

European Payment Report 2018



intrum

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This is The European Payment Report 2018.

The report is based on a survey that was conducted simultaneously in 29 European countries between 24th of January and 23rd of March 2018.

In this report Intrum gathered data from 9,607 companies across Europe to gain insight into the payment behavior and financial health of European businesses.

Through this comprehensive survey among European companies, Intrum generates awareness and debate among politicians and the media, for example, how late or non-payments impact the economies of the EU. The survey is documented and communicated to selected groups. In 2018, we will distribute more than 8,000 reports containing data based on the survey.

Intrum participates in seminars and meetings in Brussels to inform EU delegates of the situation and the best approaches in working for a sound economy and secure payments in Europe.

During 2013 and 2014, we were invited by the European Union, as the representative of the business community, to speak during the campaign in which the directive to protect companies from suffering from late payments (the Late Payment Directive) was implemented. In 2015 and 2016 we provided data to the EU commission in their work to evaluate a possible review of the current directive, and in 2016 we were invited to speak in Strasbourg on the European Parliament SME circle. In 2017 and 2018 Intrum continues to participate in the dialogue with the EU Commission on how to make the implementation of the Directive as effective and forceful as possible. The Late Payment Directive recommends that payment periods for companies to be at most 60 days and for public authorities 30 days.

CEO foreword

EPR 2018

After a few years of stable economic development that has seen most European economies prosper, businesses all over Europe seem to have grown more positive when it comes to their ability to cope with clients being late with their payments.



Since 2016, the European Payment Report has shown a modest, but nonetheless evident, trend whereby companies are experiencing fewer problems with missing or late payments than they were a few years ago. Even so, delayed or non-payments remain an issue for many European businesses, SMEs in particular.

In the European Payment Report of 2018, the 9,670 businesses surveyed report that 1.69 percent of annual revenue had to be written off due to non-payment in the past 12 months, a decrease compared with the 2.14 percent reported in 2017 and even further below the 2.44 percent that we saw in 2016.

In most countries, payment times are shrinking – slowly moving towards the desired 30 days stipulated in local regulations and the directive covering all nations in the European Union. In corporate (B2B) transactions, the average time it takes to get paid amounts to 34 days, down from 37 days in 2017. Transactions with the public sector still take longer, 40 days on average, despite that the directive of 30 days payment term is actually mandatory for their part.

In this year's report, we also see businesses all over Europe becoming somewhat more optimistic about their future ability to achieve profitable growth in their operations. This is of course positive news. Even so, 28 percent of the respondents surveyed experience late or missing payments as hindering growth and 21 percent say that they are unable to hire new staff because their clients fail to pay them on time.

The vast majority of European businesses are small to midsized (SMEs) and, as such, the

Europe's entire business community is vulnerable to incorrect application of the existing directive, which was implemented to protect companies from being taken advantage of. Nearly 6 out of 10 of the companies surveyed say that they have been asked to accept longer payment terms than they are able to manage in their daily operations, and more than half (56 percent) also admit to having accepted these demands. In other words, the imbalance between large corporations and small businesses remains, although the share of respondents agreeing with this statement has decreased somewhat compared with last year.

Clearly the European directive already implemented to tackle late payments has not been sufficient to address the misconduct against Europe's SMEs. All member states should have implemented the directive into local regulations by now, but it appears as if this has had very little effect. Only 58 percent of the companies surveyed are aware of local legislations that are in place to protect them from late payments. Awareness of the European Directive is significantly lower, at a mere 28 percent.

Legislation is important, but clearly a change in attitude and behavior must also derive from a willingness to do the right thing and stop taking advantage of sub suppliers who are dependent on their larger clients.

Several initiatives are being formed in the European countries – in France, Belgium and the Netherlands, for example. In the Netherlands, "Betaalme.nu" has attracted 50 of the largest corporations to voluntarily change their attitude and pay their creditors within 30 days or less. The

result? About EUR 2 billion* of freed-up liquidity, urgently needed in the Dutch business community.

In the UK, the Prompt Payment Code, with more than 2,000 signatories, is being complemented with reporting requirements for large corporations. It also gives SMEs access to valuable information about how to behave if a client does not pay on reasonable terms.

The voluntary codes appear to be having a positive impact in the business community. In France, signatories of the French version of the prompt payment code are considered to exhibit better business behavior, including payment practices, than non-signatories.

Payment within 30 days. This is what the directive and the local regulations stipulate. It should, and will, eventually be the praxis among businesses all over Europe. It is just a matter of time, educational initiatives and enough will-power among policy makers, stake holder associations and businesses alike.

For Intrum, the question of fair payment terms has been at the center of our attention for several years and we are proud to participate in debates and discussions about the impacts that a poor payment culture have on businesses and, accordingly, the overall economy. In the end, fair payment terms are a significant ingredient in what we call a sound economy.

Mikael Ericson
CEO & President Intrum

*According to betaalme.nu, September 12 2017

The report in brief

The European economies are in good shape after a few years of economic growth. This can also be seen in the European Payment Report of 2018, in which 9,607 European companies gave their view on how well they are able to cope with possibly not having outstanding invoices paid in time. In this year's survey, 16 percent now state that the record-low interest rates have had a positive effect and that they are willing to increase their investments in their operations. This is the highest proportion since this question was included in the survey (in 2015) and indicates that the central banks' ambitions to fuel the economies are finally bearing fruit.

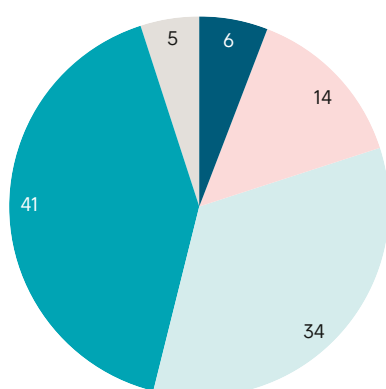
The impact of late payments is still painfully visible despite a more positive trend in general. One fifth of the companies surveyed say they would increase recruitment if they received payments faster. This is down from 23 percent of companies stating the same when surveyed in 2017, although it is still an alarmingly high share. Slow payments impose risks and costs of various kinds on companies and,

in turn, has a toll on growth prospects. Faster payments would remedy such problems by mitigating liquidity issues, reducing real and perceived risks and transaction costs, as well as enabling a more stable environment in general.

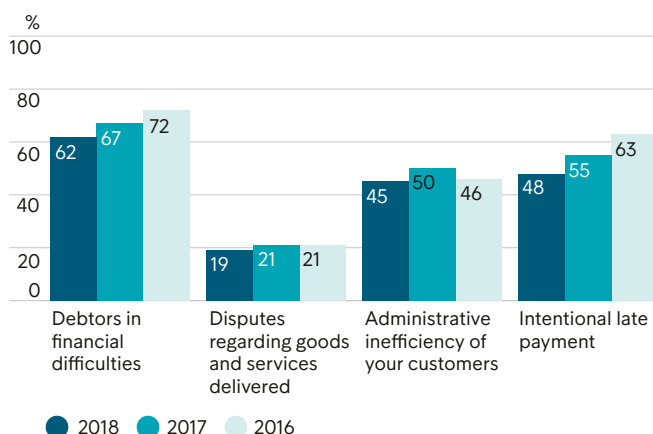
The majority of European companies report financial difficulties among their debtors as being the main cause of late payments by their own customers. Of the European companies surveyed in 2018, 62 percent report this as being one of the main causes for late payment. 48 percent report intentional late payments as one of the main causes, and 45 percent report administrative inefficiencies on the part of customers as yet another of the main causes. 19 percent cite disputes regarding goods and services delivered as one of the main causes of late payments. Accordingly, it is evident that late payments are caused both by inefficiencies and negative external circumstances, as well as by malevolent and intentional business practices. An average of 13 percent of European outstanding bills are said to be paid late, when companies are asked to estimate their own rate of late payments.

Would faster payments from your debtors enable your company to hire more people?

- Yes, definitely, %
- Yes, probably, %
- No, probably not, %
- No, definitely not, %
- Don't know, %



What are the main causes of late payment of your own customers?



Only a minority of European companies utilize collection agencies to mitigate the effects of late payments

Only 30 percent of the European companies surveyed in 2018 say that they hand over their outstanding invoices to a collection agency and 22 percent of companies say that they do not have any outstanding invoices to hand over. The average period of time taken by European companies surveyed in 2018 to hand over outstanding invoices to a collection agency is reported as amounting to 82 days with sizeable national variations. Norwegian companies are the fastest to hand over outstanding invoices to a collection agency, with the average period of time reported for doing so being 30 days. By contrast, Serbian companies will not hand over an outstanding invoice until after, on average, 264 days have passed.

New regulations — always a challenge

For several years, the European Payment Report has examined the impact of the EU Late Payment Directive and how well it is implemented in the European markets. The challenge that the EU Commission and local regulators face in implementing this important directive is evident. Even now, five years after it was supposed to be fully implemented in all EU countries, only 28 percent of the companies surveyed are aware of its existence and, out of those, a mere 19 percent actually see a positive impact from it. This is of course unfortunate as the directive and its local interpretations have been developed to protect businesses, primarily SMEs, and evade clear misconduct in the business community.

The GDPR implementation — costly to businesses and not yet widely known

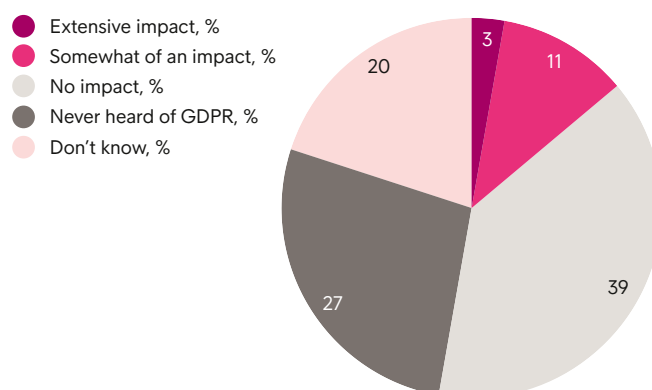
As of May 25, 2018, new EU legislation known as the General Data Protection Regulation, often better known under its abbreviation GDPR, will take full effect. It is a comprehensive piece of legislation that will extensively regulate and re-regulate the manner in which European companies, and all entities aiming to operate in Europe, handle their customer data and privacy.

In the 2018 survey, we took the opportunity to also ask our respondents about the implementation of GDPR, as this is highly relevant given that all companies need to be compliant by the end of May this year.

European companies are not, it appears, very worried about any negative impact on their well-being stemming from the implementation of GDPR, at least not in the context of their payment transactions and payment routines. Only 14 percent of polled European companies say that the implementation of GDPR will impact their payment routines, 39 percent instead say that it will not have any impact on their payment routines. Surprisingly enough, 27 percent of the respondents say that they have not heard about GDPR until responding to the survey, which is astonishing given the fact that the survey was conducted only a few months before implementation was to be completed.

Close to one in three (27 percent) of the companies polled say that there will be costs involved for them due to the implementation of GDPR, the majority of these will be in the lower bounds of up to EUR 50,000. All in all, our survey indicates that the implementation of GDPR will cost business EUR 194 billion.

How do you see the new EU legislation General Data Protection Regulation, usually known under its abbreviation GDPR, impacting your payment routines as of its implementation on May 25, 2018, and going forward?



Use of cryptocurrencies remains uncommon among European companies

Cryptocurrencies, such as Bitcoin or Ethereum, have been debated heavily over the past couple of years, both as a form of payment, as potential investment vehicles as well as in a wider, societal context where cryptocurrencies and the underlying technology, the block chain, are viewed as having a broad disruptive potential.

When European companies are surveyed, only an average of 2 percent of companies say that they accept cryptocurrencies as payment from customers and clients. The one notable exception being the United Kingdom where 15 percent of companies state that they do so. Of those companies that say that they do not currently accept cryptocurrencies as payment from their customers and clients, only 3 percent say that they anticipate that they will adopt cryptocurrencies as a method of payment within the next two years. Instead, 87 percent of companies explicitly say

that they will not be adopting cryptocurrencies within the next two years. 2 percent of European companies surveyed also state that they hold cryptocurrencies for purposes other than payment transactions, e.g. as investment vehicles.

Europe's SMEs still under pressure

The European Payment Report reflects the European business community. In other words, the vast majority of respondents are SMEs. In the past few years, we have placed additional focus on the topic of how SMEs can cope with and manage the pressure from larger clients when it comes to accepting payment terms. Also, in this year's survey, it is clear that large companies can cause problems for entrepreneurs when they exert their relative strength. About 6 out of 10 admit that they have been asked to accept longer payment terms than they are comfortable with and half of the respondents in this group claim that the demand to do so came from a large multinational. In other words, the problem of large companies using smaller suppliers for cash management purposes still exists.

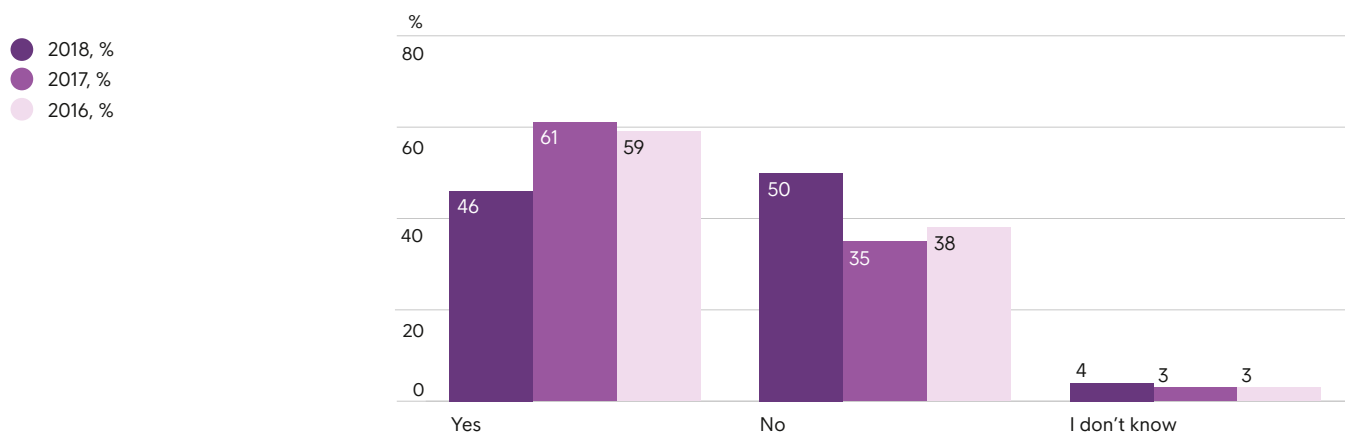
Not unexpectedly large corporations have the resources to protect themselves from bad payers to a much larger extent than the SMEs. This does, of course, emphasize the

problem even further as those that really need to find solutions to protect their cash-flows, do so less often.

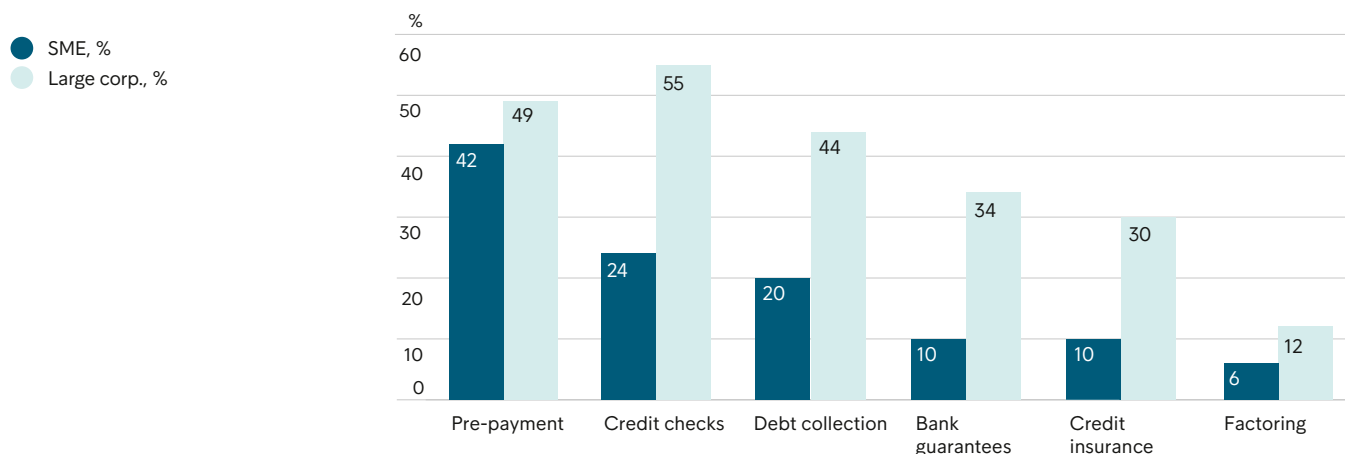
Large corporations are better at taking advantage of the current global low interest rate environment than SMEs. 15 percent of SMEs say that the global low interest rate environment has led them to increase their investments. This is to be compared with 27 percent of large corporations saying the same.

Only 27 percent of SMEs, compared with 52 percent of large corporations, say they are familiar with the European Late Payment Directive applicable to B2B and public sector clients that are late with their payments to a company. Furthermore, 24 percent of large corporations also say that they have noted a positive impact on their delayed payments from debtors stemming from the Late Payment Directive, to be compared with 18 percent of SMEs saying the same. The awareness of national legislations that have been implemented to comply with the EU Directive is not particularly well known among SMEs either, with only 33 percent saying that they are aware of the local legislations. This is unfortunate as these rules have been implemented to protect businesses and engender a sound payment climate.

Have you been asked to accept longer payment terms than you feel comfortable with?



What precautions does your company undertake to protect against bad payment?



4 European regions

EAST

Slovenia, Slovakia,
Serbia, Croatia,
Romania,
Poland, Czech
Republic,
Bulgaria and
Bosnia Herzegovina



Companies in the Eastern region perceive the highest level of risks stemming from debtors

14 percent of companies in the Eastern region of Europe report anticipate risks from their debtors increasing over the next 12 months. 75 percent of companies in the Eastern region report seeing such risks as being stable and 11 percent as declining. The 14 percent of companies in the Eastern region anticipating risks increasing can be compared with 7 percent saying the same in the Northern region of Europe and 9 percent saying the same in the Southern region of Europe. A similar level of perception of risk as in the Eastern region is observed in the Central region, where 13 percent of companies state that they anticipate risks stemming from their companies' debtors as increasing in the next 12 months.

Low level of awareness of the European Late Payment Directive among businesses in the Eastern region

Only 14 percent of companies in the Eastern region of Europe report that they are familiar with the European Late Payment Directive, which can be compared with the European average of 28 percent of companies saying the same and 45 percent of companies in the Southern region saying the same – the latter being the highest exhibited regional rate of familiarity with the directive in question.

Eastern region companies would like the European Late Payment Directive to include consumers

35 percent of companies in the Eastern region of Europe say that they would

benefit from an inclusion of late payments from consumers under the European Late Payment Directive and not only of B2B and public-sector customers as is currently the case. This is the highest rate of companies stating this to be the case among all of the European regions and can be compared with the European average of 29 percent of businesses stating the same with 16 percent of companies in the Northern region stating the same, the latter being the lowest rate of such sentiment exhibited among all of the European regions.

Companies in the Eastern region are pessimistic about the effects of a weakened European Union

27 percent of companies in the Eastern region of Europe report that a weaker European Union, due to challenges such as Brexit, would impact their business in a negative manner. This is on par with companies in the Southern region where 27 percent also state the same and a substantially higher share than is the case in the Northern region at 20 percent, the latter exhibiting the lowest rates of worry among companies regarding a weakened European Union.

Eastern region companies exhibit the highest level of bad debt loss

Companies in the Eastern region of Europe report the highest average bad debt loss in 2017 at 2 percent of total annual revenue, which is down from 2.6 percent in bad debt losses among companies in the Eastern region in 2016 and can be compared with the European average for bad debt losses in 2017 at 1.7 percent.

SOUTH

Spain, Portugal,
Italy and Greece



Southern region businesses fear liquidity squeezes stemming from late payments

29 percent of companies in the Southern region of Europe state that they fear a high impact in the form of liquidity squeezes stemming from late payments. This is the highest rate of such fears among all regions and can be compared with a European average of 21 percent for Europe as a whole.

Businesses in the Southern region are the slowest to hand over outstanding invoices to a collection agency

The Southern region of Europe exhibits the longest average period of time taken to hand over an outstanding invoice to a collection agency, with 115 days being the average length of time reported for doing so by companies in this region. This is to be compared with an average of 82 days for Europe as a whole. The Northern region exhibits the shortest amount of time for companies to hand over outstanding invoices to collection agencies, with 55 days being the reported average there.

High awareness of the European Late Payment Directive among companies in the Southern region

45 percent of companies in the Southern region of Europe report that they are familiar with the European Late Payment Directive, instituted and upheld by the European Union. Among all of the regions, this is the

highest rate of companies reporting that they are aware of this directive, and can be compared with the European average of companies reporting the same at 28 percent.

High awareness of national regulations regarding non-payment or late payments among Southern region businesses

66 percent of companies in the Southern region of Europe state that they are familiar with national regulations regarding non-payment or late payments. This is the highest rate of self-reported familiarity exhibited among all of the European regions, with the European average amounting to 58 percent. The lowest rate of self-reported familiarity with national regulations regarding non-payment or late payments is reported by the Northern region, where 50 percent of companies state that they are familiar with national regulations on this topic.

New legislation high on the agenda for Southern region companies to remedy late payments

52 percent of companies in the Southern region state that they would like to see the introduction of new legislation as a remedy to solve the problem of late payments. This is the highest rate of companies stating this point of view among all of the regions in Europe, with the European average for companies stating the same amounting to 42 percent.



NORTH

The Nordics and the Baltics



Companies in the Northern region are the fastest to send outstanding invoices to a collection agency

The Northern region reports the shortest average amount of time for sending outstanding invoices to a collection agency. The average time taken to send outstanding invoices to a collection agency in the Northern region is reported to be 55 days by the companies included in this study, compared with 82 days on average for Europe as a whole and 115 days on average for the Southern region of Europe. The latter being the region exhibiting the longest average times reported for handing over outstanding invoices to collection agencies.

