

## PRESS RELEASE

# Coface records a good start to the year with net income of €62.1m, for an RoATE of 12.7%

Paris, 5 May 2025 – 17.35

- **Turnover: €473m, up 2.0% at constant FX and perimeter**
  - Trade credit insurance revenue up 1.2%; client activity also increased by 1.2%
  - Client retention back up at near-record (95.0%); pricing remained negative (-1.3%) in line with historical trends
  - Business information growing again double-digit (+14.7% at constant FX, +18.4% at current FX). Debt collection up +14.8%; factoring was down slightly by -0.7%
- **Net loss ratio at 39.1%, up by 3.3 pts; net combined ratio at 68.7%, up by 5.6 pts and stable compared to Q4-24**
  - Gross loss ratio at 38.7%, up by 5.5 pts with higher opening year reserving and reserve releases stable at a high level year on year
  - Net cost ratio increased 2.2 pts to 29.5%, reflecting continued investments partially offset by better product mix
- **Net income (group share) at €62.1m, down by -9.2% compared to Q1-24**
- **Annualised RoATE<sup>1</sup> at 12.7%**

*Unless otherwise indicated, change comparisons refer to the results as at 31 March 2024*

### **Xavier Durand, Coface's Chief Executive Officer, commented:**

*"With a net income of €62.1m and an RoATE of 12.7%, Coface posted another quarter of solid results in a highly volatile environment. Shifting US policy on international trade is creating a high level of uncertainty, although its potential consequences are not yet visible. In this complicated environment for corporates, Coface remains very close to its clients and is maintaining a highly preventative stance in its risk portfolio which is well diversified across regions and sectors.*

*In the medium term, depending on their actual implementation and level, the announced tariffs may have a negative impact on global trade volumes. We may also see prices increase in the United States and an adverse impact on certain industrial sectors and regions, likely leading to higher numbers of business failures. Thanks to its leading infrastructure, the quality of its information and its teams of internationally recognised experts, Coface is well positioned to support its clients in managing their risks.*

*Against this backdrop, our strategy to invest in better understanding short-term risks and in the strengthening of our range of services (Business Information, Debt Collection) is more relevant than ever and resolutely pursued."*

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<sup>1</sup> Return on average tangible equity

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### Key figures at 31 March 2025

The Board of Directors of COFACE SA examined the summary consolidated financial statements for the first three months (non-audited) during its meeting on 5 May 2025. The Audit Committee at its meeting on 2 May 2025 also previously reviewed them.

Income statement items in €m	Q1-24	Q1-25	Variation	% ex. FX*
Insurance revenue	378.6	382.9	+1.1%	+1.2%
Other revenue	85.0	90.3	+6.2%	+5.5%
<b>REVENUE</b>	<b>463.7</b>	<b>473.2</b>	<b>+2.1%</b>	<b>+2.0%</b>
<b>UNDERWRITING INCOME/LOSS AFTER REINSURANCE</b>	100.3	85.4	(14.9)%	(15.4)%
Investment income, net of management expenses, excluding finance costs	17.9	10.4	(42.0)%	(44.2)%
Insurance Finance Expenses	(11.4)	(4.1)	(63.6)%	(61.6)%
<b>CURRENT OPERATING INCOME</b>	<b>106.8</b>	<b>91.6</b>	<b>(14.2)%</b>	<b>(15.3)%</b>
Other operating income / expenses	(0.1)	(0.4)	+438.8%	+439.8%
<b>OPERATING INCOME</b>	<b>106.8</b>	<b>91.2</b>	<b>(14.5)%</b>	<b>(15.6)%</b>
<b>NET INCOME (GROUP SHARE)</b>	<b>68.4</b>	<b>62.1</b>	<b>(9.2)%</b>	<b>(10.5)%</b>
<b>Key ratios</b>	<b>Q1-24</b>	<b>Q1-25</b>	<b>Variation</b>	
Loss ratio net of reinsurance	35.8%	39.1%	3.4	ppts
Cost ratio net of reinsurance	27.3%	29.5%	2.2	ppts
<b>COMBINED RATIO NET OF REINSURANCE</b>	<b>63.1%</b>	<b>68.7%</b>	<b>5.6</b>	<b>ppts</b>
<b>Balance sheet items in €m</b>	<b>2024</b>	<b>Q1-25</b>	<b>Variation</b>	
Total equity (group share)	2,193.6	2,234.0	+1.8%	

\* Also excludes scope impact

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### 1. Turnover

Coface recorded consolidated turnover of €473.2m, up +2.0% at constant FX and perimeter compared to Q1-24. As reported (at current FX and perimeter), turnover rose +2.1%.

