

Emerging Markets Center News



Decide with Confidence

“Helping You Decide With Confidence”

Newsletter Q1 '10

In this edition

- D&B Global Database now covers over 13 million companies across EMC
- New “look and feel” D&B Business Information Report for EMC markets
- New to Come – D&B Comprehensive Report for businesses operating within the Emerging Markets
- D&B Country Risk Update on Greece – Mar '10

D&B now covers over 13 million companies across EMC, and announces the launch of new Information Reports

The D&B database now contains information on more than 13 million companies across EMC regions, over 90 times more compared to 2005. Both the numbers and the quality of information continue to grow due to our continuous investment and local acquisitions. The EMC coverage offered by our worldwide database means you will always be able to find creditworthy prospects and keep an even closer eye on financial risks of the companies based in the EMC markets.

Most of the recent database growth across the EMC region has been in Romania, Ukraine and Kazakhstan. There has also been growth in database coverage in other parts of the European Emerging Markets (notably Bulgaria, Turkey, Slovenia, Bosnia, Serbia, Greece, Latvia, Lithuania, and Estonia).

At EMC, we understand that detailed business information, up-to-date and reliable data on companies with whom you do business, is becoming increasingly important to proactively managing your credit risks.

Therefore, we are delighted to announce two new and exciting developments within the EMC markets.

- 1. The launch of a new D&B Business Information Report.** This will be launched in March 2010.
- 2. The launch of a new Comprehensive Report in May 2010.** This is the most comprehensive and detailed business profile on the market and has been designed to support transactions that are accompanied with a high risk.

News headlines

EMC Data Coverage on D&B Global Database – over 13 Million Records!

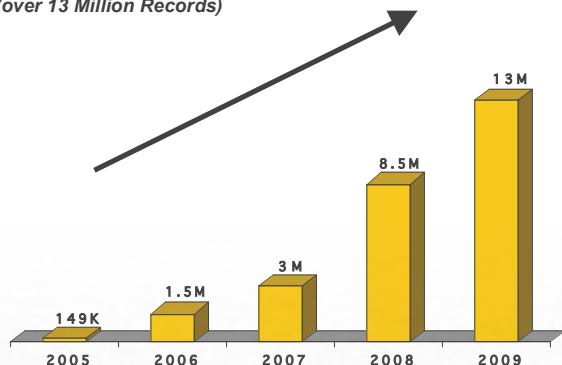
Background

Emerging Markets represent important sources of new growth for the businesses worldwide. The Emerging Markets lie at the intersection of non-traditional user behaviour, the rise of new user groups and community adoption of products and services, and innovations in product technologies and platforms.

EMC covers Emerging Markets in Eastern, Central and Mediterranean Europe: Albania, Armenia, Azerbaijan, Belarus, Bosnia, Bulgaria, Croatia, Cyprus, Estonia, Georgia, Gibraltar, Greece, Kazakhstan, Kosovo, Kirghizia, Latvia, Lithuania, Macedonia, Malta, Moldova, Montenegro, Romania, Russian Federation, Serbia, Slovenia, Tajikistan, Turkey, Turkish Cyprus, Turkmenistan, Ukraine and Uzbekistan.



EMC Data Coverage on D&B Global Database
(over 13 Million Records)



Country	Coverage in Feb-08	Coverage in Feb-10	CAU* coverage in Feb-10	Locally registered	% coverage
Bosnia-Herzegovina	2,372	39,096	34,363	39,049	100%
Croatia	62,408	127,230	125,000	239,131	53%
Estonia	62,336	137,193	136,577	165,000	87%
Greece	135,798	369,895	500,000	700,000	54%
Latvia	11,574	159,004	158,642	210,000	59%
Lithuania	25,379	166,652	163,864	166,652	100%
Malta	13,347	28,661	27,864	45,000	77%
Romania	15,977	1,794,155	1,793,152	1,794,155	100%
Russia	153,462	7,093,345	4,973,586	7,093,345	100%
Serbia	15,978	108,993	96,000	303,000	36%
Slovenia	26,795	198,586	159,224	198,586	100%
Turkey	278,363	615,704	1,000,000	1,200,000	53%
Ukraine	9,260	1,736,429	1,734,880	1,736,429	100%

* CAU stands for Commercially Active Universe. The Commercially Active Universe includes: Registered Businesses, Corporate Entities, Sole Proprietorships, Partnerships, Branch Locations. The Commercially Active Universe does not include: entities registered for tax purposes only, shelf companies. The figures stated in the column 'Coverage in Feb-10' cover the majority of CAU and for countries with 100% coverage - the whole CAU.