Northern region companies report limited impact on late payments from the European Late Payment Directive

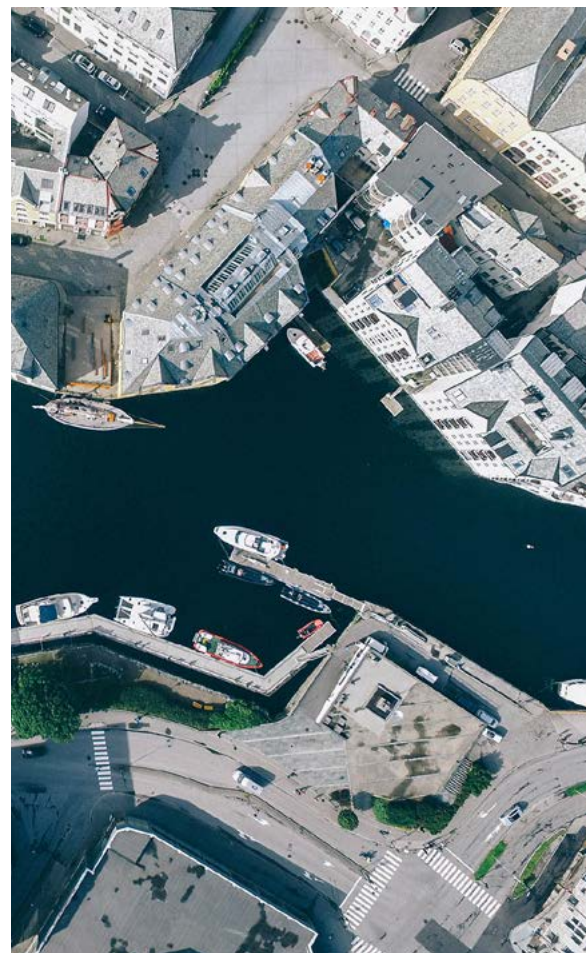
In the Northern region, 5 percent of companies report positive effects from the European Late Payment Directive, instituted and upheld as law by the European Union, with fewer delays as a result. This is the lowest reported regional rate. The European average rate for companies stating that the impact has been positive amounts to 19 percent. 86 percent of companies in the Northern region also explicitly report no impact, which is also the highest rate among all four European regions and can be compared with the European average of 74 percent for the same response.

New legislation to remedy overly long payment terms low on the agenda for companies in the North

24 percent of the companies polled in the Northern region of Europe state that national regulation would be preferable in order to solve the problem of long payment terms. This is the lowest rate of companies stating this to be a preferred and viable solution among all of the regions in Europe, with the European average amounting to 38 percent of companies stating the same. Instead, 30 percent of companies in the Northern region indicate voluntary initiatives from corporations as an alternative route for resolving such problems, with the European average of companies preferring voluntary initiatives standing at 26 percent.

Half of Northern region businesses report being pressured into accepting overly long payment terms

54 percent of the companies polled in the Northern region of Europe report that they have been asked to accept longer payment terms than they feel comfortable with. This is the lowest reported rate of such inquiries in a regional European context and can be



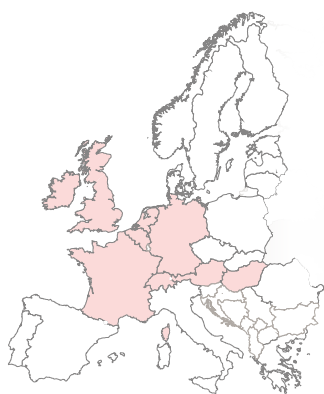
compared with the European average of 59 percent of companies reporting the same.

Companies in the Northern region exhibit the shortest length of payment terms

Businesses in the Northern region of Europe exhibit the shortest length of time extended to their customers and clients as payment terms and this is regardless of the type of client. On average, companies in the Northern region award B2C customers 16 days, B2B customers 22 days and public sector entities 23 days as payment terms. This is to be compared with the European average of 23 days for B2C customers, 32 days for B2B clients and 34 days for public sector entities.

CENTRAL

The UK, Switzerland, the Netherlands, Ireland, Hungary, Germany, France, Belgium and Austria



Low interest rate environment has increased investments in the Central region of Europe

The Central region of Europe exhibits the highest rate of companies reporting that the low interest rate environment of recent years has generated increased investments. 17 percent of companies in the Central region of Europe say that low interest rates have generated increased investments, as opposed to decreased investments or no changes to the level of investments. This can be compared with the Northern region of Europe where 13 percent of the companies polled say that the global low interest rate environment of recent years has generated an increase in investments.

Although cryptocurrencies remain uncommon, the Central region exhibits the highest average level of adoption

4 percent of the companies polled in the Central region of Europe report that they accept cryptocurrencies, such as Bitcoin or Ethereum, as payment from their clients and customers. This can be compared with the European average where 2 percent of companies report that they do the same. 3 percent of companies in the Central region also report that they hold cryptocurrencies for purposes other than payment, such as

investment. Again, this is the highest rate exhibited in Europe where the average rate of European companies reporting the same amounts to 2 percent.

Highest impact of GDPR on payment routines reported by companies in the Central region of Europe

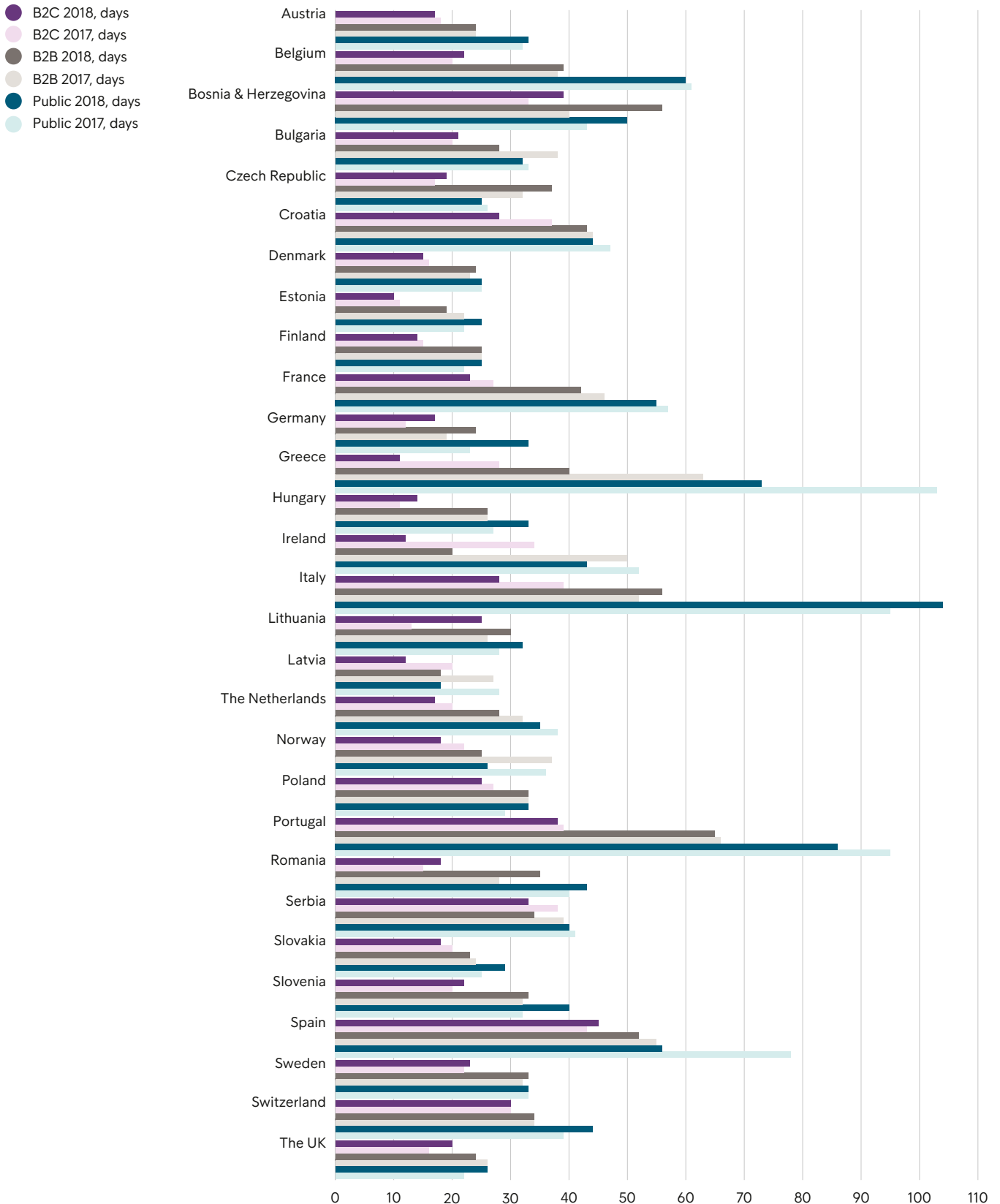
16 percent of companies in the Central region of Europe report saying that the implementation of GDPR as of May 25, 2018, will have an impact on their payment routines. This is the highest rate of companies reporting such effects from the implementation of GDPR exhibited across Europe with the European average being 14 percent.

Companies in the Central region report a positive impact from the European Late Payment Directive

The Central region of Europe reports the highest rate of companies perceiving positive impacts from the European Late Payment Directive, instituted and upheld as European law by the European Union. 25 percent of companies in the Central region report that the directive has had a positive impact in the form of fewer delays, to be compared with a European average of 19 percent of companies stating the same.

Payment behavior

What is the average time actually taken by customers to pay?

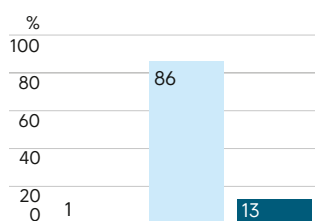


Risk forecast per country

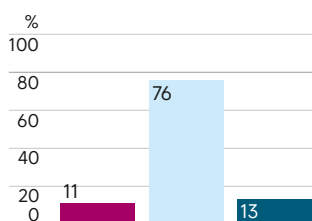
How do you see risks from your company's debtors developing during the next 12 months?



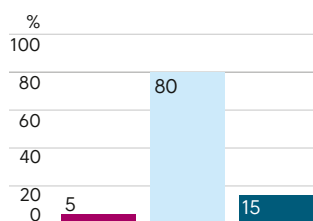
Latvia



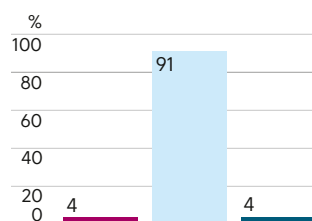
Lithuania



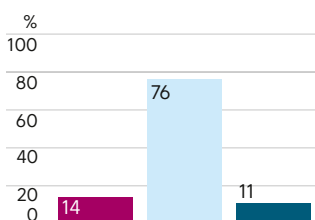
The Netherlands



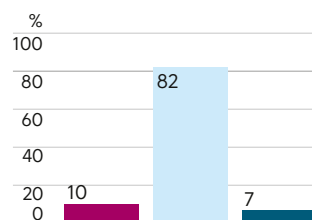
Norway



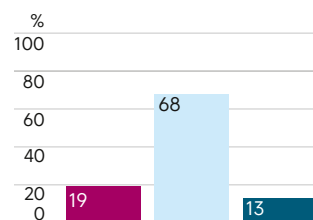
Poland



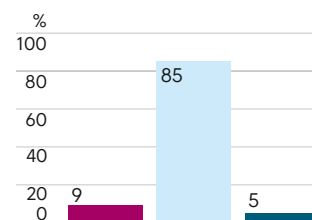
Portugal



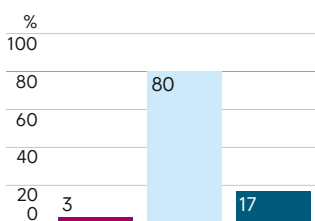
Romania



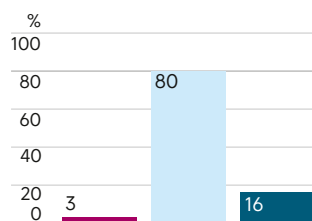
Serbia



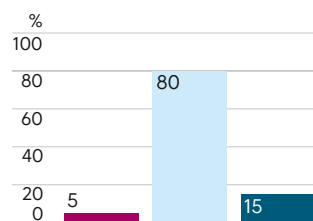
Slovakia



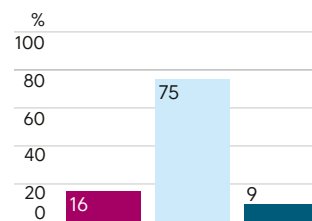
Slovenia



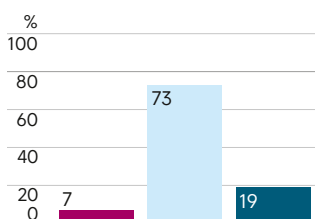
Spain



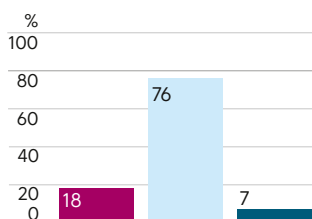
Sweden



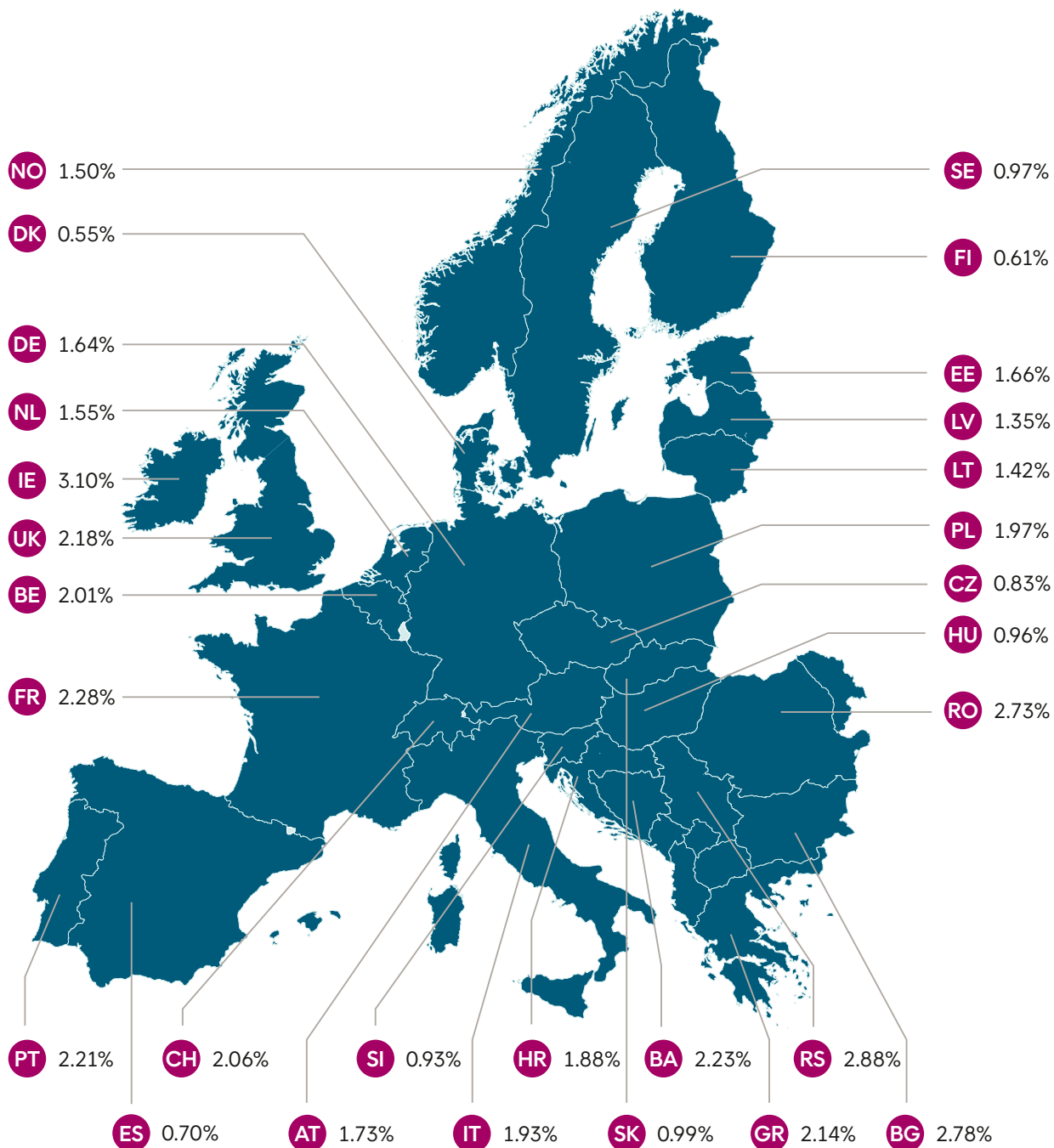
Switzerland



The UK



Percentage of yearly revenues that have to be written off



Key findings per country

Information on a country
specific level



External sources for economical development 2017:

GDP per capita: International Monetary Fund, World Economic Outlook Database, October 2017

Conversion rates for non-euro (date: 01-01-2018): https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en

Real GDP growth: https://ec.europa.eu/info/sites/info/files/economy-finance/autumn_2017_economic_forecast_-_statistical_annex.pdf

Inflation rate HICP: <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00118&plugin=1>

Unemployment rate: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_m&lang=en

Key findings

Only few companies in Austria say they are familiar with the European Late Payment Directive

The level of awareness regarding the European Late Payment Directive remains low in Austria. Only 10 percent of businesses in Austria say that they are familiar with the European Late Payment Directive. This can be compared with Europe as a whole, where 28 percent say they are familiar with the directive.

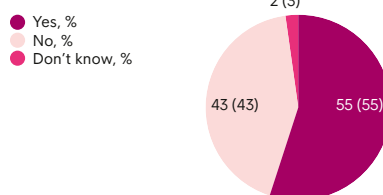
The implementation of GDPR will impact only a small portion of companies in Austria

Of the companies polled in Austria, 17 percent state that the introduction of GDPR will have an impact on their payment routines, which is slightly more than for companies across Europe on the whole. An average 14 percent of European companies state the same. When asked whether GDPR would be positive or negative for business, 46 percent say the impact will be neutral. Among Austrian companies, 16 percent say that the impact will be negative, which is slightly higher than the portion for Europe as a whole, where 8 percent report the same expectation.

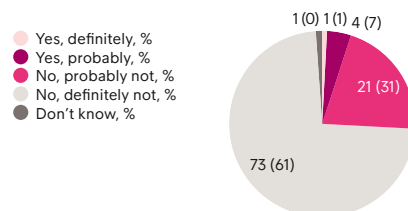
Most Austrian businesses accept excessively long payment terms

Two out of three (67 percent) Austrian companies say that they have accepted payment terms that are longer than they feel comfortable with extending to their customers. Among those companies that have accepted payments terms that are longer than comfortable, 62 percent state that they have accepted payment terms that are longer than they are comfortable with from small to medium sized companies.

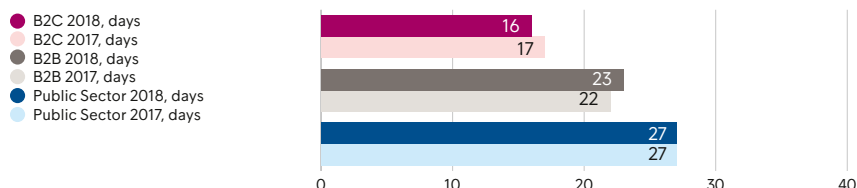
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?



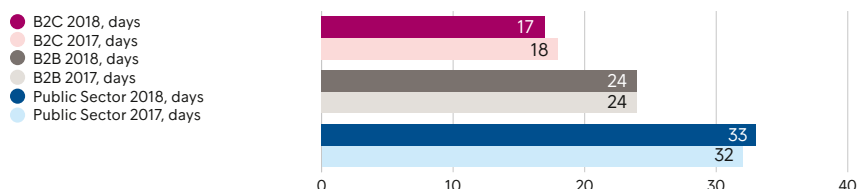
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



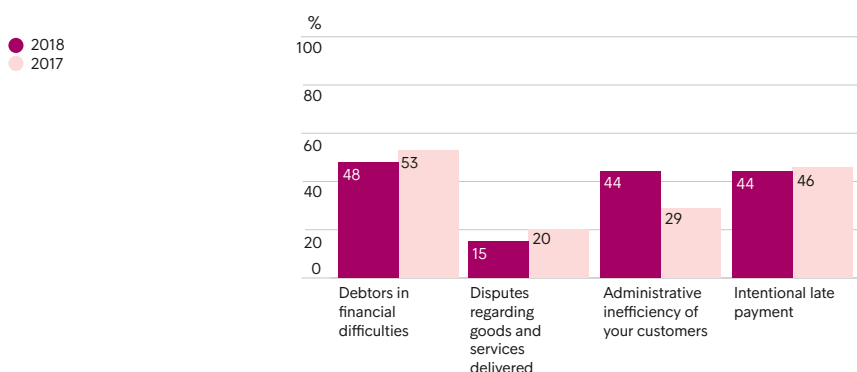
What payment terms do you allow your customers, on average?



What is the average time actually taken by customers to pay?



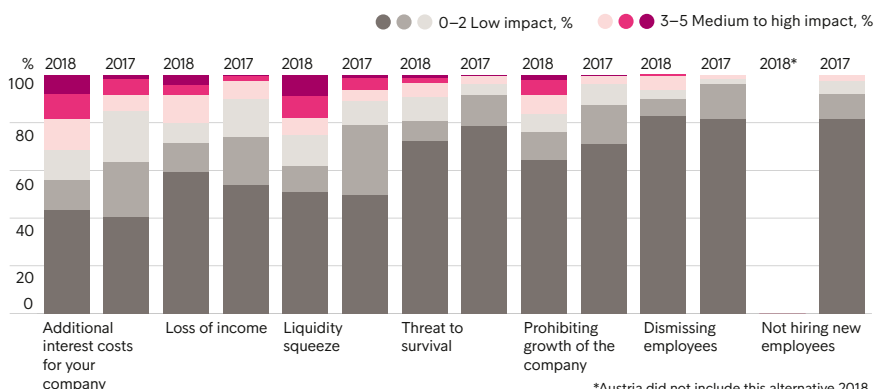
What are the main causes of late payment of your own customers?



Economic development 2017

	Austria	EU, average
GDP per capita in euro 2017	41,174.33	29,667.00
GDP percentage growth on previous year 2017	2.6	2.2
Inflation, % 2017	2.2	1.7
Unemployment rate, % 01-2018	5.5	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:



*Austria did not include this alternative 2018

Key findings

Low level of awareness about the European Late Payment Directive among Belgian businesses

Of European businesses in general, 28 percent say that they are familiar with the European Late Payment Directive, which can be compared with 18 percent of Belgian businesses saying the same. However, a higher share of Belgian businesses (41 percent) state that they are aware of national regulations on late or missing payments.

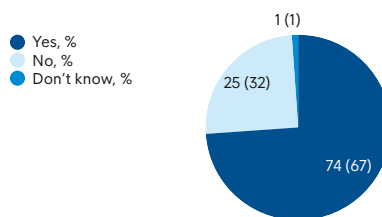
A majority of Belgian companies have accepted overly long payment terms

Among the Belgian companies polled, fully 74 percent say that they have been asked to accept payment terms that are longer than they feel comfortable with. Furthermore, 71 percent of Belgian companies state that they have also accepted payment terms that are longer than comfortable, a much higher share than the European average of 56 percent.