Revenues from insurance activities (including Bonding and Single Risk) increased by +1.2% at constant FX and perimeter. Client retention returned to a level close to its record high at 95.0% in a still competitive market. New business totalled €37m, stable compared with Q1-24. This was driven by an increase in demand and growth investments, particularly in the mid-market segment.

Growth in client activity was positive at 1.2%, marking a further improvement compared to the already positive previous quarter. However, this level reflects the economic environment that prevailed before the tariff announcements by the United States. The price effect remained negative at -1.3% in Q1-25, in line with last year and long-term trends.

Turnover from non-insurance activities was up +7.5% compared to Q1-24. However, not all business lines enjoyed the same momentum. Factoring turnover fell by -0.7%, with Germany and Poland recording identical performance. Business Information turnover continued to grow, rising +14.8% (and +18.4% on a reported basis). Fee and commission income (debt collection commissions) increased +14.8% due to the increase in claims to be collected. Commissions were up +4.0%, exceeding growth in premium income.

Total revenue - in €m (by country of invoicing)	Q1-24	Q1-25	Variation	% ex. FX <sup>1</sup>
Northern Europe	97.8	97.0	(0.8)%	(0.8)%
Western Europe	91.7	96.0	+4.7%	+1.9%
Central & Eastern Europe	45.1	42.3	(6.3)%	(6.9)%
Mediterranean & Africa	138.9	143.4	+3.2%	+5.1%
North America	42.6	43.5	+2.0%	+1.5%
Latin America	18.6	20.4	+9.7%	+16.0%
Asia-Pacific	28.9	30.7	+6.2%	+2.7%
<b>Total Group</b>	<b>463.7</b>	<b>473.2</b>	<b>+2.1%</b>	<b>+2.0%</b>

In Northern Europe, turnover was down by -0.8% at constant and current FX. The region continues to suffer from the weakness of the German economy. This slight decline was partially offset by growth in non-insurance activities. Factoring turnover was down -0.7% but services were up +17.8%.

In Western Europe, turnover increased +1.9% at constant FX (+4.7% at current FX). The loss of several significant contracts was more than offset by growth in service activities.

In Central and Eastern Europe, turnover fell -6.9% at constant FX (-6.3% at current FX) due to client activity, which continued to drag down credit insurance, and a significant contract that is now included in another region.

In the Mediterranean and Africa region, which is driven by Italy and Spain, turnover rose +5.1% at constant FX and +3.2% at current FX on the back of robust sales in credit insurance and services and a generally stronger economic environment.

<sup>1</sup> Also excludes scope impact



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In North America, turnover rose by +1.5% at constant FX and +2.0% on a reported basis. The region benefited from a slight improvement in client activity and higher retention.

In Latin America, turnover increased +16.0% at constant FX and +9.7% at current FX. The region is benefiting from continued high inflation, which is benefiting client activity.

In Asia-Pacific, turnover increased +2.7% at constant FX and +6.2% at current FX. The region is benefiting from high retention and a slight increase in client activity.

### 2. Result

#### – Combined ratio

The combined ratio net of reinsurance stood at 68.7% for Q1-25, an increase of 5.6 ppts year on year but flat compared to the previous quarter.

##### (i) Loss ratio

The gross loss ratio stood at 38.7%, up 5.5 ppts compared to the previous year. This increase reflects the normalisation of the loss experience offset by high but stable reserve releases compared to the previous year. The number of mid-sized claims was below long-term trends but is increasing.

The Group's provisioning policy remained unchanged. The amount of provisions related to the underwriting year, although discounted, remained in line with the historical average. Strict management of past claims enabled the Group to record 43.6 ppts of recoveries.

The net loss ratio increased to 39.1%, up 3.3 ppts compared to Q1-24, with reinsurance absorbing part of the deterioration in the gross loss ratio.

##### (ii) Cost ratio

Coface is pursuing a strict cost management policy while maintaining its investments, in line with the Power the Core strategic plan. In Q1-25, costs rose by +5.7% at constant FX and perimeter, and +5.9% at current FX.