New “look and feel” D&B Business Information Report for EMC markets

Navigate. Experience. Understand.

From the middle of March 2010 all company information (via DBAI and DBIA) will be given in a new, fresh “look”.

The new layout of the report will be more user-friendly, easy to read, with key information displayed to enable quick and effective decision making. The information will be structured according to importance, which will be navigable and clickable. The coloured and compact layout will add further advantages to the user's experience.

Easier to Use:

- Clearer explanations and simple design make it easier to read and quicker to assess risk
- Each section can be collapsed or expanded so you can focus on your area of interest and find key information quickly
- Navigate to the top of the report with a single click. Via the new navigation bar, we will take you straight to the desired information within the report. Thus, you will find what you are looking for even quicker.

IDENTIFICATION & SUMMARY	
DUNS	67-305-4334
TRADING STYLE	'A' COMPANY REPORT <small>Do not confuse with Other test cases</small>
(FORMER NAME)	TOVARNA CO D.O.O.
ADDRESS	62 CESTA DUJE TELEBANOV 9220 PIRAN SLOVENIA
TELEPHONE	3862 3456731 3862 8765421
TELEFAX	3862 3237198
E-MAIL ADDRESS	info@reda.si
WEB ADDRESS	www.reda.si

Business Information Report	
Identification & Summary	Risk
Risk Summary	Trade
Risk Assessment	History
Company Overview	Principals
Current Investigation	Operations
History Changes	Structure
	Finance
	Public Records
	Ap
Print Preview	
IDENTIFICATION & SUMMARY	
RISK ANALYSIS	
TRADE PAYMENTS	
HISTORY	
OPERATIONS	
CORPORATE STRUCTURE	
FINANCE & BANKING	

Simple clear graphics so you can assess the credit rating of the business at a glance.

Risk Assessment											
<table> <tr> <th colspan="2">Risk Index</th></tr> <tr> <td>Risk Index</td><td>1</td></tr> <tr> <td colspan="2">▼ Relative Risk - Very Low</td></tr> <tr> <td colspan="2"> <div style="width: 100%; height: 10px; background: linear-gradient(to right, green, yellow, orange, red);"></div> </td></tr> <tr> <td>1</td><td>6</td></tr> </table>		Risk Index		Risk Index	1	▼ Relative Risk - Very Low		<div style="width: 100%; height: 10px; background: linear-gradient(to right, green, yellow, orange, red);"></div>		1	6
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Risk Index	1										
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<table> <tr> <th colspan="2">D&B Rating</th></tr> <tr> <td>Financial Strength</td><td>3A2 (Previous 3A2) <i>(Based on tangible net worth) 12,234,234</i></td></tr> <tr> <td>Composite Appraisal</td><td>2 <i>Overall credit condition Strong, good, fair, limited</i></td></tr> </table>		D&B Rating		Financial Strength	3A2 (Previous 3A2) <i>(Based on tangible net worth) 12,234,234</i>	Composite Appraisal	2 <i>Overall credit condition Strong, good, fair, limited</i>				
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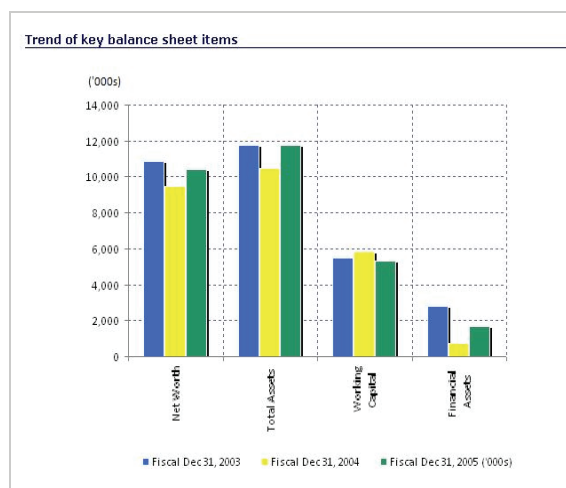
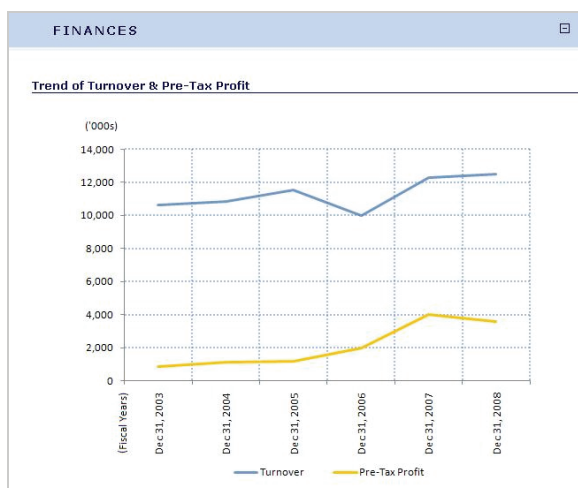
To view the sample of a new D&B Business Information Report, please click here (http://dbemc.dnb.com/BIR_Reports/Report2.htm).