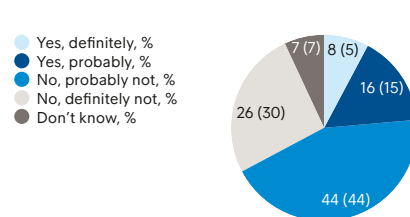
Intentional business practices are the primary cause of late payments in Belgium

Of the Belgian businesses polled, 72 percent say that intentional practices are the main cause of late payment, which can be compared with the average of 48 percent European businesses as a whole agreeing to the same. 68 percent of companies also state that administrative inefficiencies among customers are a principal cause of late payment, which is again well above the European average of 45 percent.

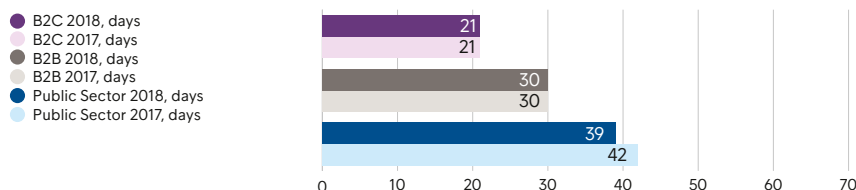
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?



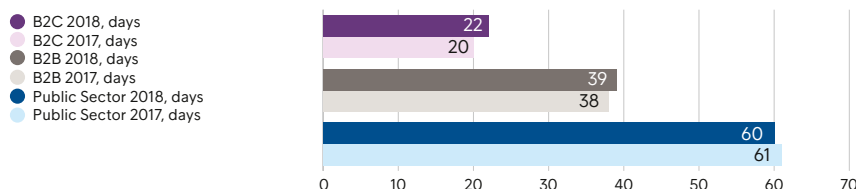
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



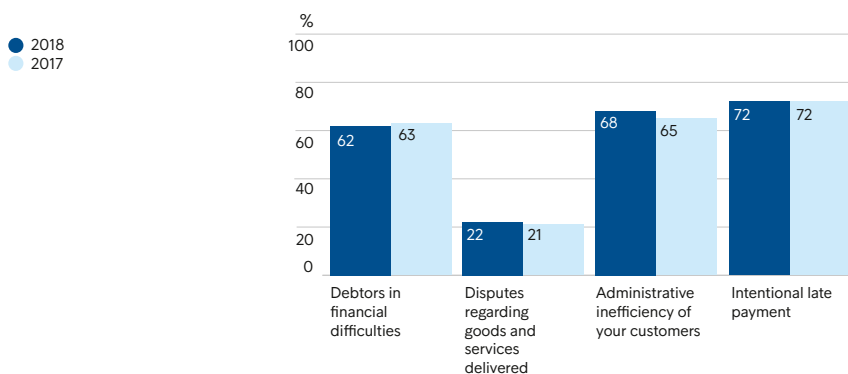
What payment terms do you allow your customers, on average?



What is the average time actually taken by customers to pay?



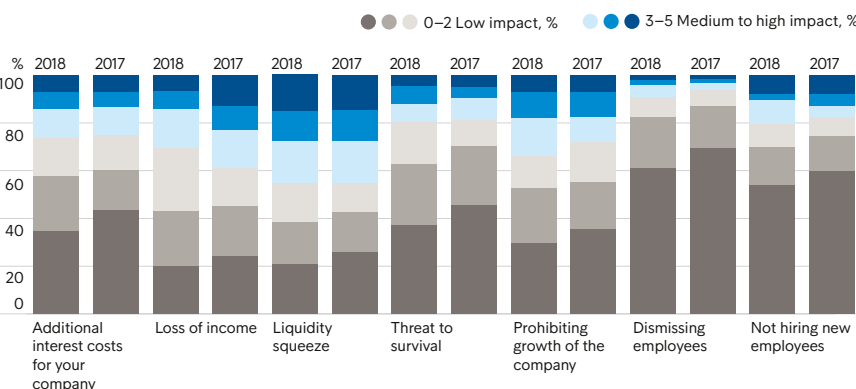
What are the main causes of late payment of your own customers?



Economic development 2017

	Belgium	EU, average
GDP per capita in euro 2017	38,343.47	29,667.00
GDP percentage growth on previous year 2017	1.7	2.2
Inflation, % 2017	2.2	1.7
Unemployment rate, % 01-2018	6.6	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:



Key findings

Businesses in Bosnia and Herzegovina expect risks from debtors to increase

More than a third (35 percent) of businesses polled in Bosnia and Herzegovina anticipate risks from debtors increasing over the next 12 months, which is a substantially higher share of companies saying so than the European average. When polled, 12 percent of European businesses reported similar fears.

Debtors experiencing financial difficulties are a principal cause of late payment in Bosnia and Herzegovina

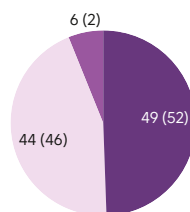
Similar to last year's results, late payments in Bosnia stem primarily from the financial challenges that businesses in Bosnia and Herzegovina face. Of businesses in Bosnia and Herzegovina, 87 percent state that the main cause of late payments among their customers stems from debtors experiencing financial difficulties. This is a higher reported share than the average of 62 percent of European businesses stating the same.

Low level of awareness regarding GDPR among businesses in Bosnia and Herzegovina

The level of awareness regarding the new EU GDPR legislation is very low in Bosnia and Herzegovina. When polled regarding GDPR, two thirds (67 percent) of businesses in Bosnia and Herzegovina state that they have not heard about it previously. This can be compared with the European average of 27 percent of businesses claiming ignorance on this issue.

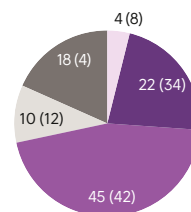
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

Yes, %
No, %
Don't know, %



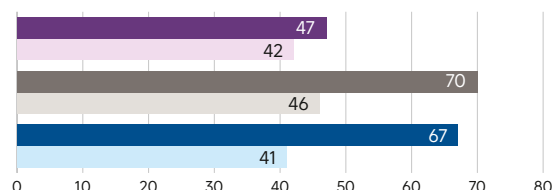
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

Yes, definitely, %
Yes, probably, %
No, probably not, %
No, definitely not, %
Don't know, %



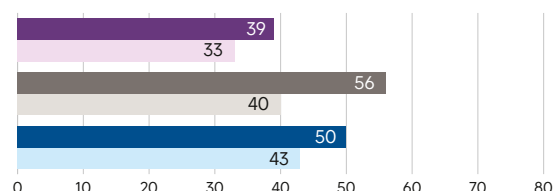
What payment terms do you allow your customers, on average?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



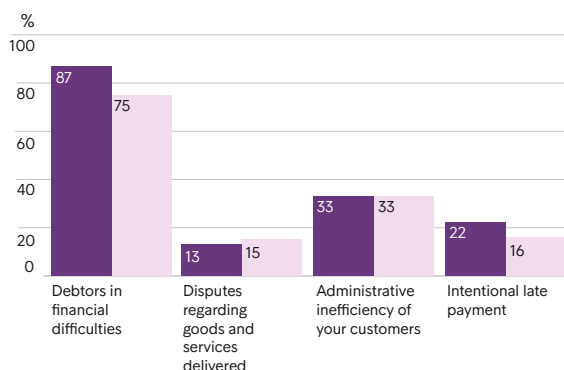
What is the average time actually taken by customers to pay?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



What are the main causes of late payment of your own customers?

2018
2017

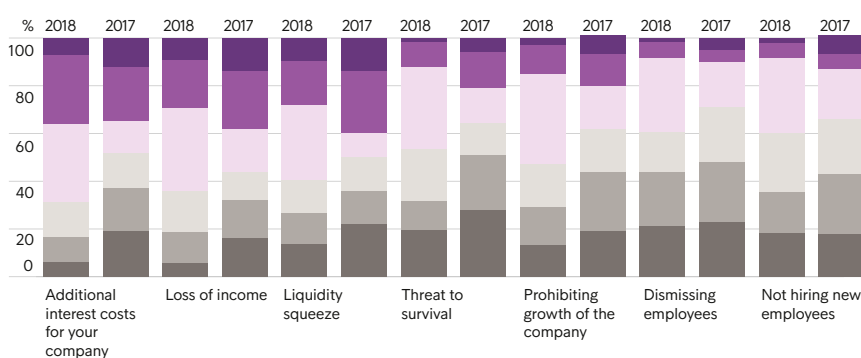


Economic development 2017

	Bosnia and Herzegovina	EU, average
GDP per capita in euro 2017	4,092.73	29,667.00
GDP percentage growth on previous year 2017	2.0	2.2
Inflation, % 2017	1.8	1.7
Unemployment rate, % 01-2018	20.5	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

0-2 Low impact, %
3-5 Medium to high impact, %



Key findings

Risks from debtors expected to increase, according to many Bulgarian companies polled

One out of four (26 percent) of the Bulgarian businesses polled state that they anticipate risks from their debtors increasing over the next 12 months, which is a substantially higher share than the European average, with 12 percent stating the same fears.

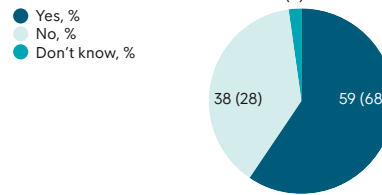
Bulgarian businesses report a level of bad debt loss among the highest in Europe

Average bad debt loss as a percentage of total annual revenue amounted to 2.8 percent in Bulgaria in 2017, according to the Bulgarian businesses polled. This is a much higher rate of bad debt loss than the European average of 1.7 percent. However, the bad debt loss among Bulgarian companies in 2017 was nonetheless down from the levels reported by Bulgaria in 2016 which averaged 4.1 percent.

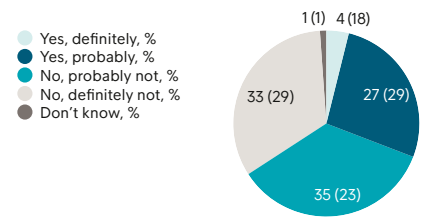
Bulgarian businesses say that faster payments would translate into increased hiring

Almost a third (31 percent) of the Bulgarian businesses polled say that they would be able to hire more employees if their debtors were faster with their payments. This can be compared with the European average of 20 percent of European businesses saying the same. Of the Bulgarian businesses polled, 38 percent also stated that late payments prohibit them from pursuing growth prospects in their companies.

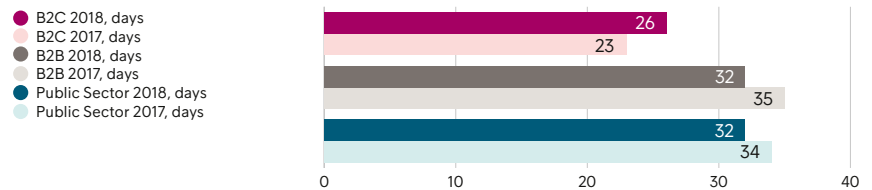
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?



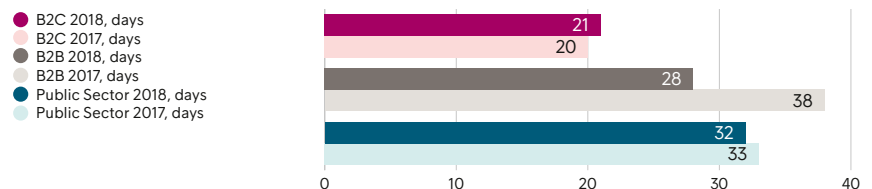
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



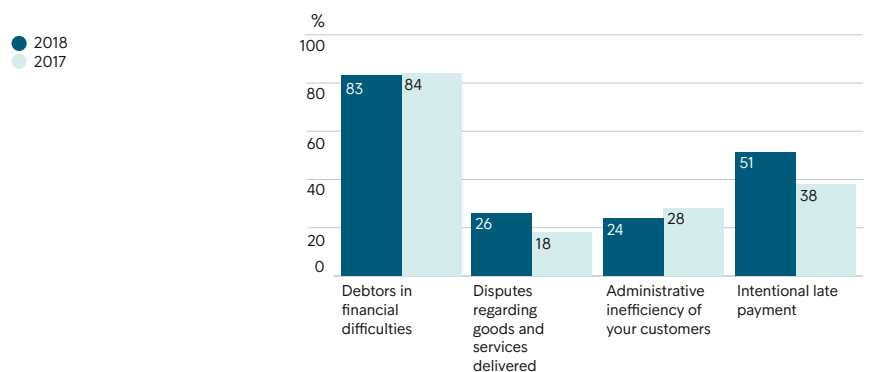
What payment terms do you allow your customers, on average?



What is the average time actually taken by customers to pay?



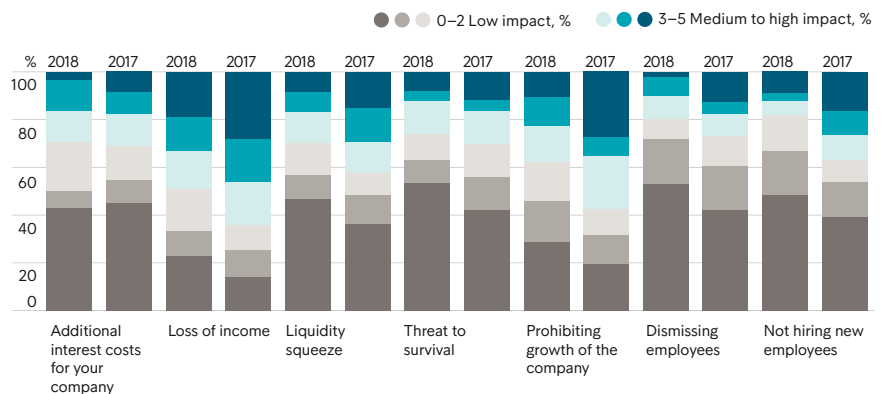
What are the main causes of late payment of your own customers?



Economic development 2017

	Bulgaria	EU, average
GDP per capita in euro 2017	7,025.15	29,667.00
GDP percentage growth on previous year 2017	3.9	2.2
Inflation, % 2017	1.2	1.7
Unemployment rate, % 01-2018	5.9	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:





Key findings

Faster payments will increase hiring according to polled Croatian companies

Of the businesses polled in Croatia, 36 percent report that faster payments from their debtors would enable them to hire additional employees. This is a substantially higher share of companies stating such a position than the European average at 20 percent.

Cryptocurrencies are rare, but some Croatian companies accept them as payment

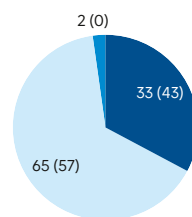
The use of cryptocurrencies, such as Bitcoin or Ethereum, remains rare in Europe with a reported rate of adoption of, on average, 2 percent for Europe as a whole. Among the Croatian businesses polled, 4 percent state that they accept cryptocurrencies as payment from customers or clients.

Low level of awareness among Croatian companies regarding the European Late Payment Directive

The self-reported level of awareness regarding the European Late Payment Directive is low in Croatia. Only 10 percent of the Croatian businesses polled say they are familiar with this piece of EU legislation, compared with the European average of 28 percent. However, the level of awareness of national regulations is substantially higher among Croatian businesses compared with the familiarity with the European Late Payment Directive. Of the Croatian companies polled, 73 percent agree that they are familiar with national regulations on late or missing payment, which can be compared with the European average of 58 percent.

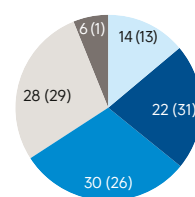
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, %



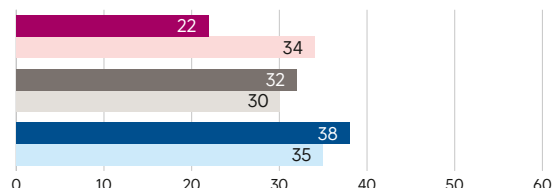
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



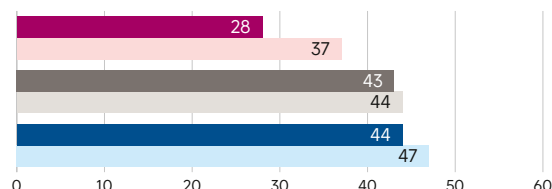
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



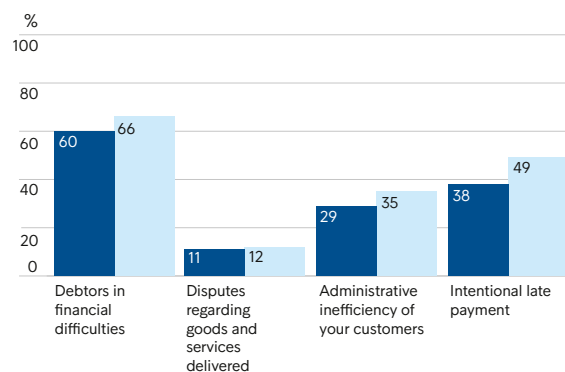
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

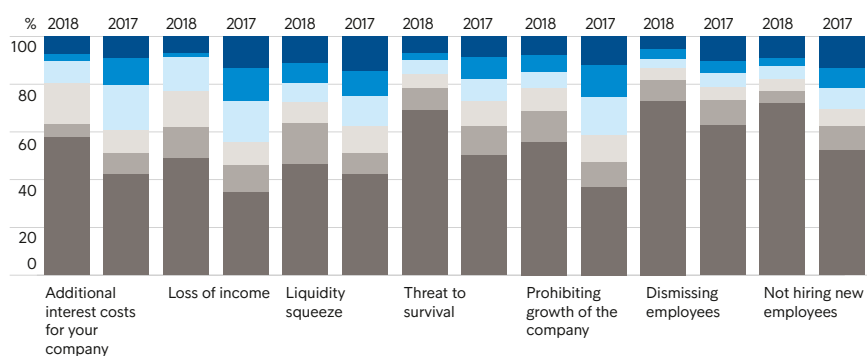


Economic development 2017

	Croatia	EU, average
GDP per capita in euro 2017	11,506.53	29,667.00
GDP percentage growth on previous year 2017	3.2	2.2
Inflation, % 2017	1.3	1.7
Unemployment rate, % 01-2018	9.8	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, % ● 3-5 Medium to high impact, %



Key findings

High level of use of pre-payments among Czech businesses to protect against bad payment

The most common way for businesses in the Czech Republic to protect themselves from bad payment is through the use of pre-payments, a practice that 72 percent of Czech businesses say they implement for this purpose. Almost four out of ten (38 percent) businesses in the Czech Republic also say they use debt collection as a means to protect themselves against bad payments. This is a much higher share than for Europe as a whole where, on average, 21 percent say they apply these practices.

Czech businesses anticipate GDPR will impact their payment routines

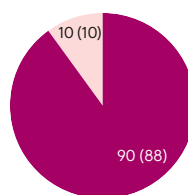
When asked about the implementation of GDPR, 18 percent of Czech businesses state that it will have an impact on their payment routines. This is a slightly higher share than for Europe as a whole, where 14 percent state the same expectation. A third (33 percent) of the Czech companies polled also stated that GDPR will have a negative impact on their business.

A majority of the Czech companies polled have accepted excessively long payment terms

Among the Czech companies polled, nine out of ten (89 percent) say that they have accepted payment terms that are longer than they actually felt comfortable with. This can be compared with the European average of 56 percent of European businesses stating the same.

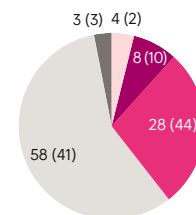
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

Yes, %
No, %
Don't know, 0% (1)



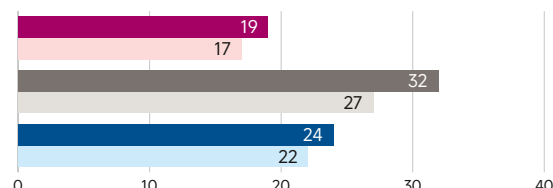
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

Yes, definitely, %
Yes, probably, %
No, probably not, %
No, definitely not, %
Don't know, %



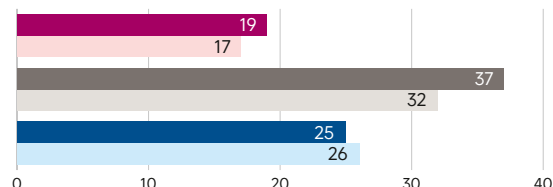
What payment terms do you allow your customers, on average?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



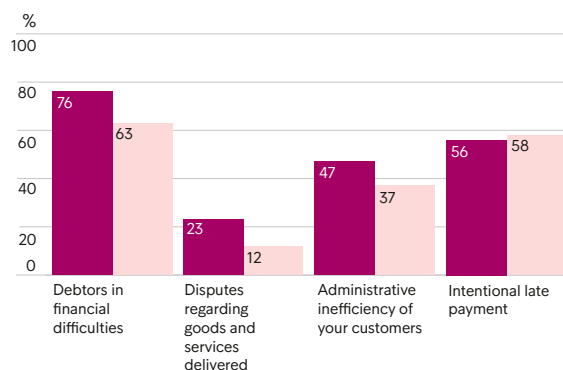
What is the average time actually taken by customers to pay?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



What are the main causes of late payment of your own customers?

2018
2017

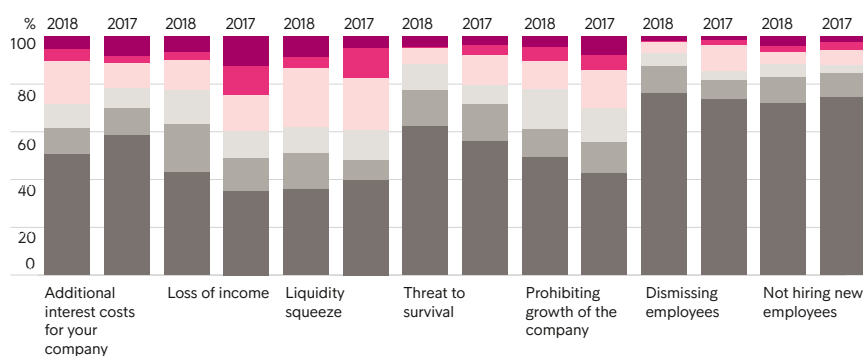


Economic development 2017

	Czech Republic	EU, average
GDP per capita in euro 2017	18,509.08	29,667.00
GDP percentage growth on previous year 2017	4.3	2.2
Inflation, % 2017	2.4	1.7
Unemployment rate, % 01-2018	2.4	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

0-2 Low impact, %
3-5 Medium to high impact, %



Key findings

Danish companies report the lowest level of bad debt loss in Europe

Reported bad debt loss as a percentage total annual revenue in 2017 amounts to a low 0.6 percent among the Danish companies polled. This makes Denmark the European country with the lowest level of bad debt losses in 2017. The situation was the same in 2016 when bad debt losses averaged 0.5 percent in Denmark. In 2017, bad debt losses in European as a whole averaged 1.7 percent.

