers.

We have a heightened focus on providing the highest quality service possible. Our sales staff are working close with our underwriters to ensure that we provide you with clear explanations for our decisions on limits. This information can alert you to potential future problems with buyers that could limit your financial flexibility and inhibit growth.

We are moving underwriters close to you so that they can be even more accessible and effective in quickly assisting you. When you want to sit down and discuss current or future buyers, we are there with a detailed understanding of the buyer and support in a language you understand.

New products based entirely on customer and market research are being developed and

introduced. Products like Atradius Modula Focus, aimed at addressing the specific needs of small and medium-sized enterprises (SMEs), and Atradius Connect, which is designed to increase the efficiency of the receivables management process of companies with turnover in excess of € 150 million.

We are all allured by the growth prospects of new and developing markets. Atradius has and continues to open offices in new markets in Central and Eastern Europe, Asia and the Americas to provide better coverage and information on potential new customers in developing markets. Global companies have special needs as well. We have built a Global sales and underwriting team that is devoted to providing the easiest to use, truly global solutions to credit insurance needs. One point of contact is all you need to manage your entire global portfolio. But local support is always there when you need it.

Collecting outstanding receivables can slow growth. We have a global recoveries and collections team with more than 300 collectors worldwide. We are simplifying the challenges inherent in local and international collections so that you can focus time and effort on growing sales. We continue to expand these services to ensure that Atradius' skilled professionals are everywhere you need them to be to solve outstanding receivables issues. At Atradius, your business growth is paramount to our success, so "Let's grow together".

# Serving customers worldwide

In order to serve our customers' needs best, Atradius is continuously introducing new innovative credit management solutions and product enhancements. Our focus is on the enlargement of our product portfolio by designing new products for specific audiences, based on customer demand and market research. As the basis of this concept we introduced Atradius Modula, a modular credit insurance product that allows users to tailor their policies to their specific needs.

We offer versatile credit management solutions that manage risk and enable trade for every type of customer from multinational companies to SMEs. Our products vary from tailor made credit insurance and global services to decisive debt collections and online services. You can rely on our expertise to protect against trade risks and allow you to more effectively pursue international business. Improved credit and receivables management enables you to maintain and improve your profitability.

## Credit Insurance

Our credit insurance services are designed to protect your company against the risks of non-payment by your buyers both at home and around the world. By credit insuring commercial transactions, you safeguard against the potentially devastating effects of a loss caused by the insolvency or protracted default of one or more of your buyers.

Our policies protect against a wide range of commercial and political risks and can give you a competitive edge by enabling you to:

- Expand sales
- Protect your balance sheet against bad debts

- Boost your borrowing power
- Stabilise your cash flow
- Develop new markets confidently

In our credit insurance policy we have integrated a range of credit management solutions, including our debt collection services. Atradius' experts will help you recover your receivables.

Quality is of the greatest importance at Atradius. This includes our fully automated policy management of your credit insurance, provided by Serv@Net. Serv@Net gives you direct, worldwide access to our database, with all your policy details, in a secure internet environment. On top of this, you also have access to information on 45 million companies worldwide, including all your customers. Through alerts generated by Serv@Net, Atradius will always keep you informed with the most up-to-date information.

## Global Services

Atradius offers a unique service to suit the specific needs of multinational companies. For multinational corporations with internationally based subsidiaries, our Global policy can be adapted for your company's specific structure and requirements – umbrella cover with common terms for the group but with individual policies for country subsidiaries, provided in the local language, and governed by local jurisdiction and law. You benefit from our unique global reach, integrated systems, improved efficiency and lower administrative costs.



### Special Products

Atradius understands the importance of trade and taking opportunities. Atradius Special Products therefore can provide any solution, whether you need improved credit protection for a single contract or buyer, maybe a safety net against the unfair calling of a bond, pre-export finance, a hedge against adverse exchange rate fluctuations between tender and contract or ... a combination of these. All these Special Products are tailor made to suit your specific needs. With our single contract or single insurance you decide which specific transaction or buyer you want to cover against the risks of non-payment. Our Tender Exchange Rate Indemnity (TERI) program will protect your business against the currency risk at a price that does not penalise you if your tender is successful.