New to Come – D&B Comprehensive Report for businesses operating within the Emerging Markets

To help you make it easier to manage risk on your new and existing business relationships in May 2010 we will start offering a completely new D&B Comprehensive Report on the companies within EMC regions. This Report is the most detailed available for companies operating within the EMC markets and contains all data elements available in the D&B database. This report has been designed to support transactions that are accompanied with a high risk. The company information presented within this report will be colored, navigable, structured according to importance, compact and can easily be printed.

In addition to the standard D&B Business Information Report content, the Comprehensive Report is now going to display:

- up to 6 years financial summary
- up to 6 years full Balance Sheet and P&L
- Graphs for Sales, Pre Tax Profit, Total Assets, Working Capital, Net Worth
- Data Sources, glossary, D&B Rating guide, Customer Service



Please watch this space for progress.

D&B Country RiskLine Report: GREECE

RISK FACTOR

D&B is downgrading Greece's country risk rating by one quartile from DB3c to DB3d in response to a deteriorating economic outlook and increasing socio-political risk. The centre-left Pan-Hellenic Socialist Movement (PASOK) government, led by George Papandreou, faces the most exceptionally difficult fiscal situation in decades. In an effort to improve its public finances and reduce its public deficit by at least 4 percentage points this year (to 8.7% of GDP from an estimated 12.8% in 2009), the government has unveiled a new series of austerity measures, beyond those already outlined in its Stability and Growth Programme (SGP), a four-year fiscal plan submitted to the EU. In particular, Prime Minister Papandreou announced a range of public spending cuts and tax adjustments, as well as tax and pension reforms, sparking a new round of strikes by labour unions, which has caused serious disruption to fuel supplies and further hampered cross-border trade. Greek bond yields also spiked and stocks on the Athens bourse have tumbled amid investors' concerns that the industrial action may prevent the government from pushing through the much-needed reforms.



Although the EU has pledged its strong support to the country, helping to lower the risk of sovereign default, it is mounting pressure on the PASOK government to introduce additional budgetary measures in order to ensure the full implementation of its SGP. In response, the government has started to put together a EUR2.5bn plan to ease concerns over the debt crisis and secure access to liquidity by the end of April, when it will need to borrow more than EUR20.0bn. However, by adopting stricter fiscal measures to close the budget gap (such as a scheduled, further increase in taxes), the local economy could experience a more severe recession than we had forecast this year as fiscal tightening is likely to increase the downward pressure on growth.