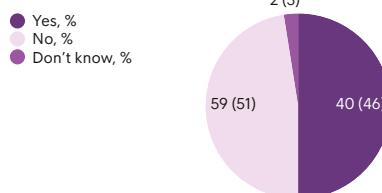
Danish companies expect GDPR to have little impact on their payment routines

Only 8 percent of the Danish businesses polled anticipate that the implementation of GDPR will impact their payment routines. However, 19 percent of the Danish companies polled expect GDPR to have a negative impact on their business, which can be compared with Europe as whole where only 8 percent of businesses anticipate the same.

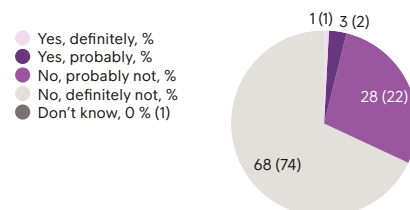
Limited knowledge on the European Late Payment Directive

Self-reported familiarity with the European Late Payment Directive is relatively low in Denmark. Only 10 percent of the Danish businesses polled say that they are familiar with this directive, which can be compared with the European average, which is almost three times as high, with a self-reported level of familiarity of 28 percent among businesses.

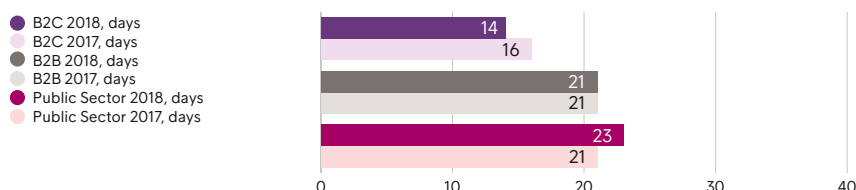
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?



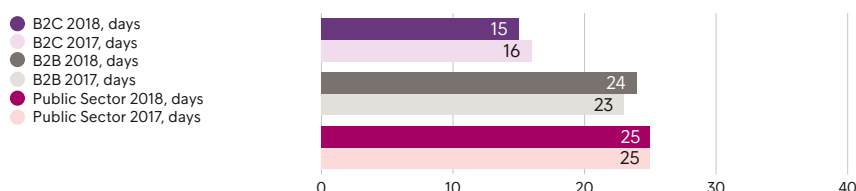
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



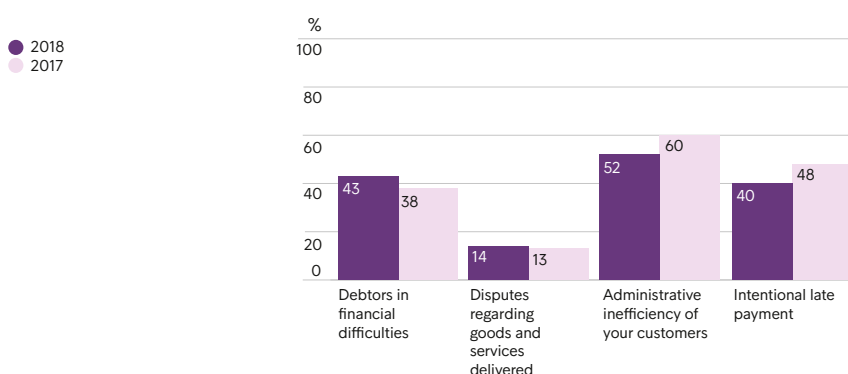
What payment terms do you allow your customers, on average?



What is the average time actually taken by customers to pay?



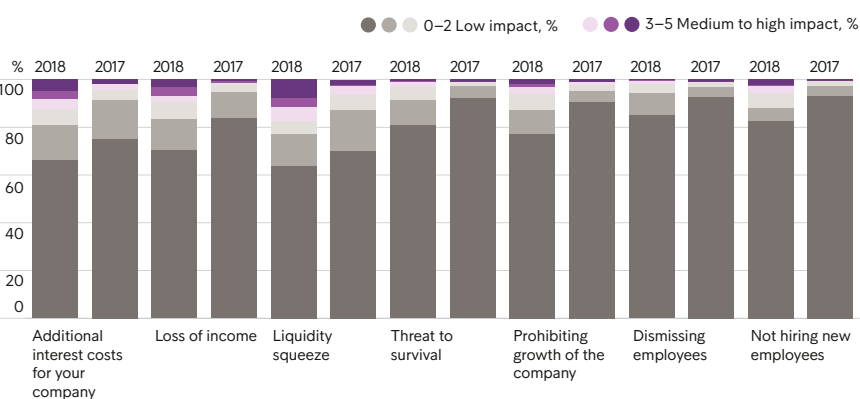
What are the main causes of late payment of your own customers?



Economic development 2017

	Denmark	EU, average
GDP per capita in euro 2017	50,015.85	29,667.00
GDP percentage growth on previous year 2017	2.3	2.2
Inflation, % 2017	1.1	1.7
Unemployment rate, % 01-2018	5.2	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:



Key findings

Estonian companies use pre-payment to protect against bad payment

Among the Estonian businesses polled, 61 percent report using pre-payment as a means of protecting themselves against bad payment. This can be compared with the European average of 42 percent of businesses saying that they use pre-payment for this purpose. Among Estonian businesses, 40 percent also say that they use debt collection to avoid bad payment, which can be compared with Europe as a whole, where 21 percent of businesses report using the same practice.

Cryptocurrencies remain rare, although some Estonian businesses say they do accept them as payment

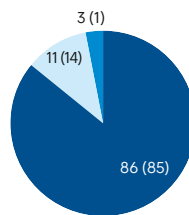
The use of cryptocurrencies, such as Bitcoin or Ethereum, remains rare in Europe as a whole with an average 2 percent of businesses saying that they accept them as payment. Of the Estonian businesses polled, 4 percent state that they accept cryptocurrencies as payment from customers or clients.

Estonian businesses claim a low level of knowledge regarding the European Late Payment Directive

Only 9 percent of the businesses polled in Estonia say they are familiar with the European Late Payment Directive. This is a level of awareness that is substantially below the average for Europe as a whole, where 28 percent of businesses say that they are familiar with the directive.

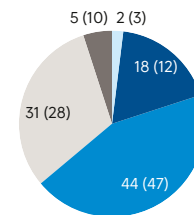
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, %



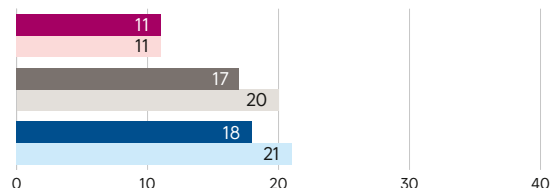
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



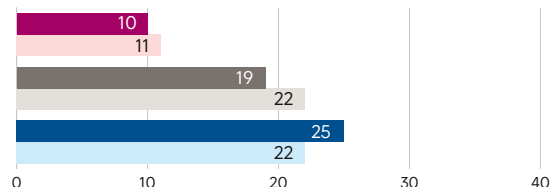
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



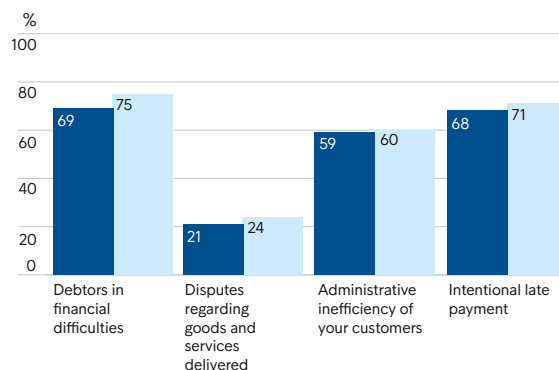
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

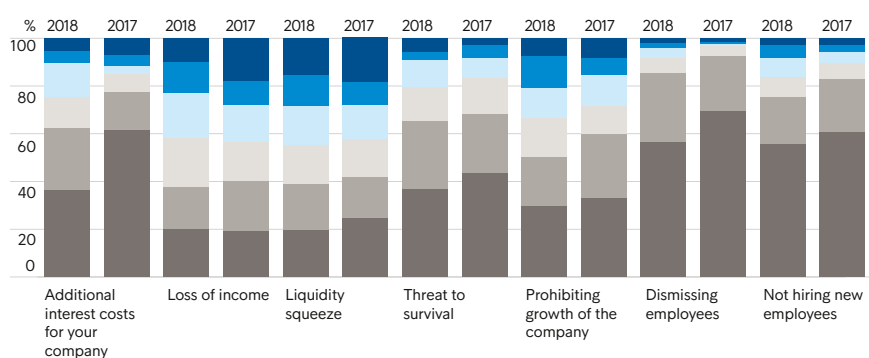


Economic development 2017

	Estonia	EU, average
GDP per capita in euro 2017	17,401.12	29,667.00
GDP percentage growth on previous year 2017	4.4	2.2
Inflation, % 2017	3.7	1.7
Unemployment rate, % 01-2018	5.5	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, %
● 3-5 Medium to high impact, %



Key findings

Finnish companies anticipate that GDPR will impact their payment routines

Of the companies polled in Finland, 15 percent state that the introduction of GDPR will have an impact on their payment routines, which is similar to the sentiment regarding this issue in Europe as a whole, where an average 14 percent of the companies polled state the same. When Finnish businesses are asked about the cost of implementing GDPR, a third (35 percent) say the implementation will incur costs of up to EUR 50,000.

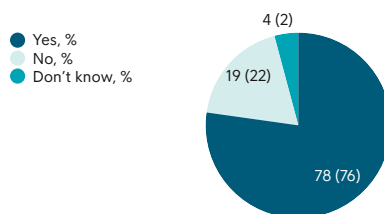
Administrative inefficiencies one of the main causes of late payment in Finland

About two thirds (67 percent) of the Finnish businesses polled report that inefficient administration by their clients is the main cause of late payment. This is substantially higher than for Europe as a whole with an average 45 percent of companies stating the same. Furthermore, 63 percent of Finnish businesses state that intentional late payments are a principal cause of late payment.

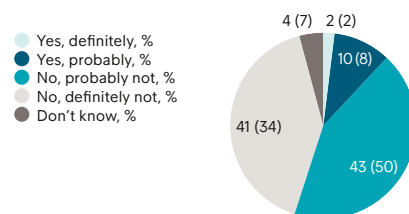
A majority of Finnish companies report having accepted excessively long payment terms

Among Finnish businesses, 75 percent report that they have accepted payment terms that are longer than they feel comfortable with. The European average for the same response is 56 percent. Among Finnish businesses, 40 percent state that they offer payment plans when a customer asks for longer payment terms, while a fourth (24 percent) of the Finnish businesses polled accept longer payment terms unconditionally.

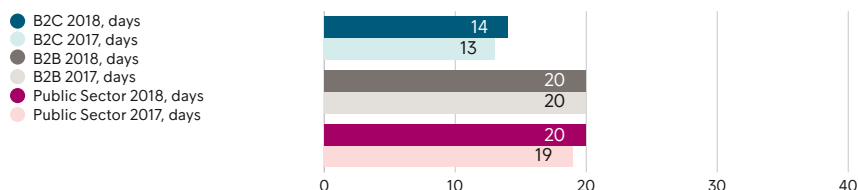
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?



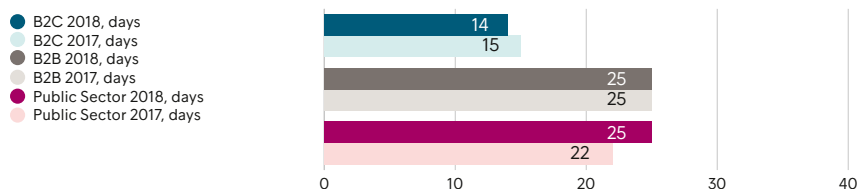
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



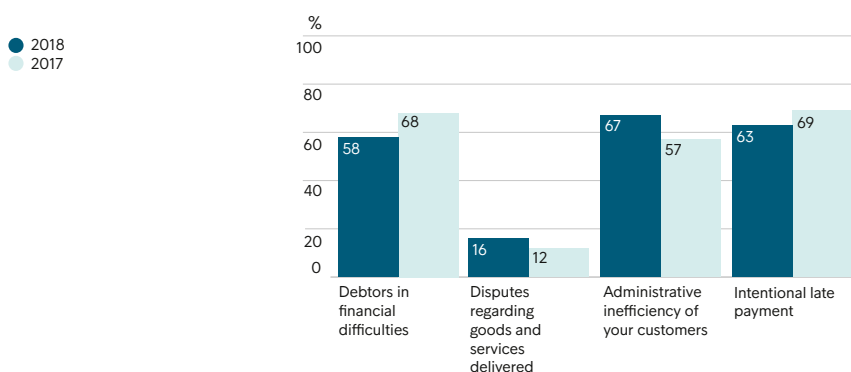
What payment terms do you allow your customers, on average?



What is the average time actually taken by customers to pay?



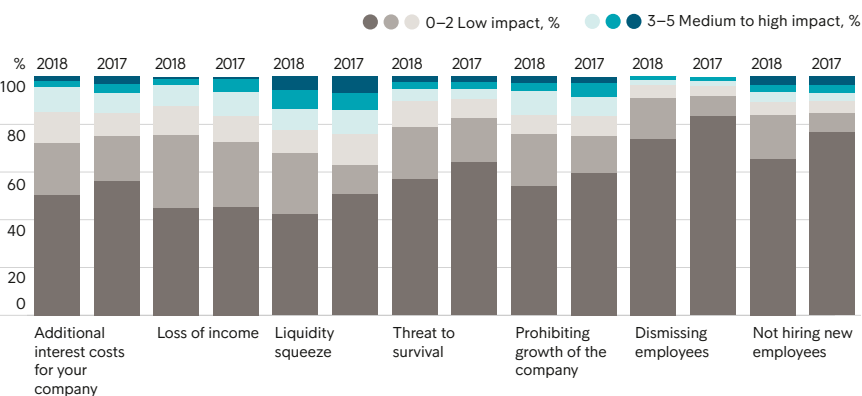
What are the main causes of late payment of your own customers?



Economic development 2017

	Finland	EU, average
GDP per capita in euro 2017	40,515.49	29,667.00
GDP percentage growth on previous year 2017	3.3	2.2
Inflation, % 2017	0.8	1.7
Unemployment rate, % 01-2018	8.5	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:





Key findings

Debt collection a common method among French companies to protect against bad payment

Of the French businesses polled, 44 percent cite debt collection as a business practice that they use to protect themselves against bad payment. This is a substantially higher rate of implementing debt collection for the purpose of protecting against bad payment than the level reported by European businesses as a whole. Of the European businesses polled, 21 percent say that they use debt collection to protect themselves against bad payment.

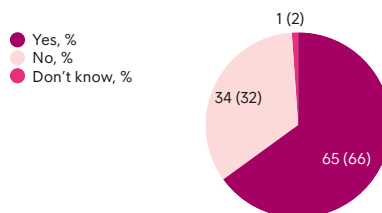
French companies report being familiar with the European Late Payment Directive

Almost half (49 percent) of the French businesses polled say that they are familiar with the European Late Payment Directive, which is a substantially higher level of awareness than in Europe as a whole, where 28 percent of businesses state the same level of familiarity. French companies are also more positive towards the directive. Of the French businesses polled, 40 percent report observing a positive impact in terms of fewer delays, whereas for Europe as a whole only 19 percent of the companies polled share the same sentiment.

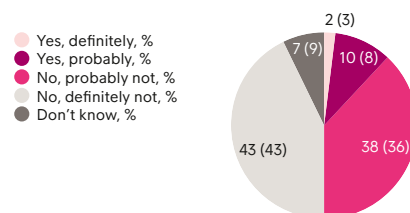
Intentional late payments a cause of concern in France

Two out of three (68 percent) French companies polled in the survey state that intentional late payment is a principal cause of late payment. This can be compared with the European average with 48 percent of businesses agreeing.

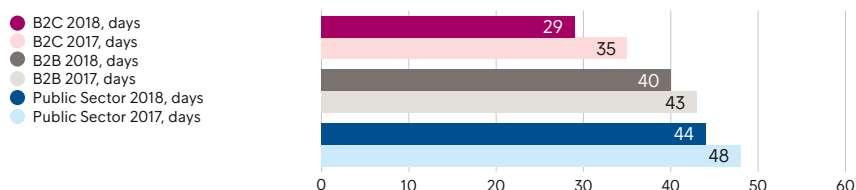
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?



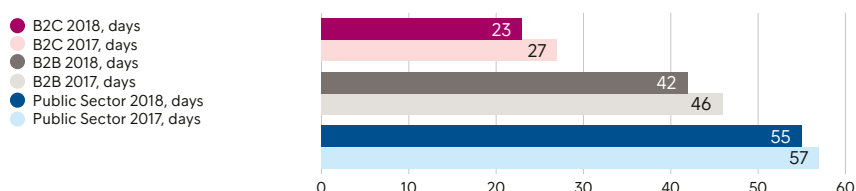
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



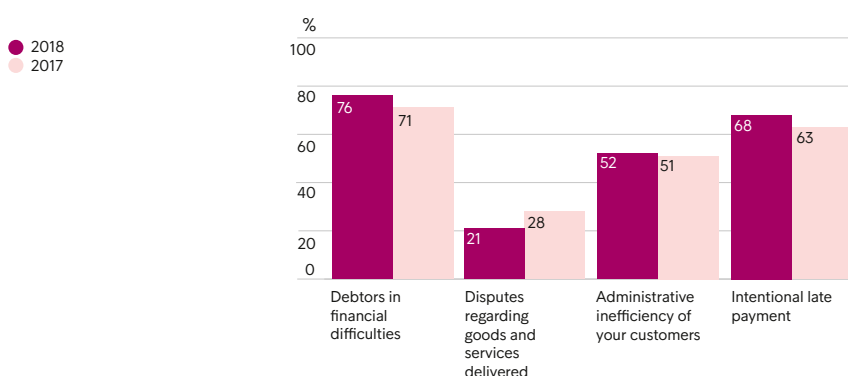
What payment terms do you allow your customers, on average?



What is the average time actually taken by customers to pay?



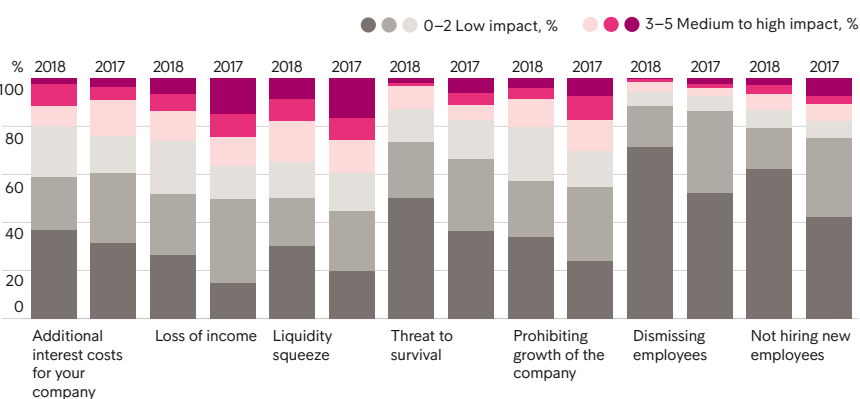
What are the main causes of late payment of your own customers?



Economic development 2017

	France	EU, average
GDP per capita in euro 2017	35,177.83	29,667.00
GDP percentage growth on previous year 2017	1.6	2.2
Inflation, % 2017	1.2	1.7
Unemployment rate, % 01-2018	9.0	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:



Key findings

The European Late Payment Directive seen by German companies as having a positive impact

Four out of ten (38 percent) German businesses polled state that they are familiar with the European Late Payment Directive, which is a higher level of familiarity than for Europe as a whole, where only 28 percent state the same. Furthermore, 29 percent of German businesses state that the directive has had a positive impact in terms of leading to fewer delayed payments, whereas for Europe as a whole only 19 percent observe the same positive impact on late payment.

German companies expect risks from debtors to remain stable going forward

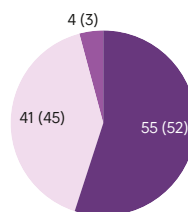
Of the German businesses polled, 85 percent anticipate risks from their debtors as remaining stable over the next 12 months and only 9 percent of German companies believe they will increase, which is slightly less than the European average of 12 percent.

Low level of awareness regarding GDPR among German businesses

Almost four out of ten (38 percent) German businesses polled state that they have never heard of GDPR, which is a higher rate of claimed unawareness than the European average of 27 percent. Furthermore, 9 percent of the German companies polled say that the implementation of GDPR will have an impact on their payment routines.

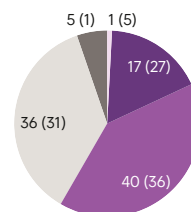
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

Yes, %
No, %
Don't know, %



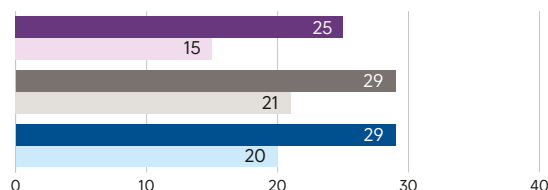
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

Yes, definitely, %
Yes, probably, %
No, probably not, %
No, definitely not, %
Don't know, %



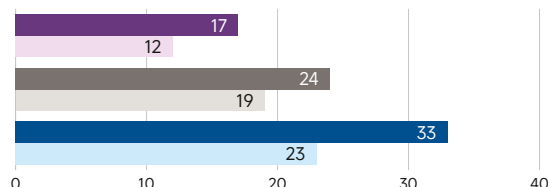
What payment terms do you allow your customers, on average?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



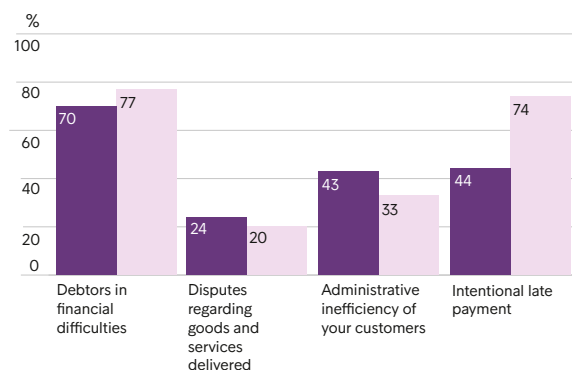
What is the average time actually taken by customers to pay?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



What are the main causes of late payment of your own customers?

