

EOS Survey 'European Payment Practices' 2017 Europe-wide risk of lost revenue if debt collection is not performed

Working with debt collection providers reduces liquidity risks for companies / In 2016, eight percent of business revenue was secured and reinvested in the economic cycle thanks to receivables management / Recovered debts safeguard and create jobs

Hamburg, 26 June 2017 – In Europe, 19 percent of customers pay their invoices late – and three percent do not pay them at all. The resulting loss of revenue can have serious consequences: no less than 17 percent of companies worry about going bankrupt. This means that debt collection services are all the more important to them: A total of 41 percent of the European companies polled work regularly with debt collection providers. Last year these debt collection professionals recovered eight percent of outstanding company revenue. This is the result of the representative EOS Survey 'European Payment Practices' 2017, which was conducted this year for the tenth time.

East-West comparison: Who secures more revenue?

In Eastern Europe it is mainly Romanian companies that benefit from working with debt collection providers. Every year, collaboration with receivables management specialists returns a total of 13 percent of revenue to the companies. In both Croatia (12 percent) and the Czech Republic (11 percent) debt collection providers have recovered more than ten percent of company revenue. In Western Europe, German companies in particular enjoy the benefits of working with debt collection providers, with an eight percent share of revenue being returned to companies as a result of receivables management services.

Effective use of receivables management

Most companies use the payments recovered through receivables management to settle outstanding invoices (58 percent), while 44 percent of



the companies invest the money in creating new jobs and safeguarding existing jobs. This means that debt collection providers contribute to the stability of the job market. In addition, the resources recovered go into expanding business segments (37 percent), R&D (28 percent) and investing in the financial markets (25 percent).

Valuable business service

‘Outstanding payments are a risk to companies. Firms should work with debt collection specialists in good time, as it enables them to focus on their core business, while their liquidity is safeguarded by professional receivables management’, explains Klaus Engberding, CEO of the EOS Group.

About the EOS survey: ‘European Payment Practices’

In the spring of 2017, in partnership with the independent market research institute Kantar TNS, EOS polled 3,200 companies in 16 European nations about the prevailing payment practices in their respective countries. 200 companies in each of the countries Germany, UK, Spain, France, Belgium, Austria, Switzerland, Poland, Slovakia, Czech Republic, Croatia, Hungary, Bulgaria, Russia, Greece and Romania answered questions about their own payment experiences, economic developments in their countries and issues relating to risk and receivables management.

We are happy to send you details of the survey results on request. Simply email presse@eos-solutions.com. Information on the survey is also available online:

www.eos-solutions.com/paymentpractices2017/economicdriver

The EOS Group

The EOS Group is one of the leading international providers of customised financial services. Its main focus is on receivables management covering three key business segments: fiduciary collection, debt purchase and business process outsourcing. With just under 8,000 employees and more than 60 subsidiaries, EOS offers some 20,000 clients in 28 countries around the world financial security with tailored services in the B2C and B2B segments. Being connected to an international network of partner companies, the EOS Group has access to resources in more than 180 countries. Its key target sectors are banking, utilities and telecommunications, along with the public sector, real estate, mail order and e-commerce. For more information please visit: www.eos-solutions.com.

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Importance of debt collection for the economy



Source: EOS Survey 'European Payment Practices' EOS / Kantar TNS 2017

Claims management: driver for corporate growth



Source: EOS Survey 'European Payment Practices' EOS / Kantar TNS 2017