The cost ratio net of reinsurance was 29.5% in Q1-25, up 2.2 ppts year on year. This increase was mainly due to cost inflation (+1.4 ppt) and continued investment (+2.9 ppts). In contrast, the improved product mix (Business Information, Debt Collection and fee and commission income) had a positive effect of 2.6 ppts. The change in reinsurance commissions explains most of the remainder.



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### - Financial result

Net financial income was €10.4m in the first quarter. This amount includes an FX effect of -€12.4m, mostly due to the application of IAS 29 (Hyperinflation) mainly in Turkey for €4.5m.

The portfolio's current yield (i.e. excluding capital gains, depreciation and FX) was €24.9m. The accounting yield<sup>1</sup>, excluding capital gains and fair value effect, was 0.7% in Q1-25. The yield on new investments was 3.8%.

Insurance Finance Expenses (IFE) stood at €4.1m for the first quarter. Outside of FX gains, the amount is very similar to that of previous quarters.

### - Operating income and net income

Operating income amounted to €91.2m in Q1-25, down 14.5%.

The effective tax rate was 23% for the quarter (vs. 27% in Q1-24).

In total, net income (group share) was €62.1m, down 9.2% compared to the first quarter of 2024.

### **3. Shareholders' equity**

At 31 March 2025, Group shareholders' equity stood at €2,234.0m, up €40.4m or +1.8% (€2,193.6m at 31 December 2024).

This increase is mainly due to positive net income of €62.1m and an FX effect.

The annualised return on average tangible equity (RoATE) was 12.7% at 31 March 2025, down from the previous year, in line with the decline in net income.

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<sup>1</sup> Book yield calculated on the average of the investment portfolio excluding non-consolidated subsidiaries.



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### 4. Outlook

Uncertainty about international economic policy is reaching a rarely seen levels. The United States announced the implementation of massive tariffs which vary depending on industrial sector and the imports' country of origin. Implementation has been delayed in most cases to allow time for negotiations.

Estimates of the long-term impact will have to wait until the tariffs actually implemented are more stable. In the short term, this uncertainty is delaying investment decisions and detracting from economic growth.

This unprecedented complex environment validates the strategy and positioning adopted by Coface, which draws on its internationally recognised experts and industry leading data to support its clients as effectively as possible as the situation evolves. In the short term, Coface has stepped up communication with its clients and maintained its prevention actions at a high level, while continuing to invest in line with the Power the Core strategic plan. The workforce dedicated to services (Business Information and Debt Collection) currently stands at nearly 700 people.

### Conference call for financial analysts

Coface's Q1-2025 results will be discussed with financial analysts during the conference call on Monday 5 May at 18:00 (Paris time). Dial one of the following numbers:

- By webcast: [Coface Q1-2025 results - Webcast](#)
- By telephone (for sell-side analysts): [Coface Q1-2025 results - Conference call](#)

The presentation will be available (in English only) at the following address:

<http://www.coface.com/Investors/financial-results-and-reports>

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### Appendices

#### Quarterly results

Income statement items in €m Quarterly figures	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	%	% ex. FX*
Insurance revenue	378.6	375.6	375.9	382.7	382.9	+1.1%	+1.2%
Other revenue	85.0	83.4	78.0	85.5	90.3	+6.2%	+5.5%
<b>REVENUE</b>	<b>463.7</b>	<b>459.1</b>	<b>453.8</b>	<b>468.3</b>	<b>473.2</b>	<b>+2.1%</b>	<b>+2.0%</b>
<b>UNDERWRITING INCOME (LOSS) AFTER REINSURANCE</b>	<b>100.3</b>	<b>94.7</b>	<b>88.8</b>	<b>84.9</b>	<b>85.4</b>	<b>(14.9)%</b>	<b>(15.4)%</b>
Investment income, net of management expenses, excluding finance costs	17.9	22.8	19.0	31.9	10.4	(42.0)%	(44.2)%
Insurance Finance Expenses	(11.4)	(6.7)	(7.3)	(17.1)	(4.1)	(63.6)%	(61.6)%
<b>CURRENT OPERATING INCOME</b>	<b>106.8</b>	<b>110.9</b>	<b>100.5</b>	<b>99.7</b>	<b>91.6</b>	<b>(14.2)%</b>	<b>(15.3)%</b>
Other operating income / expenses	(0.1)	(0.5)	(2.6)	(5.5)	(0.4)	438.8%	439.8%
<b>OPERATING INCOME</b>	<b>106.8</b>	<b>110.4</b>	<b>97.9</b>	<b>94.2</b>	<b>91.2</b>	<b>(14.5)%</b>	<b>(15.6)%</b>
<b>NET INCOME (GROUP SHARE)</b>	<b>68.4</b>	<b>73.8</b>	<b>65.4</b>	<b>53.4</b>	<b>62.1</b>	<b>(9.2)%</b>	<b>(10.5)%</b>
Income tax rate	27.2%	26.8%	25.5%	36.2%	23.0%		(4.2) ppt