2018
2017

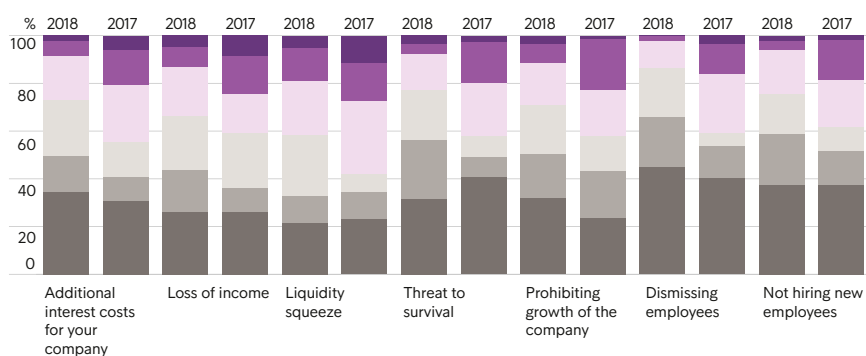


Economic development 2017

	Germany	EU, average
GDP per capita in euro 2017	39,177.97	29,667.00
GDP percentage growth on previous year 2017	2.2	2.2
Inflation, % 2017	1.7	1.7
Unemployment rate, % 01-2018	3.6	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

0-2 Low impact, %
3-5 Medium to high impact, %



Key findings

Many Greek businesses report slow payments as prohibiting increased recruitment

Of the Greek companies polled, 60 percent state that faster payments from debtors would enable them to increase their hiring of new employees. This can be compared with the European average of 20 percent of European businesses polled stating the same.

Greek companies report considerable pressure to accept excessively long payment terms

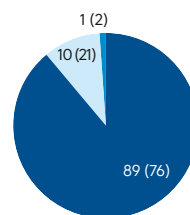
Of the Greek businesses polled, 89 percent state that they have been asked to accept payment terms that were longer than they felt comfortable with. Among Greek businesses, 81 percent also say that they have not only been pressured to accept excessively long payment terms, but that they have also accepted payment terms that were longer than felt comfortable with extending to their customers. This is a much higher share than the European average of 56 percent of businesses stating the same.

A very low level of awareness regarding GDPR observed among Greek companies

The level of awareness of the new EU legislation GDPR appears very low in Greece. Almost seven out of ten (69 percent) of Greek businesses state that they have not heard about it, which can be compared with the European average of 27 percent of businesses claiming the same unawareness. Six percent of the Greek companies polled do state that GDPR will have an impact on their payment routines, which can be compared with the European average of 14 percent.

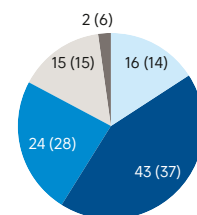
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, %



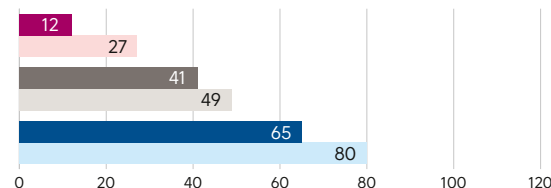
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



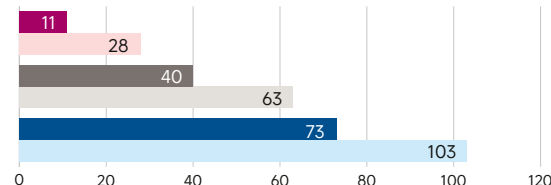
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



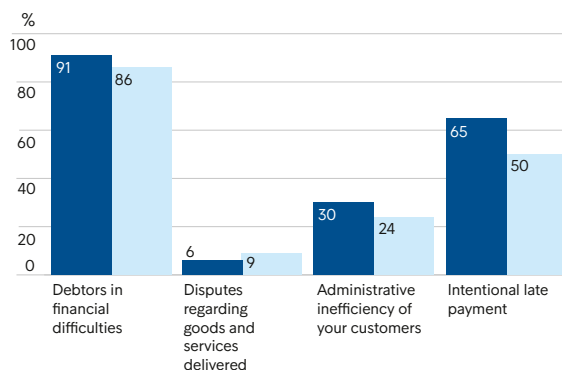
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

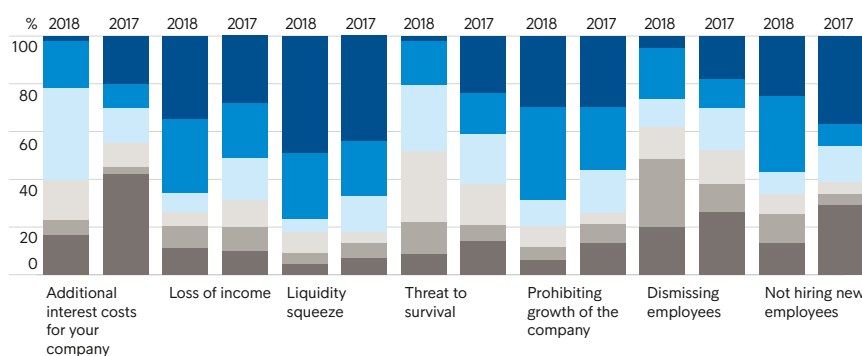


Economic development 2017

	Greece	EU, average
GDP per capita in euro 2017	16,798.45	29,667.00
GDP percentage growth on previous year 2017	1.6	2.2
Inflation, % 2017	1.1	1.7
Unemployment rate, % 01-2018	20.8	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, % ● 3-5 Medium to high impact, %



Key findings

Hungarian companies report late payment as a threat to survival

Almost a fourth (37 percent) of businesses in Hungary report that late payments threaten their survival. This is second only to the United Kingdom where 27 percent of companies state the same level of impact, and can be compared with the European average, with 10 percent of European businesses saying that late payments are a threat to survival to a high degree.

Late payments causing Hungarian companies to dismiss employees

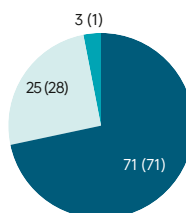
Hungary is near the top when it comes to reporting the impact of late payments as high in terms of causing employee dismissals. Among Hungarian companies, 19 percent report the impact of late payments on dismissals as being high, second only to the still highly troubled economy of Greece where 26 percent of companies report the same sentiment, which can be compared with the European average of 6 percent.

High level of awareness of national regulations reported by Hungarian companies

Among Hungarian companies, 78 percent say that they are familiar with national regulations regarding late or missing payments, which is the highest share observed in Europe and which can be compared with the European average of 58 percent.

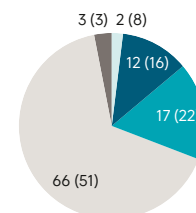
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, %



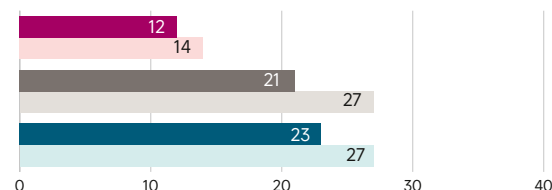
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



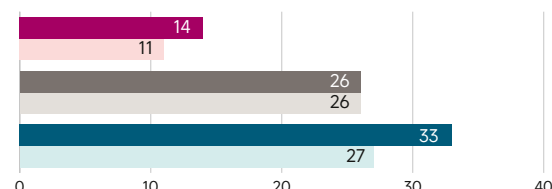
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



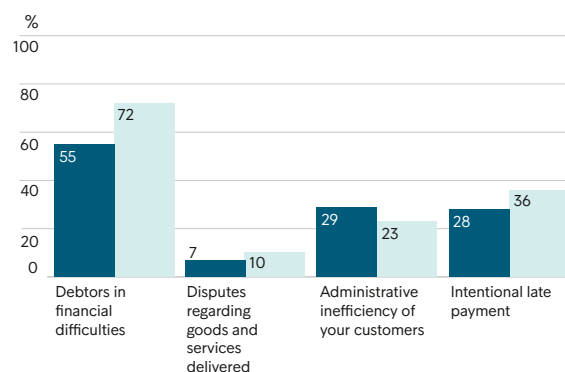
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

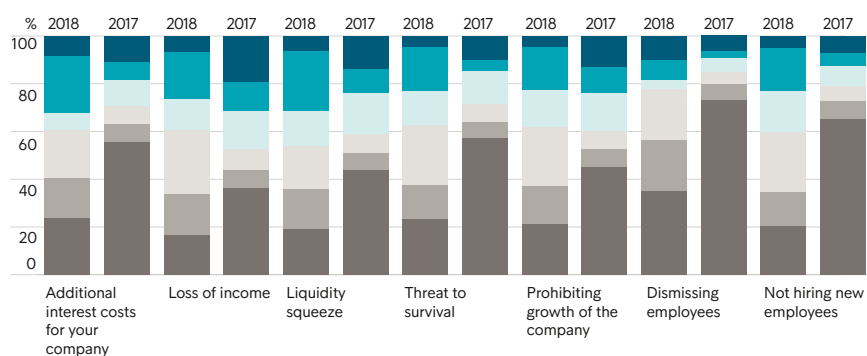


Economic development 2017

	Hungary	EU, average
GDP per capita in euro 2017	12,198.17	29,667.00
GDP percentage growth on previous year 2017	3.7	2.2
Inflation, % 2017	2.4	1.7
Unemployment rate, % 01-2018	3.8	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, %
● 3-5 Medium to high impact, %



Key findings

Ireland reports the highest level of bad debt loss in Europe

Irish companies report the highest average level of bad debt loss in Europe in 2017 with reported average bad debt loss at 3.1 percent of total annual revenue. This is almost twice as high as the European average of 1.7 percent in 2017 and substantially higher than the bad debt loss reported by Irish companies in 2016, which then amounted to a mere 0.8 percent of total annual revenue.

Cryptocurrencies remain rare but some Irish companies plan to accept them as payment

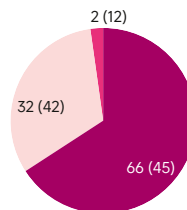
None of the surveyed companies in Ireland state that they currently accept cryptocurrencies, such as Bitcoin or Ethereum, as payment. However, 8 percent of Irish companies polled do state that they plan to accept cryptocurrencies as payment from clients or customers within the next two years, which can be compared with Europe as a whole where 4 percent of the businesses polled state that they anticipate doing so.

GDPR will impact a small share of Irish companies

Of all of the companies polled in Ireland, 19 percent state that the introduction of GDPR will have an impact on their payment routines, which is a slightly higher level than that observed in Europe as a whole, where 14 percent say the same. A majority (52 percent) of Irish companies polled say it will neither have a negative nor positive impact on their business. Among Irish companies, 18 percent say that the impact will be positive, which is a slightly higher share saying so than for Europe as a whole where only 8 percent state the same positive anticipation.

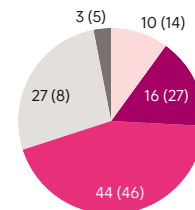
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

Yes, %
No, %
Don't know, %



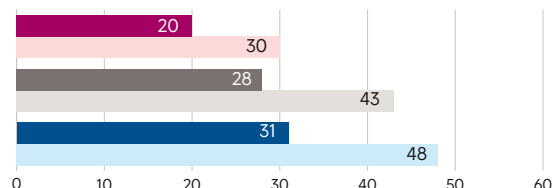
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

Yes, definitely, %
Yes, probably, %
No, probably not, %
No, definitely not, %
Don't know, %



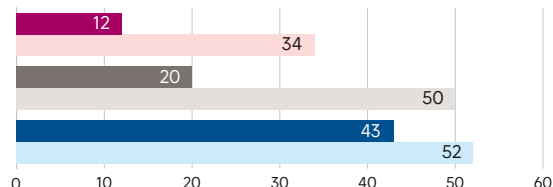
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B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



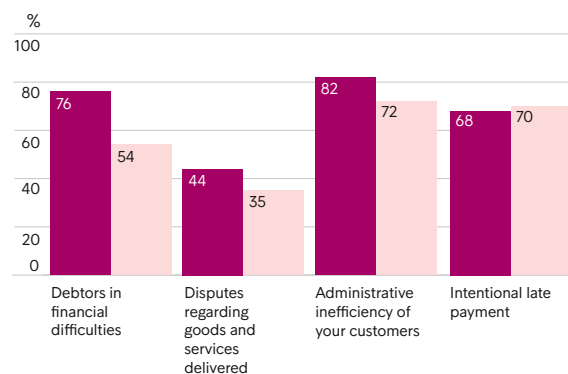
What is the average time actually taken by customers to pay?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



What are the main causes of late payment of your own customers?

2018
2017

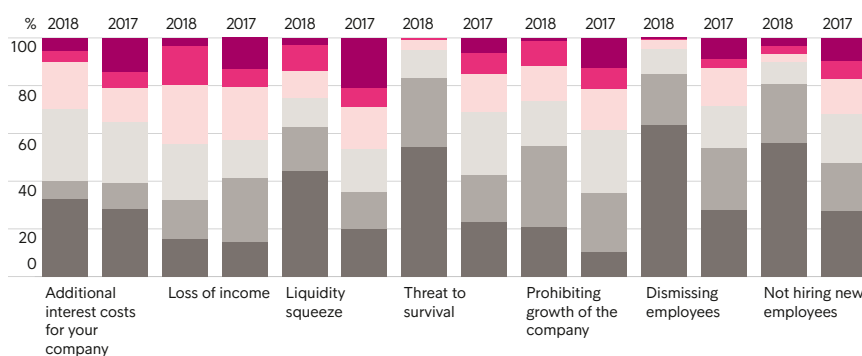


Economic development 2017

	Ireland	EU, average
GDP per capita in euro 2017	60,830.91	29,667.00
GDP percentage growth on previous year 2017	4.8	2.2
Inflation, % 2017	0.3	1.7
Unemployment rate, % 01-2018	6.2	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

0-2 Low impact, %
3-5 Medium to high impact, %



Key findings

Liquidity squeezes reported by Italian businesses as a consequence of late payments

Three out of ten (30 percent) Italian businesses polled in 2018 state that late payment brings liquidity squeezes. However, this is down from 56 percent of Italian businesses stating the same position when they were polled on this issue in 2017.

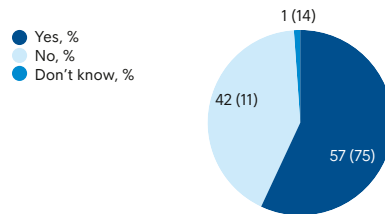
Financial difficulties among debtors cited as main reason for late payments by Italian companies

When Italian businesses are polled about the principal causes of late payment in Italy, 61 percent cite debtors encountering financial difficulties, which is a level close to the European average of 62 percent. Among the Italian businesses polled, 52 percent cite intentional practices by debtors as a principal cause of late payment, which is again similar to Europe as a whole, where 48 percent of businesses share the same sentiment.

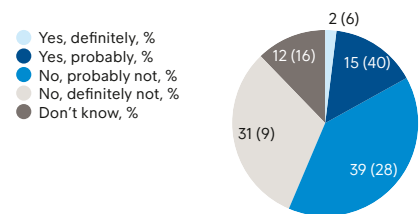
Pre-payment a common method to protect against bad payment in Italy

Among the companies polled in Italy, pre-payment is the most common way in which they try to protect themselves from bad payment. Among Italian businesses, 58 percent state that they use pre-payments as a method of protection against bad payment. An average 42 percent of European businesses say that they do the same.

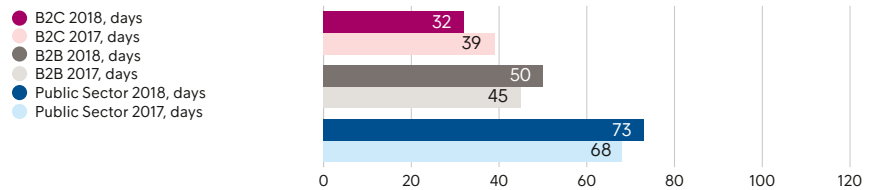
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?



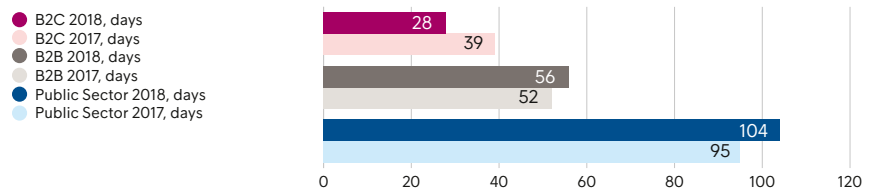
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



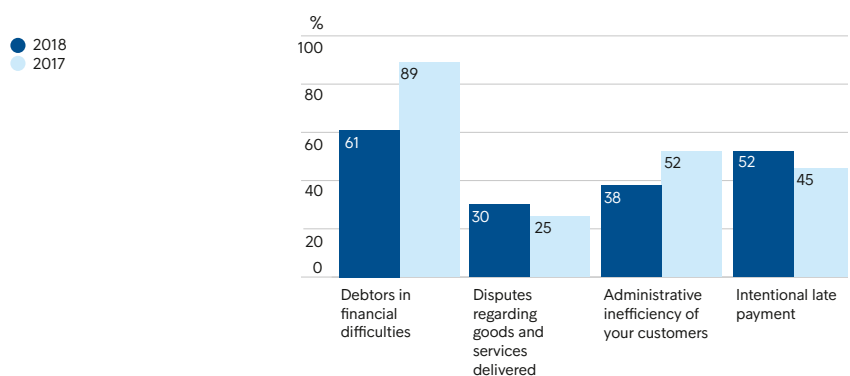
What payment terms do you allow your customers, on average?



What is the average time actually taken by customers to pay?



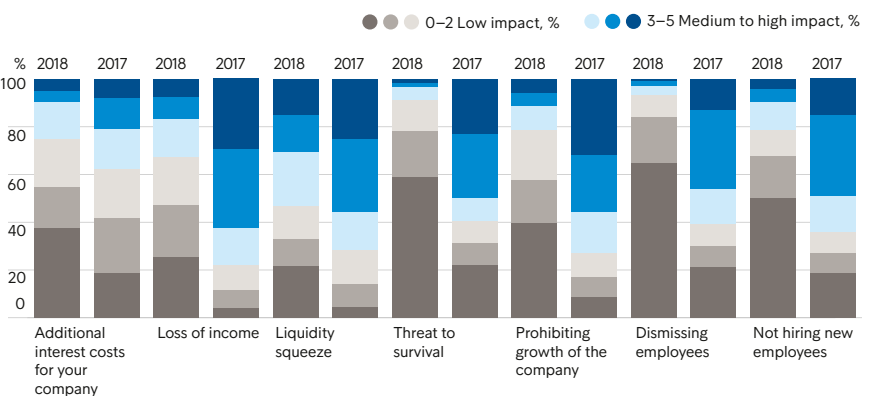
What are the main causes of late payment of your own customers?



Economic development 2017

	Italy	EU, average
GDP per capita in euro 2017	28,036.01	29,667.00
GDP percentage growth on previous year 2017	1.5	2.2
Inflation, % 2017	1.3	1.7
Unemployment rate, % 01-2018	11.1	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:





Key findings

Shorter payment terms than the average European business

Latvian businesses tend to allow shorter payment terms than most other countries in Europe. In corporate transactions, an average payment term of 20 days is given, to be compared with the European average of 32 days. And this policy also pays off, as the average time it takes for a company to get paid by another company in Latvia is among the shortest in Europe – 18 days.

Low levels of risk stemming from debtors reported by Latvian companies

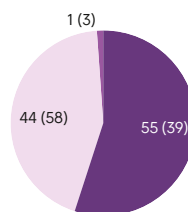
A mere 1 percent of Latvian companies report observing risks stemming from their debtors as increasing in the next 12 months. This is among the lowest share of companies reporting this sentiment among all European nations, with the European average amounting to 12 percent of companies saying they see an increase in risks stemming from their debtors in the upcoming 12 months.

Every tenth Latvian company expect GDPR to impact their payment routines

Of the Latvian companies polled, 10 percent say that the implementation of GDPR will impact their payment routines going forward, which can be compared with the European average of 14 percent.

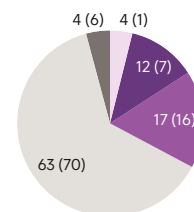
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

Yes, %
No, %
Don't know, %



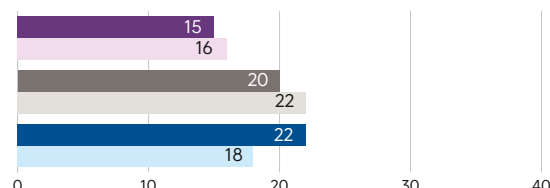
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

Yes, definitely, %
Yes, probably, %
No, probably not, %
No, definitely not, %
Don't know, %



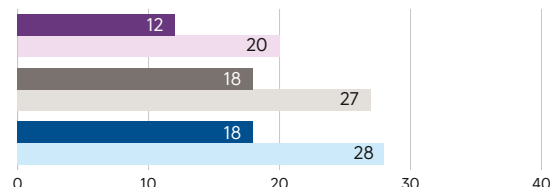
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B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



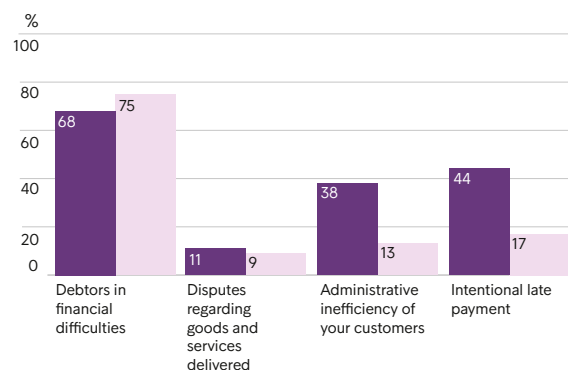
What is the average time actually taken by customers to pay?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



What are the main causes of late payment of your own customers?

2018
2017

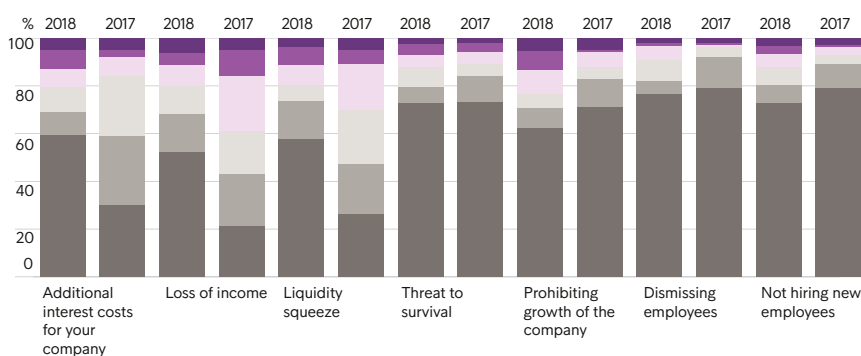


Economic development 2017

	Latvia	EU, average
GDP per capita in euro 2017	13,657.40	29,667.00
GDP percentage growth on previous year 2017	4.2	2.2
Inflation, % 2017	2.9	1.7
Unemployment rate, % 01-2018	8.3	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

0-2 Low impact, %
3-5 Medium to high impact, %



Key findings

No optimism about a weakened European Union among Lithuanian companies

Lithuanian companies are the least optimistic about the effects of a weakened European Union, a weakening that would be attributable to events including Brexit. No companies in Lithuania expect a weakening of the European Union to have a positive impact on their business, which can be compared with the European average of 5 percent of businesses expecting a positive impact.