### Atradius Modula Focus

For SMEs we have designed a flexible online credit insurance policy. Atradius Modula Focus essentially lets you find the level of insurance cover – and the price – that you're happy with. It's cost effective; as you only need to buy cover for those parts of your business – buyers or prospects – that are causing you concern.

Atradius Modula Focus offers you:

- Selection and adjustable insurance cover for specific buyers / business risks
- Simple and online forms with no hidden costs
- You design your own policy to suit your business needs
- A liability of 30% of the total cover in any one year
- Up to € 1 million total cover for all your sales in most OECD countries

- A claim and collections threshold of € 5,000
- 95% indemnity to protect your bottom line and cash flow

### Atradius Analyser

Atradius Analyser is a sophisticated reporting tool that links to your Atradius credit insurance policy, matching it with your outstanding sales. With Atradius Analyser, you can see at-a-glance which outstanding sales are covered by a credit limit and which aren't – a key condition of your credit insurance policy – and this can give you added leverage when seeking trade finance from your bank. Atradius Analyser is for any business that wants a better grip on their credit management.

### Atradius Connect

This new service communicates transactions and quickly automates and updates credit limit applications and decisions. Atradius Connect automatically transfers credit limit applications from your ledger to the Atradius underwriting system – giving you auto-response credit limit decisions back to your accounting system. This means you always have the latest status on your commercial risk exposure. Atradius Connect is essentially a service that will dramatically improve the efficiency of your credit insurance policy.

### Debt Collection

Whether your trade debts are credit insured or not, Atradius has a global network of debt collection professionals at your disposal that provide a value for money approach designed to suit your needs with regard to debt collecting. Our debt collection services make use of our expertise and state-of-the-art debt recovery

# Atradius

software. We have international debt collection specialists, with offices all over Europe, Australia and the USA and a global lawyer/debt collection network. The key words that describe Atradius Collections are decisive, fast and effective, all while taking your commercial relationship into consideration.

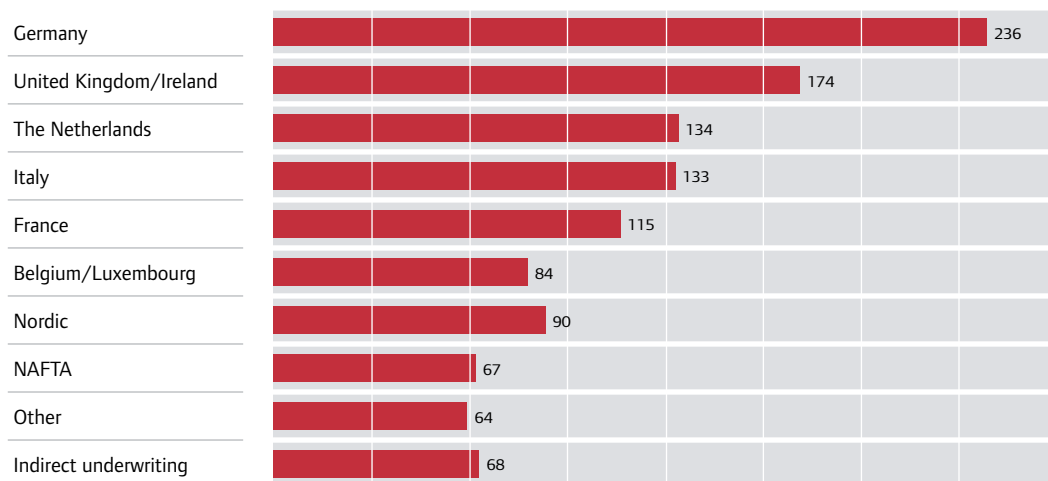
## Bonding

Great risks are involved in great projects. Especially when it comes to big commercial transactions in the construction and capital goods industries which often require a guarantee that the customer is protected against the risk of the supplier not fully meeting the agreed order. Our bonding units in different European

countries can advise you on financial solutions, which meet your needs. We cover a range of bonds varying from advance payment and performance bond to bonds required by the government to ensure professional operating standards when establishing a business and tax and customs bonds.