The domestic economy contracted by more than expected in Q4 2009, illustrating the fact that the country still faces broader economic problems in addition to its fiscal woes. According to preliminary data by the National Statistical Service, real GDP fell by 2.6% year on year in Q4, while data for previous quarters were revised downwards. The revision showed that real GDP contracted by 2.0% in 2009, making it the worst recession in nearly 30 years. Given the new data, we expect the economy to shrink by 1.0% in 2010 and possibly emerge from recession in 2011. Meanwhile, in order to boost the economy, the government has outlined a EUR1.5bn programme of investment in environmentally-friendly technologies, which will be jointly funded by the public and private sector, and the EU. However, the need for fiscal adjustment curbs the government's ability to adopt more measures to support a return to growth.

TRADE & COMMERCIAL ENVIRONMENT

Trade Terms

Minimum Terms: Sight Draft

The minimum form of documentation or trading method that D&B advises its customers to consider when pursuing export trade with the stated country.

Recommended Terms: Sight Draft

D&B's recommended means of payment. The use of recommended terms, which are generally more stringent than minimum terms, is appropriate when a customer's payment performance cannot be easily assessed or when an exporter may wish to limit the risk associated with a transaction made on minimum terms.

Usual Terms: 30-120 days

Normal period of credit associated with transactions with companies in the stated country.

TRANSFER SITUATION

Local Delays: 0-2 months

The time taken beyond agreed terms for a customer to deposit money in their local bank as payment for imports.

FX/Bank Delays: 0-1 month

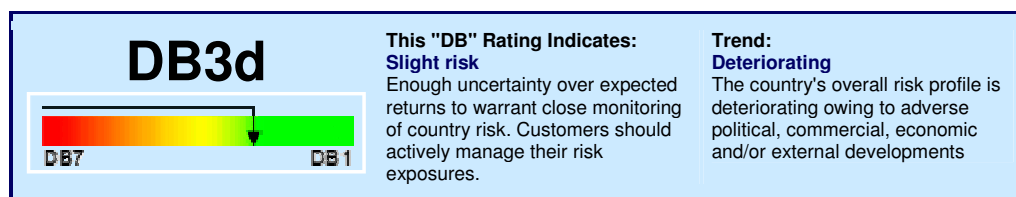
The average time between the placement of payment by the importer in the local banking system and the receipt of funds by the exporter. Such delays may be dependent on FX controls, FX availability and the efficiency of the local banking system.

Trade & Commercial Environment

According to D&B's latest proprietary cross-border payments performance data, 29.2% of payments arrived 30 or more days over terms in 2009. Around 62.4% of payments were paid promptly in the same period, while 17.3% of payments were paid 60 or more days over terms. Some 4.5% of payments were paid after a delay of 120 days or longer. Hence, D&B recommends the use of SD terms when trading with counterparties in the country. Meanwhile, Intesa Sanpaolo SpA, Italy's second-largest bank, plans to shut its investment-banking unit in Greece (which offers fixed-income sales and advisory services); it will keep one office in the Greek capital to advise clients on bond sales. This development again highlights the unfavourable business environment in the country.

D&B Country RiskLine Report

Greece: March 2010



The 'DB' risk indicator provides a comparative, cross-border assessment of the risk of doing business in a country and encapsulates the risk that country-wide factors pose to the predictability of export payments and investment returns over a two year time horizon.

The DB risk indicator is divided into seven bands, ranging from DB1 through DB7. Each band is subdivided into quartiles (a-d), with an 'a' designation representing slightly less risk than a 'b' designation and so on. Only the DB7 indicator is not divided into quartiles.

Economic Indicators

	2007	2008	2009e	2010f	2011f
Real GDP growth, %	4.5	2.0	-2.0	-1.0	0.1
Inflation, annual ave, %	3.0	4.2	1.3	2.3	2.5
Govt balance, % GDP	-3.7	-7.7	-12.8	-12.0	-10.8
Unemployment, %	8.3	7.7	9.3	10.0	10.6
C/A balance, % GDP	-14.3	-14.4	-11.2	-9.8	-9.1

D&B Country Risk Services group provides analysis on over 130 countries worldwide which are available to be purchased online. If you wish to order individual reports using your subscription please click the link and follow the on screen instructions, alternately please contact Customer Services at your local D&B office. For further information please e-mail us at CountryRisk@dnb.com

Please contact us

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Email: EMC@dnb.com