



**EULER HERMES**  
Kreditversicherung

## **International Insolvency Forecast 2006**

Published in June 2006



## Declining insolvencies and lost receivables

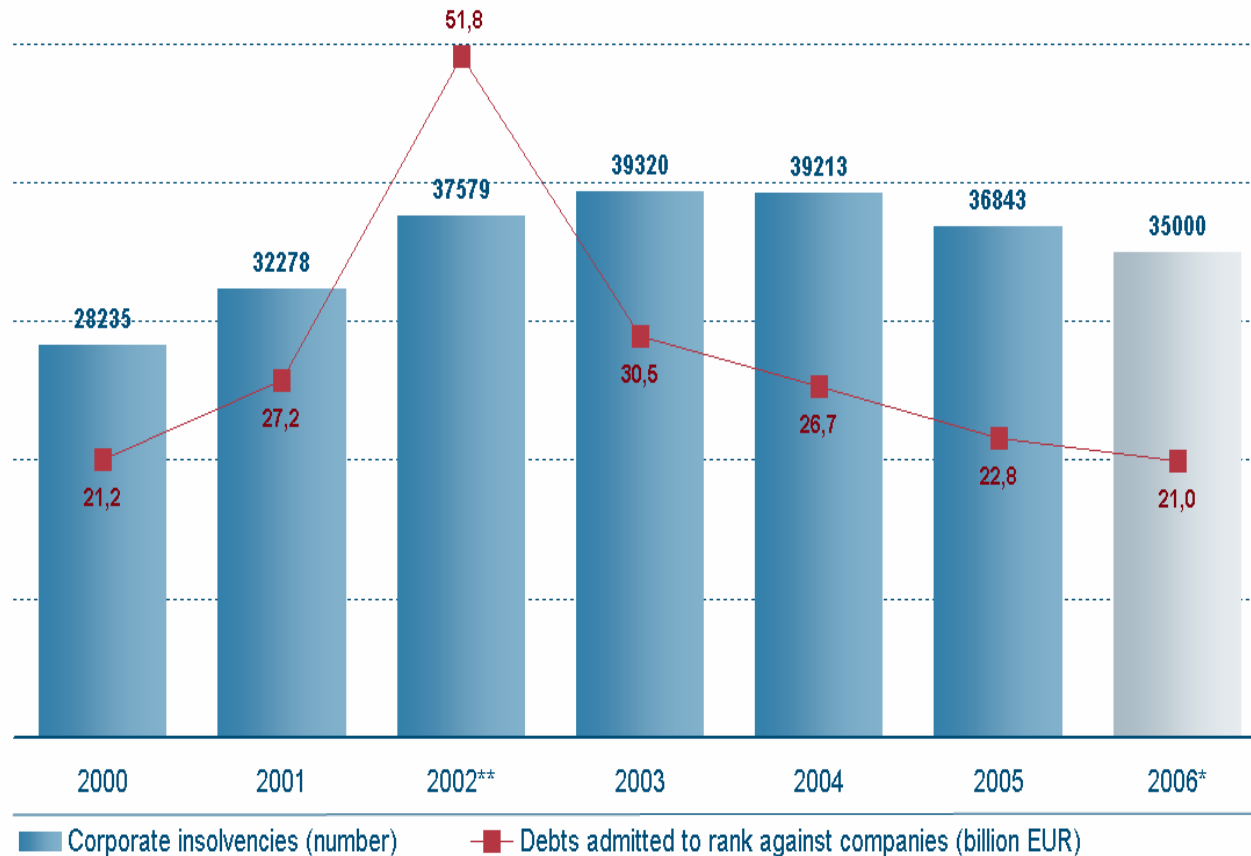
### Insolvencies and lost receivables in Germany 2000-2006

#### Forecast 2006

- Insolvencies down by 5 % to 35,000

#### Change from previous year in %

	2005	2006*
Insolvencies	-6,0	-5,0
Lost receivables	-14,6	-7,9



\* Euler Hermes estimate

\*\* From 2002 figures are not completely comparable with preceding years due to the reforms to the Insolvency Code valid starting from 1 Dec 2001