Our expertise in risk assessment enables us to provide you with fast and efficient service. You will benefit from our international network and cross-border service. With a bond from Atradius you will limit the use of your bank facilities, so you can use the additional liquidity elsewhere, for the benefit of your company.

## Turnover per market (€ million)



■ Gross earned insurance premium and information income per country

# Results 2005

All amounts are stated in thousands of euros.

## Consolidated balance sheet

<b>Assets</b>	<b>31.12.2005</b>	<b>31.12.2004</b>	<b>Equity and liabilities</b>	<b>31.12.2005</b>	<b>31.12.2004</b>
Intangible assets	28,324	46,947	Shareholders' equity	605,074	503,302
Property, plant and equipment	41,603	40,369	Minority interest	394	665
Investments	1,224,143	1,021,306	Subordinated loans	116,374	115,781
Reinsurance assets	725,579	691,887	Underwriting provisions	1,277,441	1,207,390
Receivables	372,320	740,654	Non-underwriting provisions	33,126	59,478
Other assets	41,976	39,320	Payables	178,916	540,662
Deferred income tax receivables	129,983	89,156	Other liabilities	228,696	215,619
Current income tax receivables	61,153	46,508	Employee benefit liabilities	95,982	82,308
Cash and cash equivalents	62,792	116,511	Deferred income tax liabilities	107,107	74,335
<b>Total assets</b>	<b>2,687,873</b>	<b>2,832,658</b>	Current income tax liabilities	44,763	33,118
			<b>Total equity and liabilities</b>	<b>2,687,873</b>	<b>2,832,658</b>

## Consolidated income statement

<b>Continuing operations</b>	<b>2005</b>	<b>2004</b>
<b>Insurance premium revenue</b>	<b>1,058,794</b>	<b>1,079,113</b>
Insurance premium ceded to reinsurers	(521,202)	(631,015)
<b>Net premiums earned</b>	<b>537,592</b>	<b>448,098</b>
Service and other income	146,725	132,748
Share of profit of associates	6,830	6,175
Net investment income	39,065	58,826
<b>Total income after reinsurance</b>	<b>730,212</b>	<b>645,847</b>
Insurance claims and loss adjustment expenses	(597,448)	(550,975)
Insurance claims and loss adjustment expenses recovered from reinsurers	321,102	299,636
<b>Net insurance claims</b>	<b>(276,346)</b>	<b>(251,339)</b>
Net operating expenses	(341,616)	(318,475)
<b>Total expenses after reinsurance</b>	<b>(617,962)</b>	<b>(569,814)</b>
<b>Operating result before amortisation of goodwill &amp; finance costs</b>	<b>112,250</b>	<b>76,033</b>
Impairment and amortisation of goodwill	(735)	(4,812)
Finance income and (expenses)	(7,542)	(13,501)
<b>Profit before tax</b>	<b>103,973</b>	<b>57,720</b>
Income tax	(21,655)	(8,745)
<b>Profit for the year from continuing operations</b>	<b>82,318</b>	<b>48,975</b>
<b>Discontinued operations</b>		
Profit for the year from discontinued operations	17,964	1,666
<b>Profit for the year</b>	<b>100,282</b>	<b>50,641</b>
<b>Attributable to:</b>		
Equity holders of the Company	100,443	50,590
Minority interest	(161)	51
	<b>100,282</b>	<b>50,641</b>



## Key strengths

### Strong business position

A leading global credit insurer with 24% market share, a meaningful presence in most key markets and a rapidly growing presence in emerging Eastern European and Asian markets.