Late payments have a high impact among Lithuanian businesses in terms of lost income

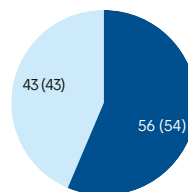
When businesses are asked to rate the impact of late payments on their business with regard to loss of income, Lithuanian businesses come out as one of the nations where the impact is the highest. Among Lithuanian businesses, 35 percent say that they experience a high impact on their business in terms of loss of income as a result of late payments, which is second only to Greece where 66 percent of businesses say the same, and which can be compared with the European average of 18 percent.

Lithuanian companies report a high impact from late payments in prohibiting growth

When companies are asked to rate the impact of late payments on their potential for growth, Lithuanian businesses come out at the top of the list and are second only to Greece. Among Lithuanian companies, 33 percent say that late payments have a high impact in terms of prohibiting company growth. Only Greece, which has had a severely troubled economy ever since the Eurozone crisis, comes out as having a higher rate of companies stating the same concern at 69 percent. This can be compared with the European average of 16 percent of European companies rating the impact of late payments as high in terms of stunting their growth prospects.

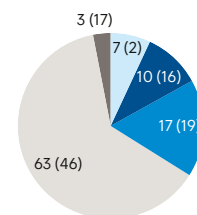
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, 0 % (3)



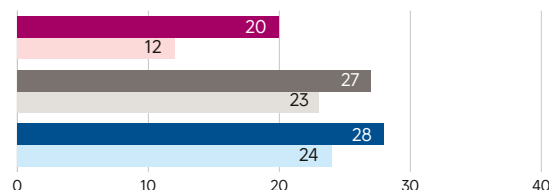
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



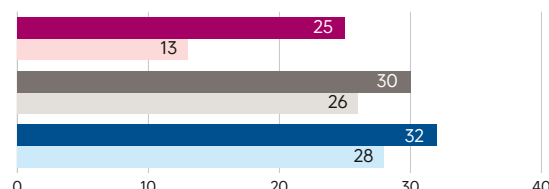
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



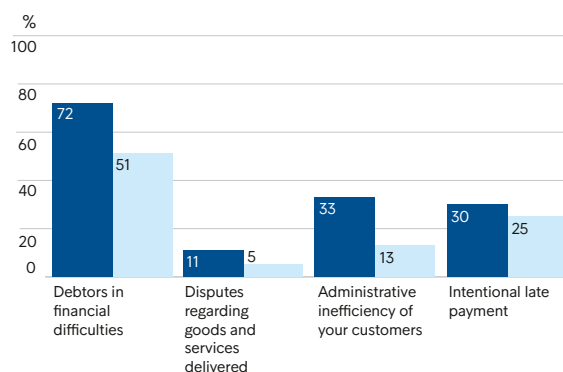
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

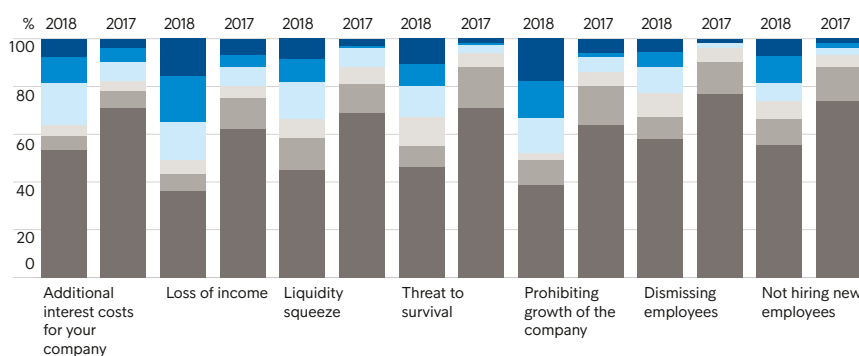


Economic development 2017

	Lithuania	EU, average
GDP per capita in euro 2017	14,580.05	29,667.00
GDP percentage growth on previous year 2017	3.8	2.2
Inflation, % 2017	3.7	1.7
Unemployment rate, % 01-2018	7.3	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0–2 Low impact, % ● 3–5 Medium to high impact, %



Key findings

Low impact in terms of additional interest charges from late payments among Dutch businesses

When companies are asked to rate the impact of late payments with regard to additional interest charges, the Netherlands comes out as the country where businesses report the lowest impact. Only 4 percent of businesses rate the impact as being high in the Netherlands, placing it at the bottom of the list together with Finland, where 4 percent of businesses say the same. This can be compared with the European average of 14 percent of businesses reporting a high impact on this issue.

Low impact in terms of liquidity squeezes stemming from late payments among Dutch businesses

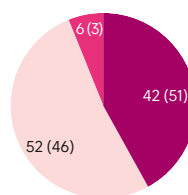
The Netherlands exhibits among the lowest shares of businesses saying that the impact of late payments in terms of liquidity squeezes is high. Only 11 percent of companies in the Netherlands say that the impact of late payments on their businesses in terms of liquidity squeezes is high, which can be compared with the European average of 21 percent.

Low level of investments due to low interest rates reported by Dutch companies

Dutch companies are among those in Europe that are least inclined to report that the low interest rate environment of recent years has led them to increase their investments. Among Dutch companies, 6 percent say that the low interest rate environment of recent years has led them to increase their investments, which can be compared with the European average of 16 percent of companies saying the same.

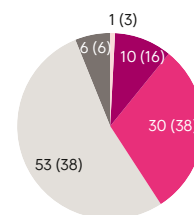
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

Yes, %
No, %
Don't know, %



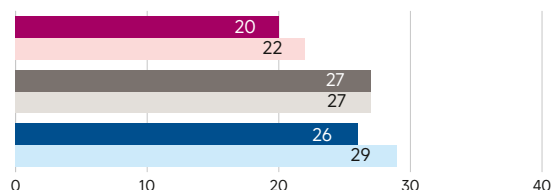
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

Yes, definitely, %
Yes, probably, %
No, probably not, %
No, definitely not, %
Don't know, %



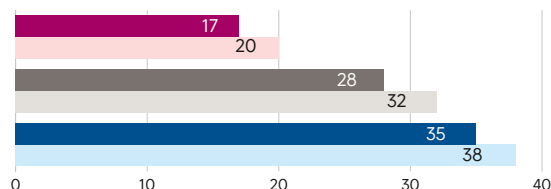
What payment terms do you allow your customers, on average?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



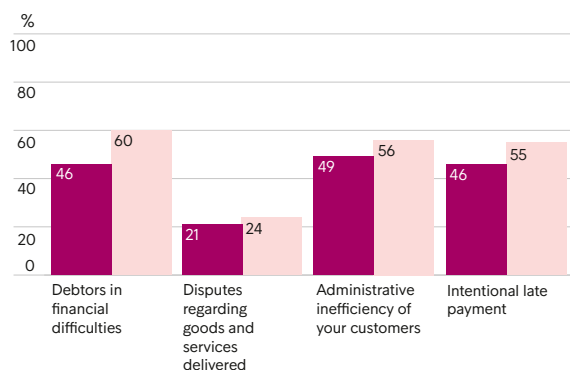
What is the average time actually taken by customers to pay?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



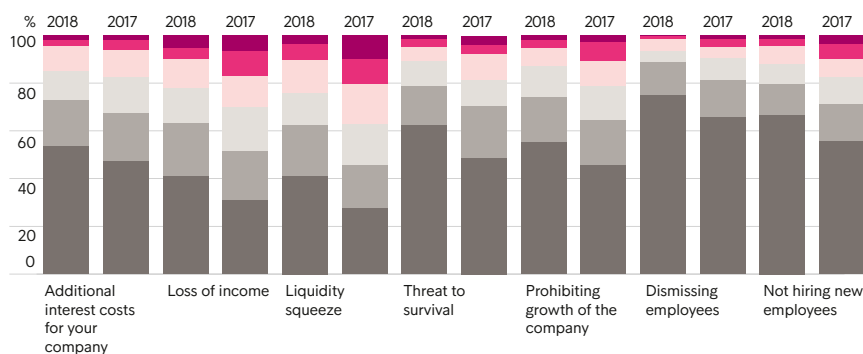
What are the main causes of late payment of your own customers?

2018
2017



On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

0-2 Low impact, %
3-5 Medium to high impact, %



Economic development 2017

	The Netherlands	EU, average
GDP per capita in euro 2017	42,802.07	29,667.00
GDP percentage growth on previous year 2017	3.2	2.2
Inflation, % 2017	1.3	1.7
Unemployment rate, % 01-2018	4.2	7.3



Key findings

Norwegian companies quickest to hand over outstanding invoices to collection agencies

Among all of the European countries polled, Norway is the country where companies are quickest to hand over outstanding invoices to collection agencies. On average, Norwegian companies will hand over their outstanding invoices to a collection agency after 30 days have passed, which can be compared with the European average of 82 days. The nation with the slowest companies to do so is Serbia, where an outstanding invoice will be handed over to a collection agency only after 264 days have passed.

Norwegian companies report a low level of pressure to extend excessively long payment terms

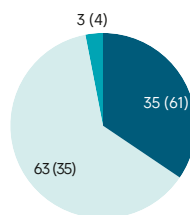
Norwegian companies exhibit the lowest share of companies that say that they have accepted payment terms that are longer than they feel comfortable with. Among Norwegian companies, 65 percent say that they have not found themselves in such a situation, compared with the European average of 41 percent.

Low risk among debtors according to Norwegian companies

Only 4 percent of Norwegian companies say that they foresee an increased risk in not getting paid in the next 12 months. This is significantly below the European average of 12 percent and thus Norwegian businesses are among the most confident in this survey when it comes to future risks.

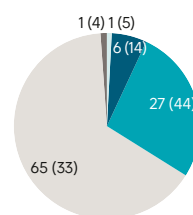
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, %



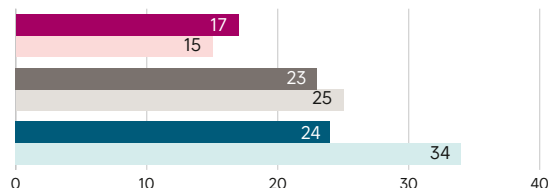
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



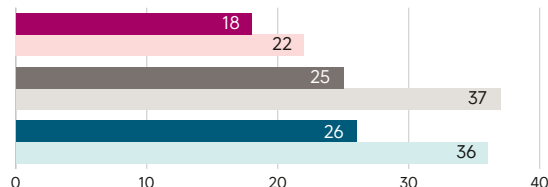
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



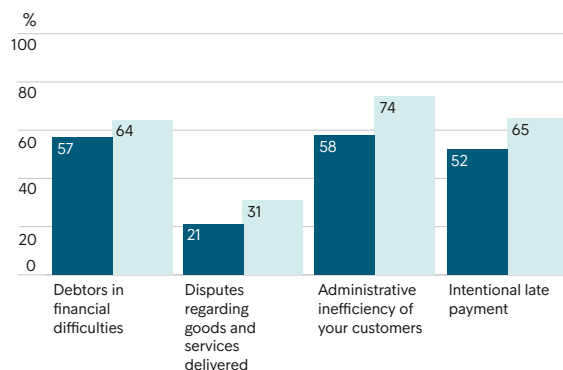
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

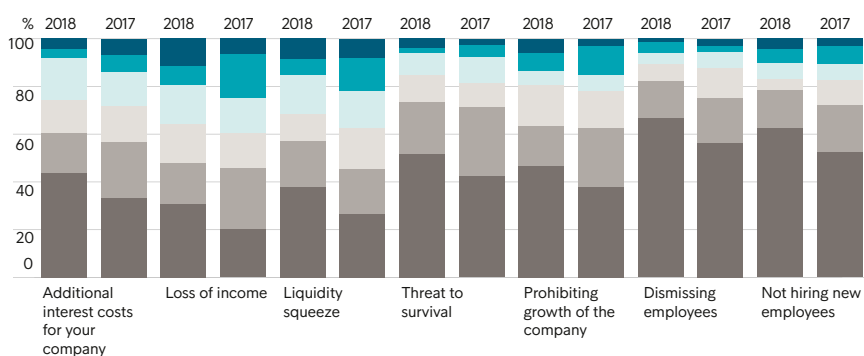


Economic development 2017

	Norway	EU, average
GDP per capita in euro 2017	63,494.48	29,667.00
GDP percentage growth on previous year 2017	1.9	2.2
Inflation, % 2017	1.9	1.7
Unemployment rate, % 01-2018	4.1	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, % ● 3-5 Medium to high impact, %



Key findings

Polish companies hand over outstanding invoices to a collection agency after 78 days

Poland is close to the European average when it comes to the amount of time a company will allow before handing over an outstanding invoice to a collection agency. The Polish average for handing over an outstanding invoice to a collection agency is reported to be 78 days, which can be compared with the European average of 82 days.

Late payments are reported by Polish businesses as having a high level of impact on recruitment

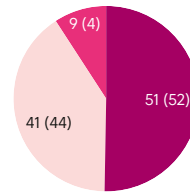
Among businesses in Poland, 28 percent say that faster payments from their debtors would enable them to hire more employees, which can be compared with the European average of 20 percent of companies stating the same.

Higher than average bad debt loss in Poland

Average bad debt losses as a percentage of total annual revenue amounted to 2 percent in Poland in 2017. This can be compared with the European average debt loss in 2017 of 1.7 percent. In 2016, the average bad debt loss among Polish companies amounted to 2.4 percent.

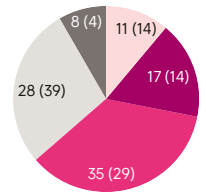
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

Yes, %
No, %
Don't know, %



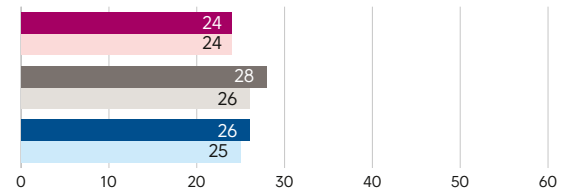
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

Yes, definitely, %
Yes, probably, %
No, probably not, %
No, definitely not, %
Don't know, %



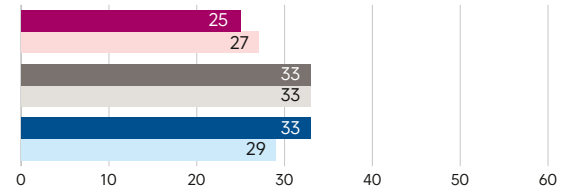
What payment terms do you allow your customers, on average?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



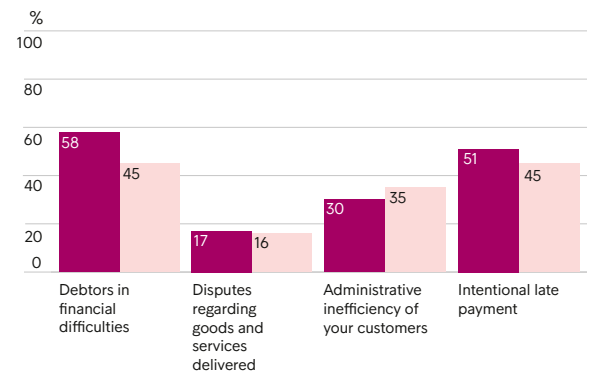
What is the average time actually taken by customers to pay?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



What are the main causes of late payment of your own customers?

2018
2017

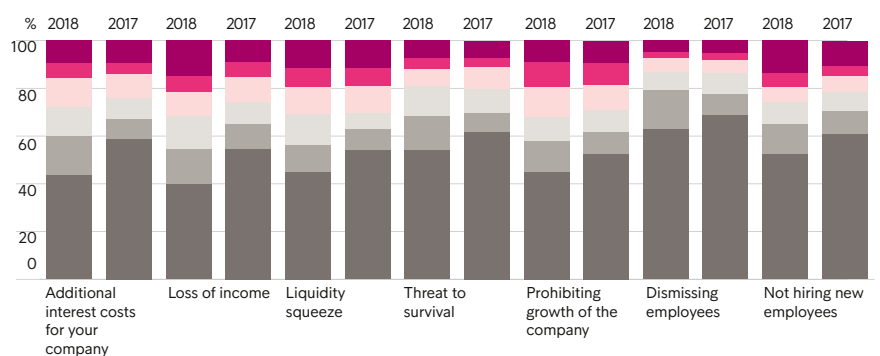


Economic development 2017

	Poland	EU, average
GDP per capita in euro 2017	12,360.59	29,667.00
GDP percentage growth on previous year 2017	4.2	2.2
Inflation, % 2017	1.6	1.7
Unemployment rate, % 01-2018	4.5	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

0-2 Low impact, %
3-5 Medium to high impact, %



Key findings

Pessimism among Portuguese companies regarding a weakened European Union

Portugal is the country where the largest share of companies exhibit a negative expectation regarding the effects of a weakened European Union, a weakening that would be attributable to events such as Brexit. Among Portuguese companies, 54 percent state that they expect a weakened European Union to affect their businesses negatively, which can be compared with the European average of 23 percent of companies sharing the same sentiment.

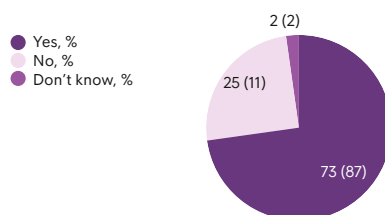
High impact from late payments in terms of liquidity squeezes reported by Portuguese companies

When businesses are asked to rate the impact of late payments on their business in terms of liquidity squeezes, Portugal comes out among those at the top of the list. Among businesses in Portugal, 33 percent report that the impact from late payments is high in terms of causing liquidity squeezes, which is second only to the highly troubled economy of Greece, where 77 percent of businesses report the same, and can be compared with the European average of 21 percent.

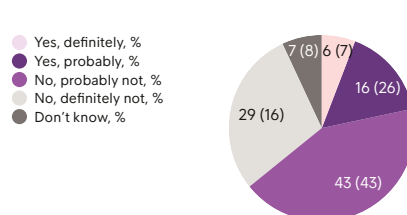
Widespread use of institutional instruments among Portuguese companies to protect against bad payment

Portugal is the nation in Europe that exhibits the highest levels of different practices to insure against bad payment, such as bank guarantees, credit insurance, credit checks, pre-payment, debt collection or factoring. Only 16 percent of Portuguese companies say that they do not use any of the aforementioned practices to attempt to preempt bad payment from customers, which is the lowest share in Europe and can be compared with the European average of 32 percent of companies claiming to not do any of the above.

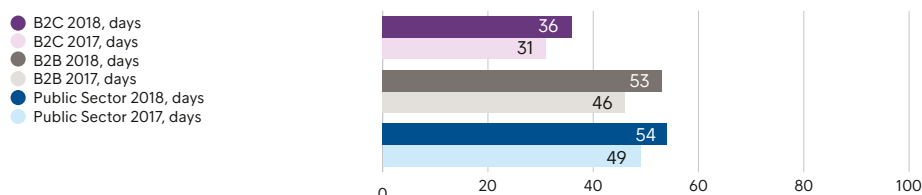
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?



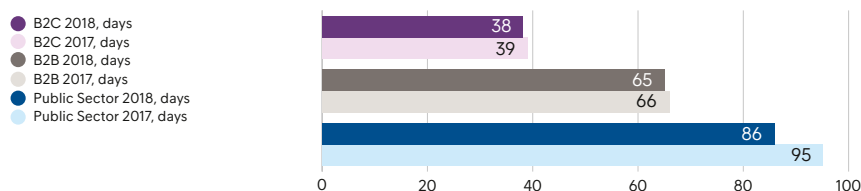
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



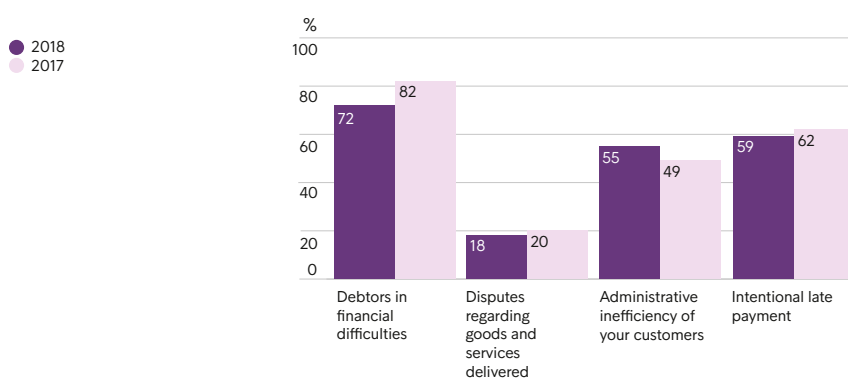
What payment terms do you allow your customers, on average?



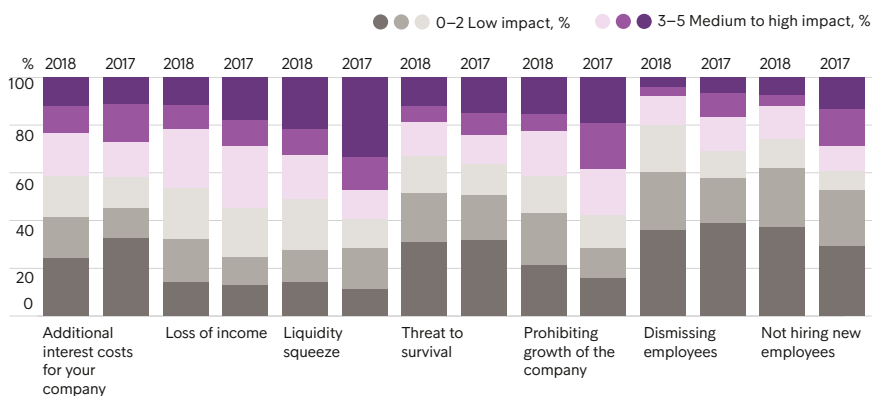
What is the average time actually taken by customers to pay?



What are the main causes of late payment of your own customers?



On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:



Economic development 2017

	Portugal	EU, average
GDP per capita in euro 2017	18,834.26	29,667.00
GDP percentage growth on previous year 2017	2.6	2.2
Inflation, % 2017	1.6	1.7
Unemployment rate, % 01-2018	7.9	7.3

Key findings

High level of impact from GDPR on payment routines anticipated by Romanian businesses

Among companies in Romania, 21 percent say that they anticipate the implementation of GDPR will impact their payment routines, which can be compared with the European average of 14 percent of companies saying the same. This is the second-highest share of companies claiming this to be the case among all countries polled on the matter. Only the United Kingdom observes a higher rate of companies claiming this to be the case, at 34 percent.