Source: Federal Statistical Office

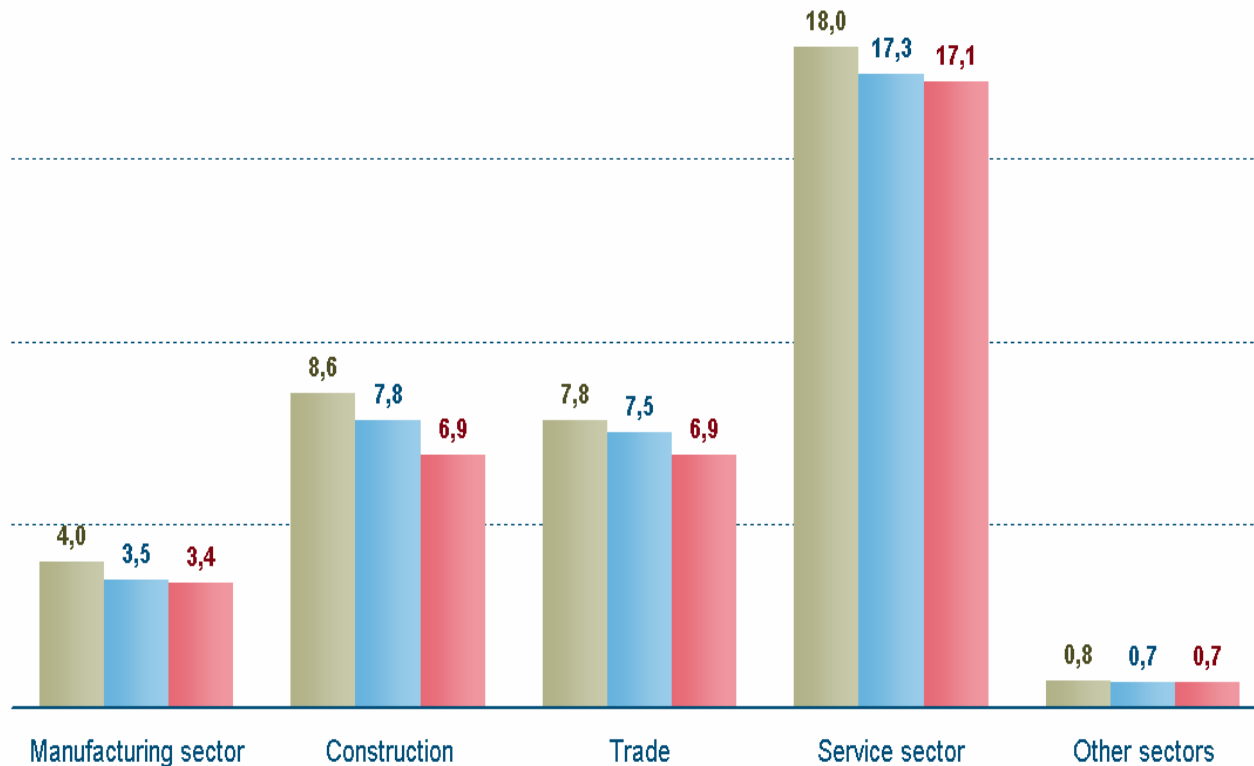
as per: 05-2006

Sectors: overall downward trend

Insolvencies in the major sectors in Germany 2004-2006

Forecast 2006

- Slight fall in industry (- 3 %) and services (- 1 %)
- Marked recovery in construction (- 12 %) and trade (- 8 %)



■ 2004 ■ 2005 ■ 2006\* Corporate insolvencies (number in 1000)