### Strong financial position

Strong 'A' ratings, a solid shareholder structure and well spread risk underpin our financially stable and independent company.

### Customer focussed, innovative new products and services

Progressively introducing new, innovative, customer driven credit management products and services that address the evolving needs of businesses across the globe.

### Fully integrated global network

More than 90 offices in 40 countries are connected by a strong and integrated IT network

that ensures all of our customers large and small get what they need, wherever they are.

### One of the world's largest databases

Expert underwriters and access to information on 45 million companies worldwide protect against the risk of non-payment during this era of trading uncertainty.

### Wealth of experience

Decades of experience and a wealth of risk-assessment knowledge help to guide customers safely and efficiently through the trade risks maze.

### Diversified business with geographically spread risk profile

Our five largest geographic markets each account for 9% to 20% of our turnover. Our risk profile is likewise well diversified and balanced with our top six country exposures ranging from 7% to 18%.

## Key figures 2005

	2005 € million	2004* € million
Turnover	1,059	1,079
Total revenues	1,251	1,277
Net result	100	51
Equity	605	503

Turnover is defined as income from business activities and includes gross premiums earned, factoring income and service income. Total revenues includes turnover and net investment result.

Average number of full-time equivalent employees	3,400
Information access	45 million companies
Market share	24%
Standard & Poor's rating	A
Moody's rating	A2

\* 2004 figures have been restated due to adoption of IFRS 4 and IAS 19.



## Atradius offices

### ■ Europe

**Austria:** Vienna  
**Belgium:** Antwerp, Namur  
**Czech Republic:** Prague  
**Denmark:** Copenhagen, Viby  
**Finland:** Helsinki  
**France:** Aix-en-Provence, Bordeaux, Compiègne, Lille, Lyon, Nancy, Orléans, Paris, Rennes, Strasbourg, Toulouse  
**Germany:** Berlin, Bielefeld, Bremen, Cologne, Dortmund, Dusseldorf, Frankfurt/Main, Freiburg, Hamburg, Hanover, Kassel, Mannheim, Munich, Münster, Nuremberg, Osnabrück, Stuttgart  
**Greece:** Athens  
**Hungary:** Budapest  
**Ireland:** Dublin  
**Italy:** Milan, Rome  
**Luxembourg:** Luxembourg  
**The Netherlands:** Amsterdam, Gouda, Ommen  
**Norway:** Lysaker  
**Poland:** Krakow, Poznan, Warsaw, Wrocław

**Portugal:** Lisbon  
**Slovakia:** Bratislava  
**Spain:** Barcelona, Bilbao, Madrid, Valencia  
**Sweden:** Stockholm  
**Switzerland:** Lausanne, Zurich  
**United Kingdom:** Belfast, Birmingham, Cardiff, Glasgow, London, Manchester

### ■ Americas

**Canada:** Almonte (Ontario), Mississauga (Ontario), Duncan (British Columbia)  
**Chile:** Santiago de Chile  
**Mexico:** Guadalajara, Mexico City, Monterrey  
**Netherlands Antilles:** Willemstad  
**USA:** Atlanta, Baltimore, Boston, Chicago, Denver, Los Angeles, Minneapolis, New York, Philadelphia, Portland (Oregon), St. Louis, San Antonio

### ■ Middle East

**Israel:** Tel Aviv  
**Lebanon:** Beirut  
**United Arab Emirates:** Dubai

### ■ Asia

**China:** Shanghai  
**Hong Kong:** Hong Kong  
**India:** Mumbai  
**Japan:** Tokyo

### ■ Oceania

**Australia:** Adelaide, Brisbane, Melbourne, Perth, Sydney  
**New Zealand:** Auckland, Wellington

### ■ Africa

**Kenya:** Nairobi  
**Tunisia:** Tunis

**Iceland, Russia, South Africa**  
(Co-operation agreements with local partners. No Atradius office or shareholding.)

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