Late payments reported to be a hurdle to Romanian companies hiring new employees

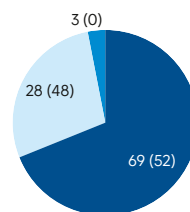
Among Romanian companies, 41 percent report that late payments act as a negative strain on the hiring of new employees. This is close to the levels of the United Kingdom where 42 percent report the same and only the highly troubled economy of Greece comes out as having a higher level of companies reporting this sentiment. Among businesses in Greece, 60 percent report the same kind of impact from late payments on hiring and this can be compared with the European average of 20 percent.

Every tenth Romanian companies expects to be accepting cryptocurrencies within the next two years

Roughly every tenth company, or 12 percent of the Romanian companies polled that do not currently accept payment in cryptocurrencies, such as bitcoin or Ethereum, say they will do so within the next two years. This is second only to the United Kingdom where 16 percent of companies not currently accepting cryptocurrencies say they expect to do so within two years, and this can be compared with the European average of 4 percent of companies in the same situation saying the same.

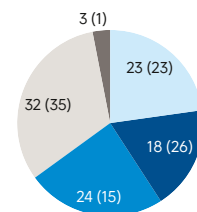
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, %



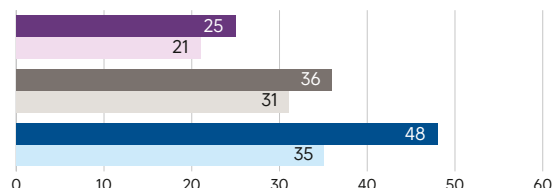
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



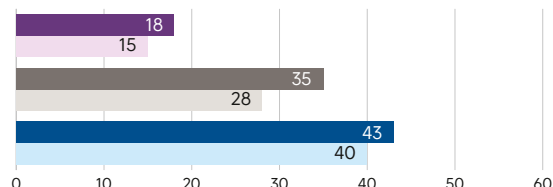
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



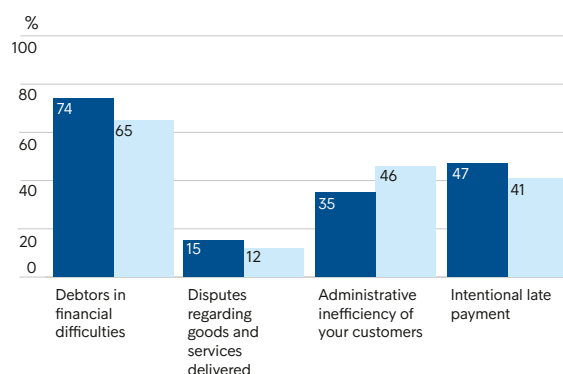
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

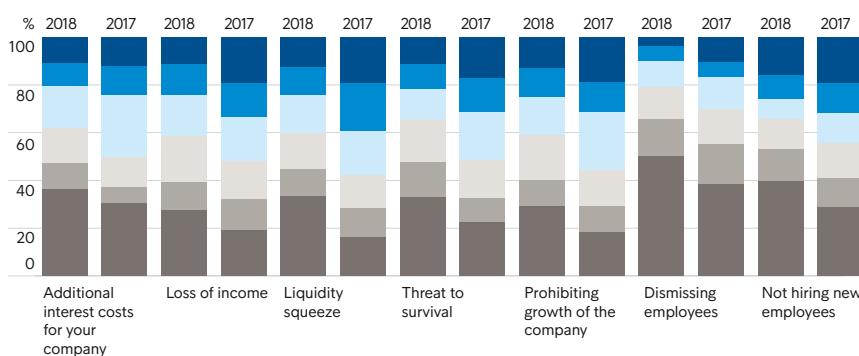


Economic development 2017

	Romania	EU, average
GDP per capita in euro 2017	9,003.50	29,667.00
GDP percentage growth on previous year 2017	5.7	2.2
Inflation, % 2017	1.1	1.7
Unemployment rate, % 01-2018	4.6	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, % ● 3-5 Medium to high impact, %



Key findings

Serbian companies exhibit a high level of bad debt loss

Serbia is among the countries reporting the highest average levels of bad debt loss as a percentage of total annual revenue in 2017. Companies in Serbia report that, on average, they experienced a bad debt loss in 2017 amounting to 2.9 percent of total annual revenue. Only Ireland reported a higher rate of bad debt loss, amounting to 3.1 percent in 2017, with 1.7 percent being the average European bad debt loss in 2017.

Serbian companies slowest to hand over outstanding invoices to a collection agency

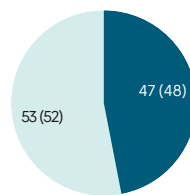
Of all of the European companies polled, Serbian companies are the slowest with regard to handing over outstanding invoices to a collection agency. The European average for a company to do so amounts to 82 days, while Serbian companies will allow an average 264 days to pass before handing over an outstanding invoice to a collection agency.

Serbian companies do not anticipate GDPR impacting their payment routines

No Serbian companies say they anticipate the introduction of GDPR impacting their payment routines as of its implementation on May 25, 2018. This can be compared with the European average, where 14 percent of European companies expect the implementation of GDPR to affect their payment routines in some way.

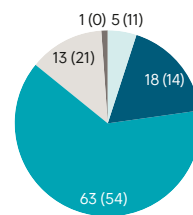
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, 0 % (0)



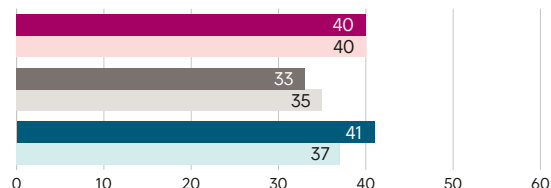
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



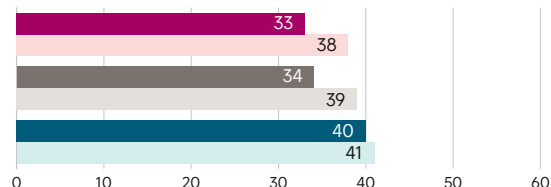
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



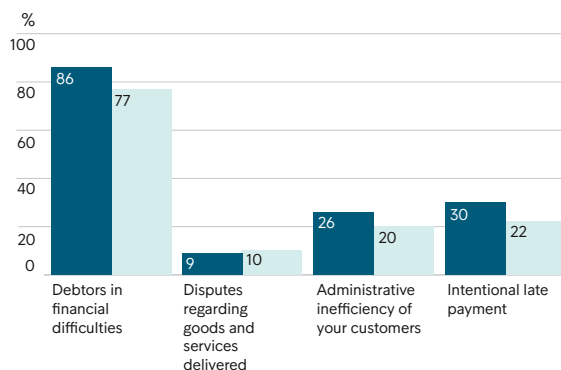
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

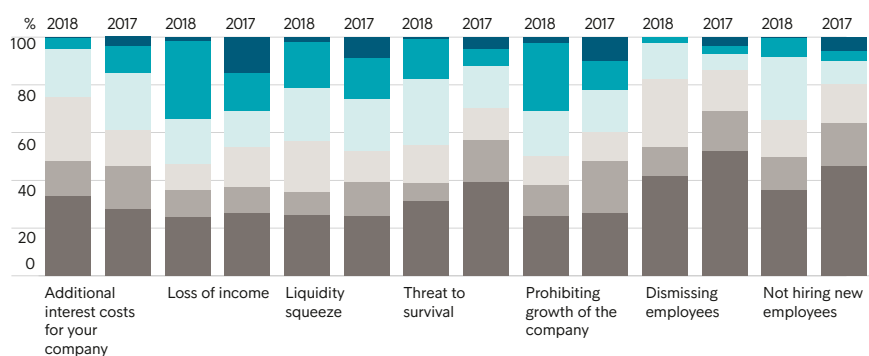


Economic development 2017

	Serbia	EU, average
GDP per capita in euro 2017	5,325.51	29,667.00
GDP percentage growth on previous year 2017	3.0	2.2
Inflation, % 2017	3.3	1.7
Unemployment rate, % 01-2018	14.7	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, %
● 3-5 Medium to high impact, %





Key findings

Slovakian companies anticipate a low level of risks from their debtor

Among Slovakian companies, 3 percent observe risks stemming from their debtors as increasing over the next 12 months, which can be compared with the European average of 12 percent.

Slovakian companies report a low level of impact from late payments in terms of liquidity squeezes

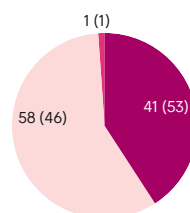
Slovakia is the least affected country when it comes to reporting a high impact from late payments on liquidity squeezes. Among businesses in Slovakia, 7 percent say that late payments have a high impact in terms of causing liquidity squeezes, which can be compared with the European average of 21 percent.

Slovakian companies exhibit a low utilization rate of provisions in the European Late Payment Directive

Only 10 percent of Slovakian companies say that they are familiar with the European Late Payment Directive, which can be compared with the European average level of awareness of 28 percent. Of those companies that say that they are familiar with the directive, only 12 percent say that they practice the provision that gives them a right to charge a minimum of 40 euro for late payments inflicted by B2B and public sector clients. The European average for companies stating that they do so amounts to 29 percent.

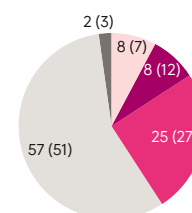
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, %



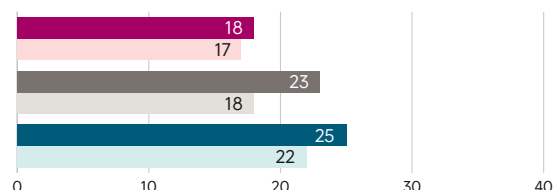
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



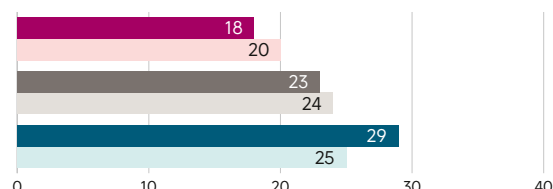
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



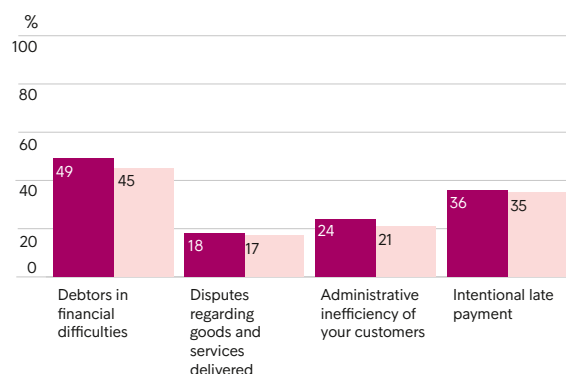
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

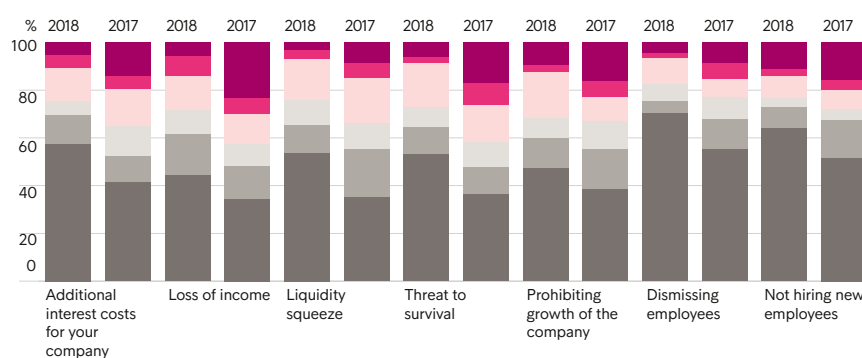


Economic development 2017

	Slovakia	EU, average
GDP per capita in euro 2017	15,514.32	29,667.00
GDP percentage growth on previous year 2017	3.3	2.2
Inflation, % 2017	1.4	1.7
Unemployment rate, % 01-2018	7.5	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, %
● 3-5 Medium to high impact, %



Key findings

Cryptocurrencies remain rare, but Slovenia is at the forefront in adopting the technology

Slovenia is second only to the United Kingdom when it comes to the share of companies saying that they accept cryptocurrencies, such as Bitcoin and Ethereum, as payment from their customers. Among companies in Slovenia, 4 percent say that they do so, compared with the European average of 2 percent of companies saying that they accept cryptocurrencies as payment. However, the United Kingdom remains the clear leader with 19 percent of companies in the United Kingdom saying they accept payment in cryptocurrencies.

Slovenian companies are not worried about costs from the implementation of GDPR

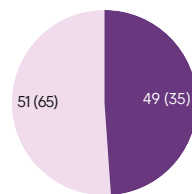
Of all the European countries polled, Slovenia exhibits the lowest share of companies expecting the implementation of GDPR to end up costing them money. Among Slovenian companies, 9 percent say that they expect the implementation of GDPR to be a costly affair, with the exact estimated cost varying considerably. Among European companies in general, the average share of companies expecting to incur costs from the implementation of GDPR is 27 percent.

Low level of use of institutional instruments among Slovenian businesses to protect against bad payment

Slovenia is the country in Europe with the highest share of companies saying they do not utilize any common instruments, such as bank guarantees, credit insurances, credit checks, pre-payments, debt collection or factoring to protect them from bad payments. Among Slovenian companies, 57 percent say they do not utilize any of the practices mentioned above to protect them from bad payment, which can be compared with the European average of 32 percent.

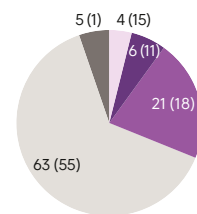
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

Yes, %
No, %
Don't know, 0 % (0)



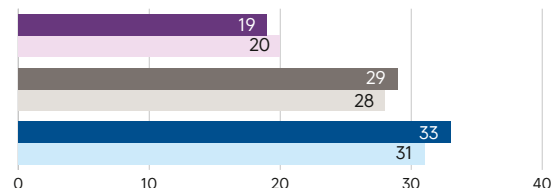
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

Yes, definitely, %
Yes, probably, %
No, probably not, %
No, definitely not, %
Don't know, %



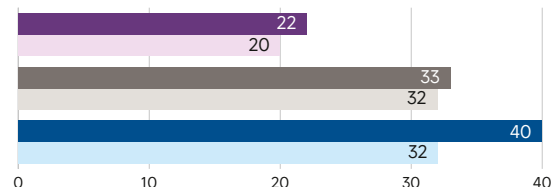
What payment terms do you allow your customers, on average?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



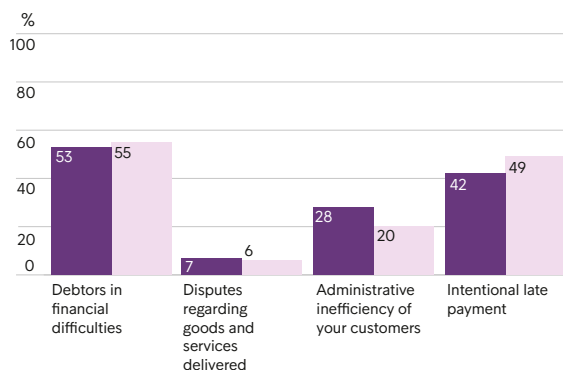
What is the average time actually taken by customers to pay?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



What are the main causes of late payment of your own customers?

2018
2017

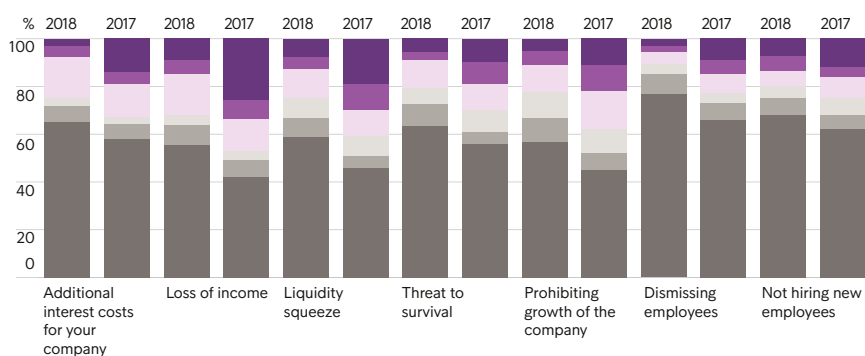


Economic development 2017

	Slovenia	EU, average
GDP per capita in euro 2017	20,639.07	29,667.00
GDP percentage growth on previous year 2017	4.7	2.2
Inflation, % 2017	1.6	1.7
Unemployment rate, % 01-2018	5.9	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

0-2 Low impact, %
3-5 Medium to high impact, %



Key findings

B2C customers enjoy generous payment terms from companies in Spain

Spain is second only to Bosnia and Herzegovina when it comes to extending payment terms to B2C customers. On average, a B2C customer in Spain will be allowed 46 days to pay, which can be compared with the European average of 23 days. Only companies in Bosnia and Herzegovina allow longer payment terms to B2C customers at an average 47 days.

High level of awareness among Spanish companies regarding the European Late Payment Directive

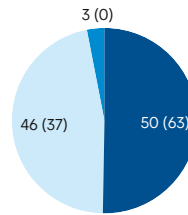
The level of awareness of the legislation known as the European Late Payment Directive is high in Spain. Among companies in Spain, 51 percent say they are familiar with this piece of EU legislation, which is second only to Ireland where 61 percent of companies say they are familiar with it, and can be compared with the European average of 28 percent.

Spanish companies hesitant to add surcharges for late payments

Although 51 percent of companies in Spain say that they are familiar with the European Late Payment Directive, which is a level of awareness second only to Ireland, only 12 percent of those companies that say they are aware also say that they practice the right to add a surcharge of a minimum of EUR 40 for late payments inflicted by B2B and public-sector clients. This is still among the lowest shares in Europe and can be compared with the European average of 29 percent.

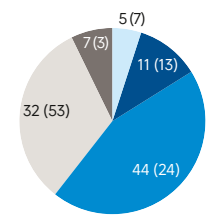
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, %



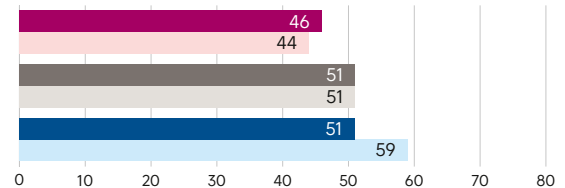
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



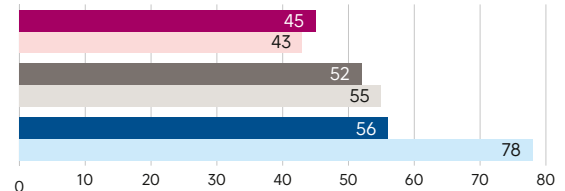
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



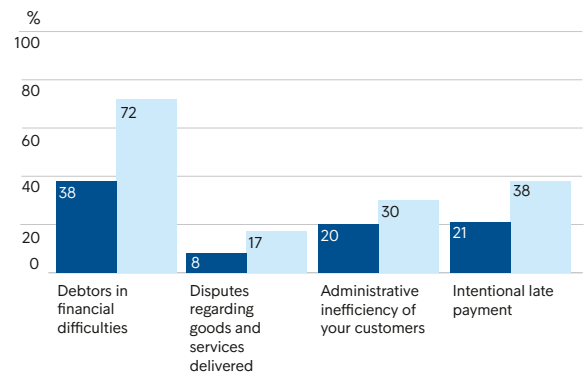
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

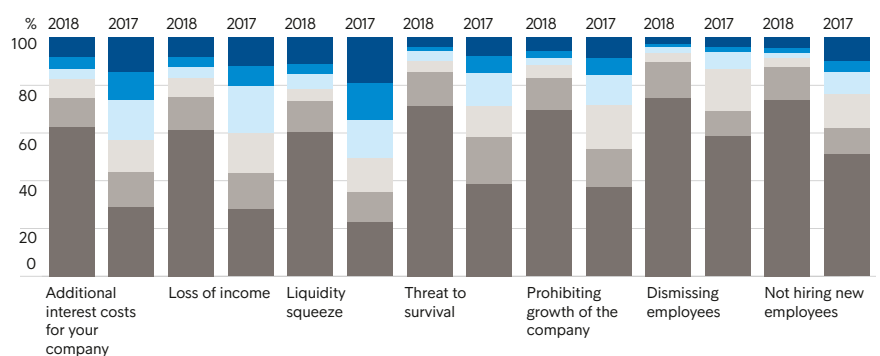


Economic development 2017

	Spain	EU, average
GDP per capita in euro 2017	25,015.75	29,667.00
GDP percentage growth on previous year 2017	3.1	2.2
Inflation, % 2017	2.0	1.7
Unemployment rate, % 01-2018	16.3	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, %
● 3-5 Medium to high impact, %



Key findings

Common for large corporations to demand that Swedish companies extend excessively long payment terms

Among Swedish companies, 41 percent say that they have been asked to accept payment terms that are longer than they feel comfortable with by a large and/or multinational corporations, which is substantially higher than the European average, where 29 percent of companies report the same experience. All in all, 64 percent of Swedish businesses have, at some point, been asked to accept payment terms that are longer than they are comfortable with, and that includes from all types of clients.

Swedish businesses seek action against the problem of late payments

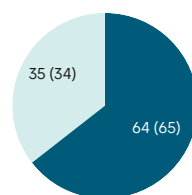
Of the respondents in Sweden, 72 percent say they want to see politicians take action to battle late payments, either through new legislation or voluntary initiatives. This is above the European average of 67 percent. Furthermore, Swedish companies are more inclined to seek a voluntary initiative than businesses in many other European nations. Of the businesses polled, 35 percent say this would be the preferred solution, compared with the European average of 28 percent.

Swedish companies expect a negative impact from the implementation of GDPR

Swedish companies are second only to the Czech Republic in expecting that the implementation of GDPR will have a negative impact on their business. Among Swedish companies, 23 percent say they expect GDPR to impact their business negatively, which can be compared with 33 percent of Czech companies stating the same and with a European average of 8 percent.