\* Euler Hermes estimate

Source: Federal Statistical Office

as per: 05-2006

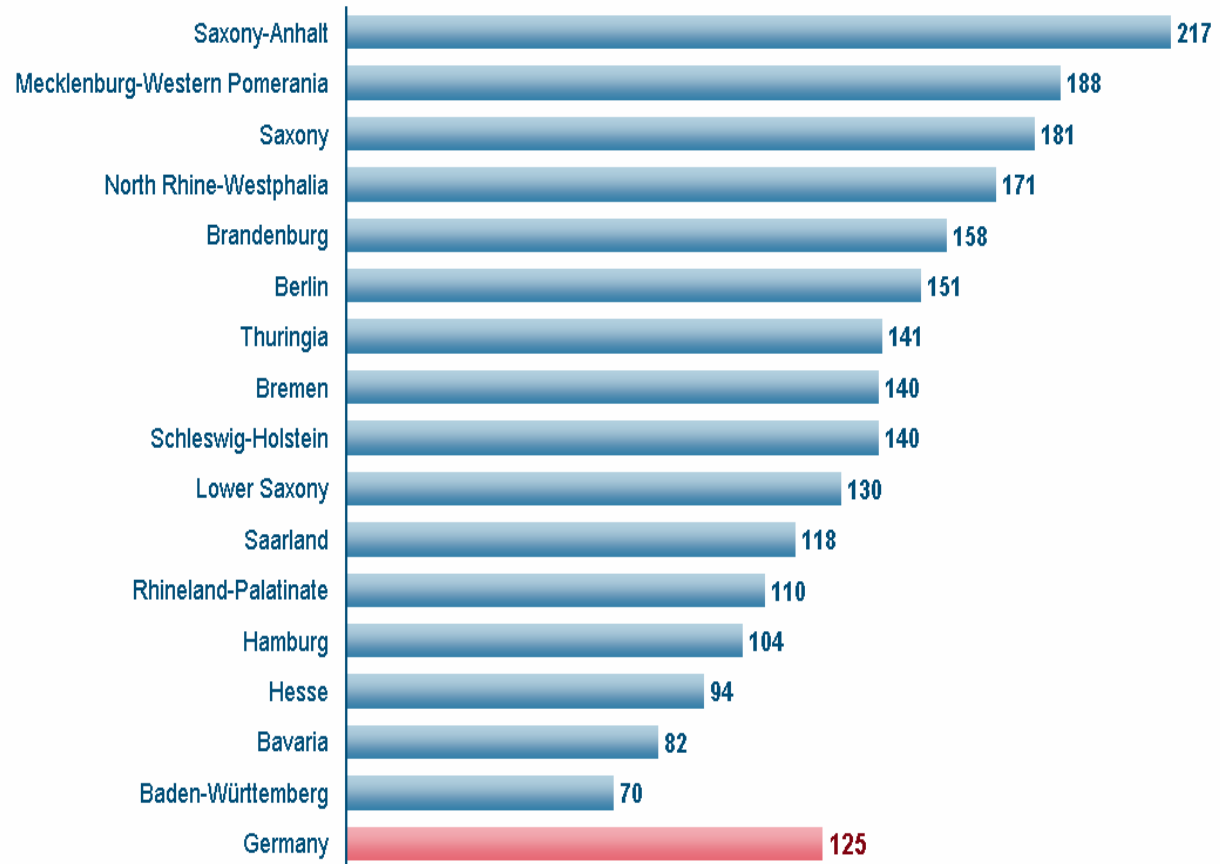


Regions: East-West comparison of insolvency rates

Frequency of insolvencies by Länder 2005

Year 2005

- Significantly higher insolvency rate in the East than in the West
- Remarkable in the West: NRW particularly hit by insolvencies (1.7 %)



Number of insolvencies in 2005 per 10,000 companies. Calculated from turnover tax statistics 2004.

Source: Federal Statistical Office; calculations by Euler Hermes

as per: 05-2006



Slight recovery in Western Europe

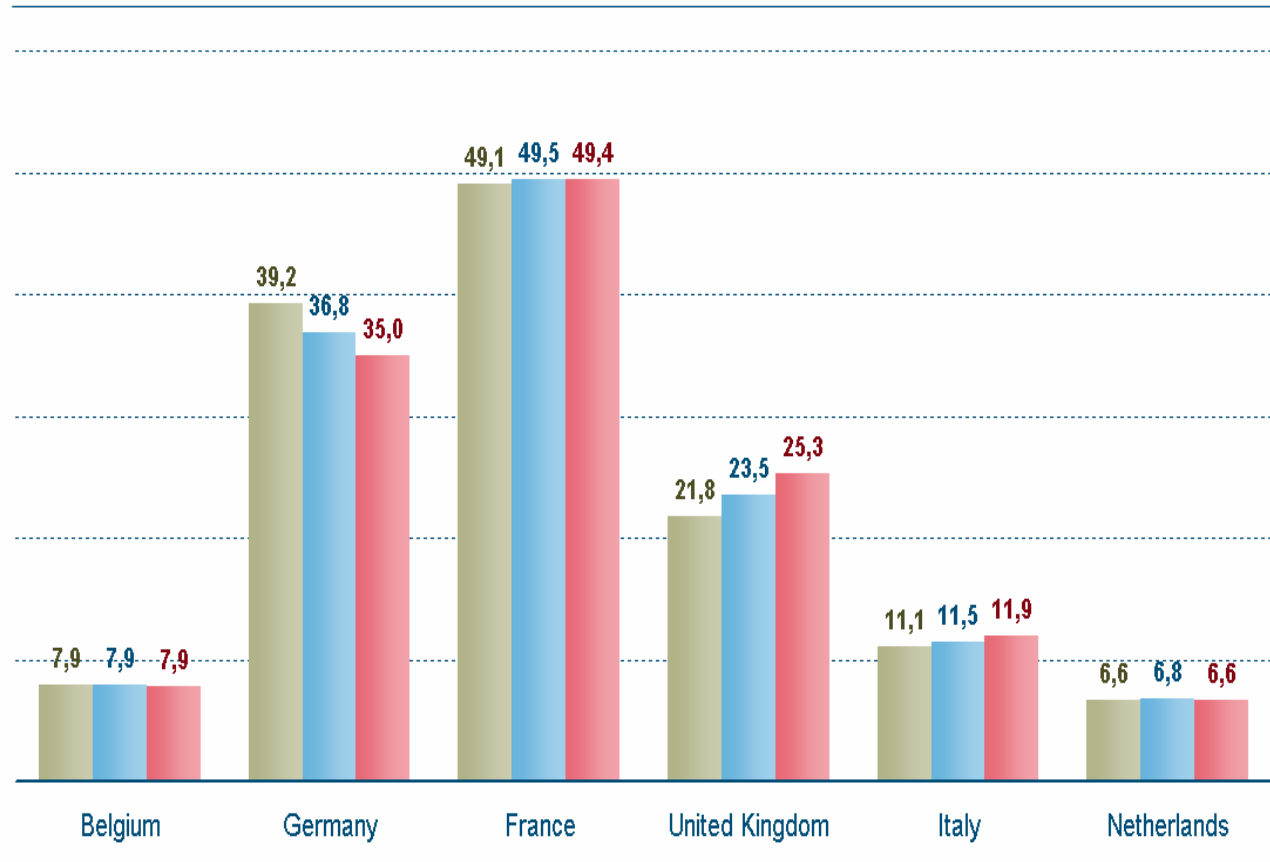
Insolvencies in major WE trading partners\*\* of Germany 2004-2006