#### Cumulated results

Income statement items in €m Cumulated figures	Q1-24	H1-24	9M-24	2024	Q1-25	%	% ex. FX*
Insurance revenue	378.6	754.3	1,130.2	1,512.9	382.9	+1.1%	+1.2%
Other revenue	85.0	168.5	246.4	331.9	90.3	+6.2%	+5.5%
<b>REVENUE</b>	<b>463.7</b>	<b>922.7</b>	<b>1,376.6</b>	<b>1,844.8</b>	<b>473.2</b>	<b>+2.1%</b>	<b>+2.0%</b>
<b>UNDERWRITING INCOME (LOSS) AFTER REINSURANCE</b>	<b>100.3</b>	<b>195.0</b>	<b>283.8</b>	<b>368.7</b>	<b>85.4</b>	<b>(14.9)%</b>	<b>(15.4)%</b>
Investment income, net of management expenses, excluding finance costs	17.9	40.8	59.8	91.7	10.4	(42.0)%	(44.2)%
Insurance Finance Expenses	(11.4)	(18.1)	(25.4)	(42.5)	(4.1)	(63.6)%	(61.6)%
<b>CURRENT OPERATING INCOME</b>	<b>106.8</b>	<b>217.7</b>	<b>318.2</b>	<b>417.9</b>	<b>91.6</b>	<b>(14.2)%</b>	<b>(15.3)%</b>
Other operating income / expenses	(0.1)	(0.5)	(3.1)	(8.6)	(0.4)	438.8%	439.8%
<b>OPERATING INCOME</b>	<b>106.8</b>	<b>217.2</b>	<b>315.1</b>	<b>409.2</b>	<b>91.2</b>	<b>(14.5)%</b>	<b>(15.6)%</b>
<b>NET INCOME (GROUP SHARE)</b>	<b>68.4</b>	<b>142.3</b>	<b>207.7</b>	<b>261.1</b>	<b>62.1</b>	<b>(9.2)%</b>	<b>(10.5)%</b>
Income tax rate	27.2%	27.0%	26.5%	28.7%	23.0%		(4.2) ppt

\* Also excludes scope impact

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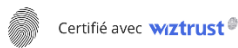
### FINANCIAL CALENDAR 2025 (subject to change)

Annual General Shareholders' Meeting: 14 May 2025  
H1-2025 results: 31 July 2025 (after market close)  
9M-2025 results: 3 November 2025 (after market close)

#### FINANCIAL INFORMATION

This press release, as well as COFACE SA's integral regulatory information, can be found on the Group's website: <http://www.coface.com/Investors>

For regulated information on Alternative Performance Measures (APM), please refer to our Interim Financial Report for H1-2024 and our [2024 Universal Registration Document](#) (see part 3.7 "Key financial performance indicators").



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#### COFACE: FOR TRADE

As a global leading player in trade credit risk management for more than 75 years, Coface helps companies grow and navigate in an uncertain and volatile environment.

Whatever their size, location or sector, Coface provides 100,000 clients across some 200 markets with a full range of solutions: Trade Credit Insurance, Business Information, Debt Collection, Single Risk insurance, Surety Bonds, Factoring.

Every day, Coface leverages its unique expertise and cutting-edge technology to make trade happen, in both domestic and export markets.

In 2024, Coface employed ~5,236 people and registered a turnover of €1.84 billion.

[www.coface.com](http://www.coface.com)

COFACE SA is quoted in Compartment A of Euronext Paris  
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