

## PRESS RELEASE

### Coface Launches Strategic Partnership in Russia

**Paris, October 30, 2006** - Coface today announced it has signed a partnership agreement with JSC Kapital Insurance, a major player in the Russian general insurance market. This collaboration enables Russian businesses to benefit from Coface's export and domestic credit insurance offers.

Coface has taken a close interest in Russia, as its rapid local market development has created considerable commercial opportunities. Coface opened a Russian subsidiary for company information and receivables management (Coface Credit Management Services) in 1992. Then in 2005, Coface set up an assessment service for Russian SMEs, the National Rating Agency Coface-ARB, which was a joint venture with the Association of Russian Banks.

Coface now extends its suite of offers in Russia to include credit insurance. It has signed a partnership agreement with JSC Kapital Insurance, Russia's fifth largest general insurer, in order to provide export and domestic credit insurance to Russian companies, regardless of their parents' nationalities. To deliver a premium quality local service, a Coface desk at Kapital's premises will interface with Kapital's credit insurance service to issue and manage insurance policies.

Through this partnership, Coface's clients who have entities in Russia will be able to allow their subsidiaries in this difficult market to utilize the Globalliance insurance contract, with the same conditions and service levels Coface offers in 57 other countries. Though new to the Russian market, credit insurance is a rapidly growing service that domestic companies can also now access through Coface's collaboration with Kapital.

Oleg Tishkin, General Manager of JSC Kapital Insurance, pointed out that the cooperation with Coface significantly contributes to Kapital's product range by strengthening the credit insurance offer for its clients. As the Russian market continues to develop, credit insurance provides immense potential to increasing the business of Kapital's clients.

Jérôme Cazes, CEO of Coface, said, "Setting up this partnership with a major player in the Russian insurance market is going to enable us to provide our clients not only with company information and ratings, and receivable management services, but also credit insurance policies that will allow them to expand on their domestic and/or international markets without incurring any risks."

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#### **About Coface**

Coface facilitates global business-to-business trade by offering its clients four product lines to fully or partly outsource trade relationship management and to finance and protect accounts receivable: trade receivable insurance, credit information and corporate ratings, receivables management and factoring. Serving 85,000 clients, Coface has a direct presence in 60 countries and can provide services in 93 countries via its CreditAlliance partner network, organized around an integrated credit risk management tool, the Common Risk System. Coface was founded in 1946 and is a subsidiary of Natexis Banques Populaires and Groupe Banque Populaire whose share capital (Tier 1) was 14.6 billion euros at the end of 2005. Coface is rated Aa3 by Moody's, AA by Fitch and AA- by Standard & Poor's. More information is available at [www.coface-usa.com](http://www.coface-usa.com).

#### **About Kapital**

Kapital Insurance Group represented by Kapital Insurance Company, Kapital Medical Insurance Company, Kapital Reinsurance is rated A++ (the highest level - "Strong financial profile with positive outlook") by the rating agency "Expert RA". The specialised life insurance company in Kapital Insurance Group is Kapital Life Insurance Company.

Kapital Insurance Group is ranked no. 5 among Russian insurers for the premium income. Group's staff is over 2 000 people all over Russia.

Founded in 1992, Kapital Insurance Company is a multiline insurer holding the leading position in property insurance market in Russia. Company's equity amounted to over \$600 million as at January 7, 2006 (ranked number one in Russia).