Forecast 2006

- Failures up in UK and Italy
- Figures in France at constant high level

Corporate insolvencies  
Change from previous year in %

	2005	2006*
Belgium	-0,4	-0,4
Germany	-6,0	-5,0
France	+0,9	-0,2
United Kingdom	+7,9	+7,8
Italy	+3,8	+3,5
Netherlands	+2,0	-2,2
Western Europe	-0,8	-0,7



■ 2004 ■ 2005 ■ 2006\* Corporate insolvencies (number in 1000)

\* Euler Hermes estimate

\*\* Figures are not completely comparable due to differing statistical methods

Source: national statistics

as per: 05-2006



Table

Corporate insolvencies	Number			Change from previous year in %		
	2004	2005	2006*	2004	2005	2006*
Belgium	7910	7878	7850	+4,2	-0,4	-0,4
Denmark	2620	2500	2300	+4,5	-4,6	-8,0
Germany	39213	36843	35000	-0,3	-6,0	-5,0
Finland	2428	2280	2140	-12,3	-6,1	-6,1
France	49063	49488	49400	-0,7	+0,9	-0,2
Greece	730	740	780	+20,1	+1,4	+5,4
United Kingdom	21756	23470	25300	-6,7	+7,9	+7,8
Ireland	361	360	350	-4,2	-0,3	-2,8
Italy	11083	11500	11900	+5,9	+3,8	+3,5
Luxembourg	663	690	680	+1,1	+4,1	-1,4
Netherlands	6648	6780	6630	+4,1	+2,0	-2,2
Norway	4297	3540	3200	-17,7	-17,6	-9,6
Austria	6318	7060	6900	+12,0	+11,7	-2,3
Portugal	2605	2400	2530	+8,0	-7,9	+5,4
Sweden	7649	6784	6130	-7,1	-11,3	-9,6
Switzerland	4955	4751	4760	+9,2	-4,1	+0,2
Spain	930	870	960	-8,1	-6,5	+10,3
<b>Western Europe<sup>1</sup></b>	<b>169229</b>	<b>167934</b>	<b>166810</b>	<b>-0,7</b>	<b>-0,8</b>	<b>-0,7</b>
Poland	1025	980	970	-43,0	-4,4	-1,0
Czech Republic	1460	1380	1330	-15,5	-5,5	-3,6
Slovak Republic	990	1650	1780	-21,6	+66,7	+7,9
Hungary	7756	7890	7800	+0,8	+1,7	-1,1
<b>United States</b>	<b>34317</b>	<b>39200</b>	<b>37100</b>	<b>-2,1</b>	<b>+14,2</b>	<b>-5,4</b>
<b>Canada</b>	<b>8118</b>	<b>7517</b>	<b>7300</b>	<b>-8,1</b>	<b>-7,4</b>	<b>-2,9</b>
<b>Japan</b>	<b>13679</b>	<b>12998</b>	<b>13300</b>	<b>-15,8</b>	<b>-5,0</b>	<b>+2,3</b>

<sup>1</sup> Total of the countries given

\* Euler Hermes estimate

\*\* Figures are not completely comparable due to differing statistical methods

Source: national statistics

as per: 05-2006