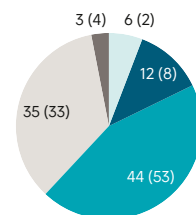
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

Yes, %
No, %
Don't know, 0 % (1)



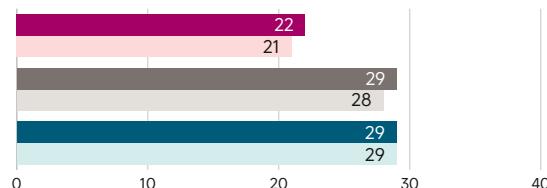
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

Yes, definitely, %
Yes, probably, %
No, probably not, %
No, definitely not, %
Don't know, %



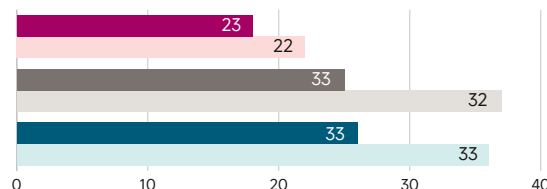
What payment terms do you allow your customers, on average?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



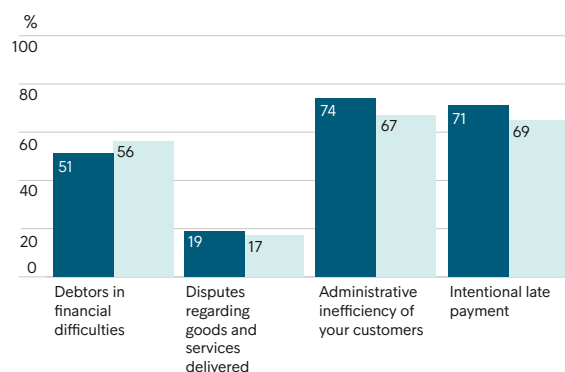
What is the average time actually taken by customers to pay?

B2C 2018, days
B2C 2017, days
B2B 2018, days
B2B 2017, days
Public Sector 2018, days
Public Sector 2017, days



What are the main causes of late payment of your own customers?

2018
2017

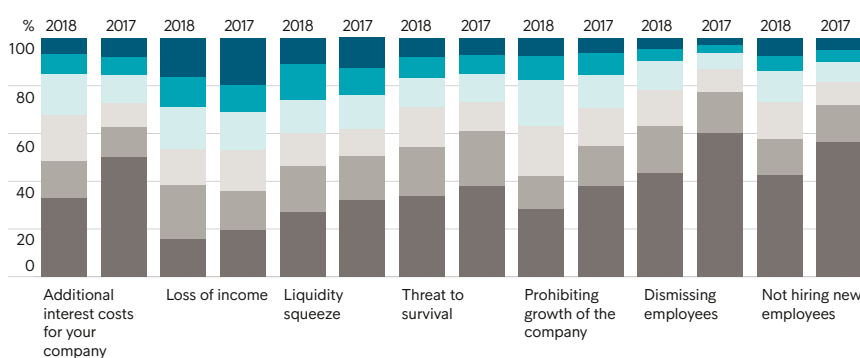


Economic development 2017

	Sweden	EU, average
GDP per capita in euro 2017	46,088.47	29,667.00
GDP percentage growth on previous year 2017	3.2	2.2
Inflation, % 2017	1.9	1.7
Unemployment rate, % 01-2018	6.5	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

0-2 Low impact, %
3-5 Medium to high impact, %



Key findings

Swiss companies see risks from debtors as decreasing in the upcoming 12 months

Switzerland reports the highest share of companies observing risks stemming from their debtors as decreasing over the next 12 months, with 19 percent of the Swiss companies polled issuing such a forecast for the next 12 months. The European average for the same sentiment is 10 percent.

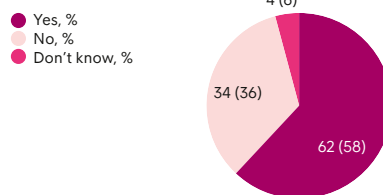
Swiss companies anticipate a positive impact from a weakened European Union

Among companies in Switzerland, 13 percent expect a weakened European Union to have a positive impact on their businesses – a weakening that would be attributable to events such as Brexit. This is the second-highest share of companies among all the European countries polled, second only to the United Kingdom. The European average of companies expecting a positive impact from a weakened European Union amounts to 5 percent.

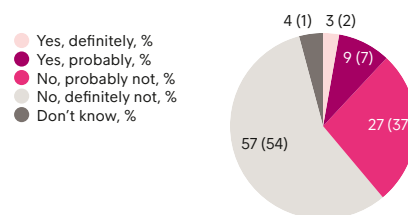
High level of use of credit checks among Swiss businesses to protect against bad payment

Switzerland is the nation in Europe wherein it is most common for companies to report that they utilize credit checks to protect against bad payment. Among companies in Switzerland, 55 percent say they use credit checks to try and shield themselves from bad payment, which can be compared with the reported European average for this practice of 25 percent.

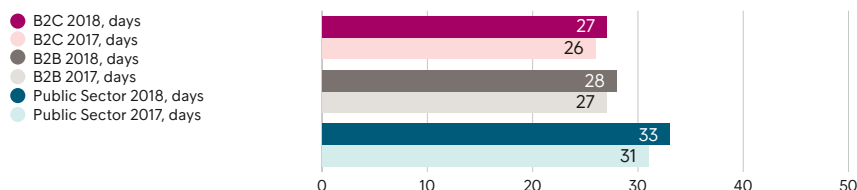
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?



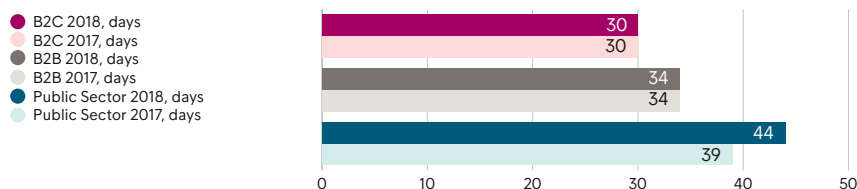
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



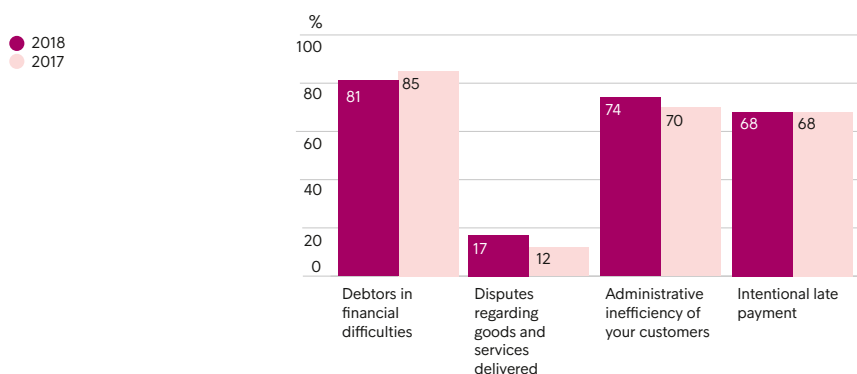
What payment terms do you allow your customers, on average?



What is the average time actually taken by customers to pay?



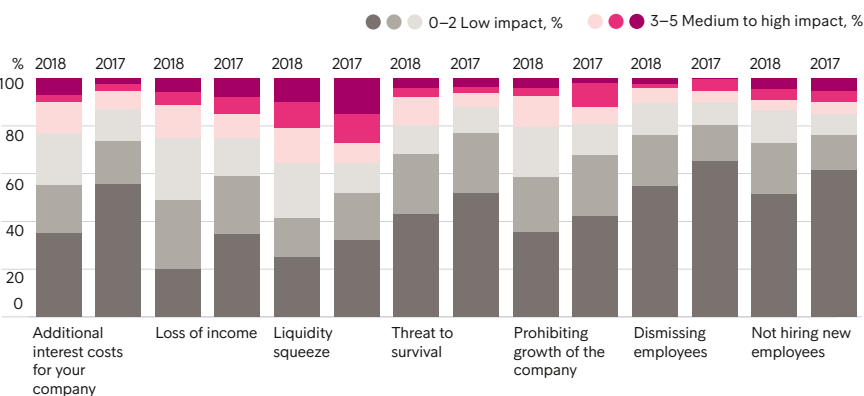
What are the main causes of late payment of your own customers?



Economic development 2017

	Switzerland	EU, average
GDP per capita in euro 2017	67,591.03	29,667.00
GDP percentage growth on previous year 2017	1.8	2.2
Inflation, % 2017	0.6	1.7
Unemployment rate, % 01-2018	4.8	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:



Key findings

Late payments viewed as a threat to survival by a quarter of polled British businesses

24 percent of polled companies in the United Kingdom report that late payments are a threat to their survival, which is the highest reported level among all polled European countries. This is to be compared to the European average of 10 percent of European companies sharing the same sentiment.

Optimism among British companies regarding the prospects of a weakened European Union

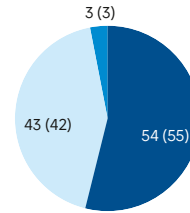
With Brexit on the horizon, 20 percent of all companies polled in the United Kingdom expect a weakened European Union to have a positive impact on their business. This is the highest share of any European country surveyed. The European average share of companies stating such positive expectations regarding a weakened European Union amounts to 5 percent.

The United Kingdom is at the forefront of cryptocurrencies in Europe

15 percent of companies in the United Kingdom say that they accept cryptocurrencies as payment from their customers. This is compared to the European average of 2 percent of companies. 16 percent of those companies in the United Kingdom that say that they do not accept cryptocurrencies as payment today expect to do so within the next two years, with an European average of 4 percent of companies sharing that same sentiment. Not surprisingly given the above, the United Kingdom also exhibits the highest share of companies saying that they hold cryptocurrencies for other purposes than for payments, e.g. as investment vehicles, with 11 percent of companies in the UK saying that they do so.

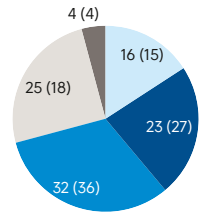
Have you been asked to accept longer payment terms than you feel comfortable with (versus last year)?

● Yes, %
● No, %
● Don't know, %



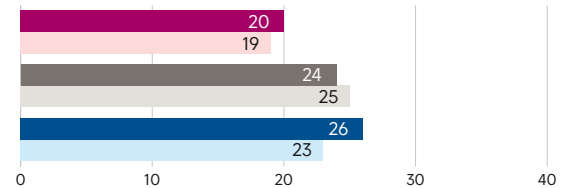
Would faster payments from your debtors enable your company to hire more employees (versus last year)?

● Yes, definitely, %
● Yes, probably, %
● No, probably not, %
● No, definitely not, %
● Don't know, %



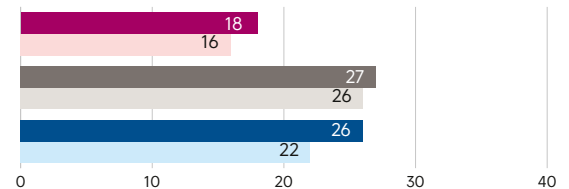
What payment terms do you allow your customers, on average?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



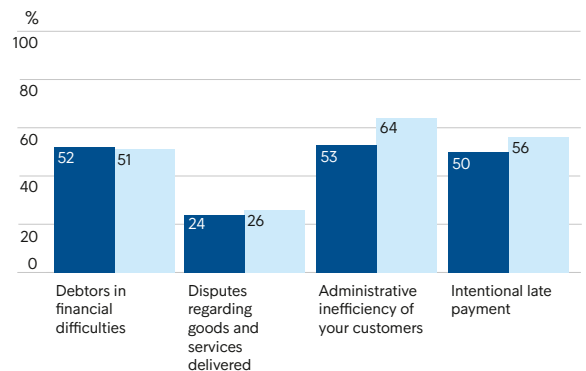
What is the average time actually taken by customers to pay?

● B2C 2018, days
● B2C 2017, days
● B2B 2018, days
● B2B 2017, days
● Public Sector 2018, days
● Public Sector 2017, days



What are the main causes of late payment of your own customers?

● 2018
● 2017

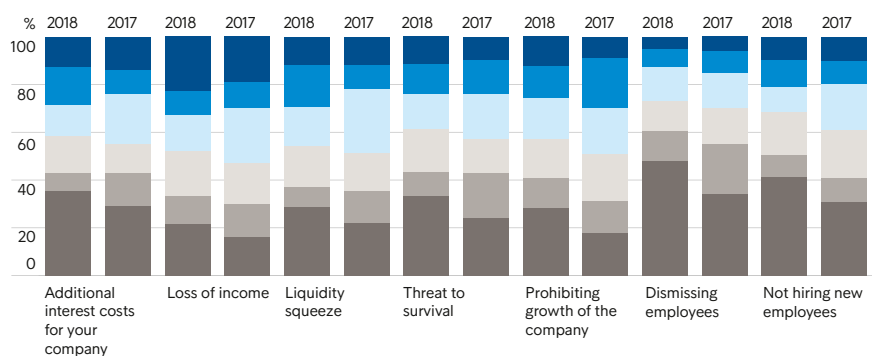


Economic development 2017

	United Kingdom	EU, average
GDP per capita in euro 2017	34,148.90	29,667.00
GDP percentage growth on previous year 2017	1.5	2.2
Inflation, % 2017	2.7	1.7
Unemployment rate, % 01-2018	4.2	7.3

On a scale of 0 to 5 (where 0 is no impact and 5 is high impact) how do you rate the consequences of late payments for your company with regard to:

● 0-2 Low impact, %
● 3-5 Medium to high impact, %



Information about the survey

The survey was conducted simultaneously in 29 European countries between February and March 2018.

The survey was conducted using an online survey tool and telephone interviews. The questionnaire was translated into the respective national languages. Dispatch and return of the questionnaires was carried on a decentralized basis by the countries concerned, whereas the analysis was carried out centrally in accordance with predetermined guidelines. All information has been verified and uncertainties were not included in the evaluation. Furthermore, on the markets where Intrum performed the data collection, the anonymously sent questionnaires were not taken into account for the final evaluation.

Companies in the UK were questioned by Cint. Responses in Bosnia & Herzegovina, Bulgaria, Croatia, Greece, Serbia and Slovenia were collected by DataDiggers. Responses in Italy, Germany, Latvia, Lithuania and Ireland were collected by both Intrum and DataDiggers. Companies in Norway were questioned by Norstat and companies in Austria were questioned by Gallup. Companies in Denmark were questioned by Cuneo. Companies in the Netherlands were questioned by Markt-effekt. Companies in Czech Republic were questioned by WS CEE Communication Consulting. Companies in Slovakia were questioned by Crystal Call and companies in Hungary were questioned by Bellresearch. In Romania responses were collected by iSense Solutions.

The structure of the sample

Company size:

Up to 19 employees	78 %
20 to 49 employees	9 %
50 to 249 employees	8 %
250 to 499 employees	2 %
500 to 2,499 employees	2 %
More than 2,500 employees	1 %

Business sector:

Agriculture, forestry and fishing	5 %
Mining and quarrying	0.2 %
Electricity, gas, steam and air conditioning supply	2 %
Manufacturing	9 %
Construction	11 %
Wholesale and retail trade	22 %
Transportation and storage	5 %
Accommodation and food service activities	4 %
Information and communication	4 %
Financial and insurance activities	2 %
Real estate activities	3 %
Professional, scientific, technical, administration and support service activities	14 %
Public administration, defense, education, human health and social work activities	3 %
Other services	17 %

Explanation of economic indicators

The Eurostat data presented in the report refer to 2017, or in some cases 2016 if that is the latest year for which annual data was available as of April 2018. The unemployment rate is presented as the annual average rate of 2017. For countries for which Eurostat data is unavailable, data has been sourced from the applicable national statistics office.

Gross domestic product (GDP)

Gross domestic product (GDP) is a measure for economic activity. It is defined as the value of all goods and services produced less the value of any goods or services used in their creation.

GDP growth rate

GDP growth rate is presented as change in percentage on previous year. The calculation of the annual growth rate of GDP

volume allows comparisons of economic development both over time and between economies of different sizes, irrespective of changes in price. Growth of GDP volume is calculated using data at previous year's prices.

Unemployment rate

Unemployment rate represents unemployed persons as a percentage of the labor force. The labor force is the total number of people employed and unemployed.

Inflation rate

All information given represents the annual average rate of change in Harmonized Indices of Consumer Prices (HCIP). The inflation rate is the rate of increase of the average price level.

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Contact

Annika Billberg
Brand & Communications Officer

Phone: +46 8 546 102 03
e-mail: a.billberg@intrum.com

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Intrum in brief

Intrum is the undisputed market leader in credit management in Europe. We help companies succeed by taking care of their customers and considerably helping people pay. There are more than 8,000 of us working in 24 countries, helping our clients with everything from credit optimization, payment services and debt collection to factoring and payment solutions for e-commerce companies. Intrum is leading the way towards a sound economy where payment flows work, and people become debt-free.

Market leader = greater client benefit

The key to delivering greater client benefit includes understanding people's and companies' situations. Our access to a large amount of credit information provide us with insights into businesses and trends in all of Europe. Such insights help us assess credit risks for our clients, for example. However, the information also helps to understand people's financial situa-

tion, so that we can turn a difficult situation into something positive. When credit assessments and payment flows work, companies receive payment. This generates opportunities for companies to succeed, develop and recruit more employees. At the same time, we are helping people become debt-free and to achieve sound private finances.

A balanced business model

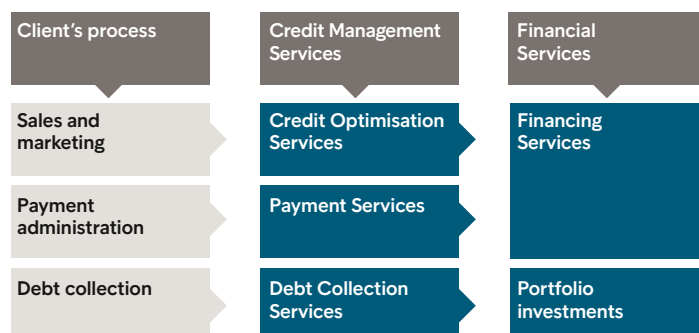


As the European market leader, we can, due to our size, collect more comprehensive insights about companies and consumers than our competitors can. This enables us to provide greater benefit to our clients.

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Two areas of service: Credit Management and Financial Services

We offer a complete range of credit management services that cover companies' entire credit management chain, from credit optimization and payment services to collection services. With Intrum's financial services, such as factoring, payment solutions for e-commerce companies and portfolio investments, our clients are paid for their goods and services.



80,000

80,000 clients in 24 countries

Intrum has around 80,000 clients in Europe. They operate in virtually all sectors, and assisting companies with large volumes of consumer receivables is our specialty. We also work with tens of thousands of small, entrepreneurial companies and medium-sized companies that see the benefit of focusing on their operations rather than on payment management.

More than 100 years in credit management

Lindorff was founded in 1898 and Intrum Justitia was founded in 1923. Together, we became Intrum in 2017. With more than 100 years of experience in the credit market behind us, Intrum is today Europe's leading credit management company, with more than 8,000 employees with presence in 24 countries. In addition, we partner with representatives in some 160 additional countries to assist clients with operations both within Europe and beyond.



Intrum Head Office

Hesselmans Torg 14
Nacka
105 24 Stockholm
Sweden
Ph +46 8 546 10 200
Fax +46 8 546 10 211
www.intrum.com
info@intrum.com

Austria

Intrum Justitia GmbH
Donau-City-Strasse 6,
AT-1220 Vienna
Austria
Ph +43 1 260 88 80 0
Fax +43 260 88 99 0
www.intrum.at

Belgium

Intrum NV
Martelaarslaan 53
B-9000 Gent
Belgium
Ph +32 9 218 90 94
Fax +32 9 218 90 51
www.intrum.be

Czech Republic

Intrum Czech s.r.o.
Ža Pasáži 1609
53002 Pardubice
Czech Republic
Ph +420 277 003 734
Fax +420 283 880 902
www.intrum.cz

Denmark

Intrum A/S
Valby Torvegade 17, 2 sal
2500 Valby
Denmark
Ph +45 33 69 70 00
www.intrum.dk

Estonia

Intrum Estonia AS
Rotermanni 8
EE-Tallinn 10111
Estonia
Ph +372 6060 990
Fax +372 6060 991
www.intrum.ee

Finland

Intrum Oy
PL 47
FI-00811 Helsinki
Finland
Ph +358 9 229 111
Fax +358 9 2291 1911
www.intrum.fi

France

Intrum SAS
97 Allée Alexandre Borodine
CS-80008
FR-69795 Saint Priest Cedex
France
Ph +33 4 7280 1414
Fax +33 4 7280 1415
www.intrum.fr

Germany

Intrum Deutschland GmbH
Postfach 14 59
Donnersbergstraße 1
64646 Heppenheim
Ph: +33 47 280 14 14
www.intrum.de

Greece

Intrum Holdings Greece SA
268 Kifisias Avenue
152 32, Halandri, Greece

Hungary

Intrum Zrt
Váci út 144–150
HU-1138 Budapest
Hungary
Ph +36 1 459 9400
Fax +36 1 459 9574
www.intrum.hu

Ireland

Intrum Ireland Ltd
1st Floor, Block C
Ashtown Gate
IE- Dublin 15
Ireland
Ph +353 1 869 22 22
Fax +353 1 869 22 44
www.intrum.ie

Italy

Intrum S.p.A
Via Galileo Galilei 7
Milano – 20124
Italy
Ph +39 02 288 701
Fax +39 02 288 70 411
www.intrum.it

Latvia

Intrum Latvia SIA
Latvijas filiale
Dunties iela 11
LV-1013 Riga
Latvia
www.lindorff.lv

Lithuania

Intrum Lietuva UAB
filialas
Konstitucijos pr. 29
LT-08105 Vilnius
Lietuva
www.lindorff.lt

Netherlands

Intrum B.V.
Box 84041
NL-2508 AA The Hague
Netherlands
Ph +31 70 452 70 00
Fax +31 70 452 89 80
www.intrum.nl

Norway

Lindorff AS
Hoffsveien 70B
0377 Oslo
Norway
Ph +47 23 21 10 00
Fax +47 23 21 11 00
www.lindorff.no

Poland

Intrum Justitia Sp. z o.o.
Ul. Domaniewska 41
PL-02-672 Warszawa
Poland
Ph +48 22 576 66 66
Fax +48 22 576 66 68
www.intrum.pl

Lindorff SA
50-304 Wrocław. ul.
Czesława Miłosza 13
Poland
www.lindorff.pl

Portugal

Intrum Portugal Lda
Alameda dos Oceanos 59
Edifício Espace
Piso 1, Bloco 2, A/B
Parque das Nações
1990-207 Lisboa
Portugal
Ph +351 21 317 22 00
Fax +351 21 317 22 09
www.intrum.pt

Romania

Intrum Romania
Str. Dinu Vintilă nr. 11, 021101
Bucuresti Sector 2
Romania
Ph + 40 21 301 29 25
Fax +40 21 301 29 29
www.intrum.ro

Slovakia

Intrum Slovakia s.r.o.
Blumental Offices I.
Mýtna 48
811 07 Bratislava
Slovakia
Ph +421 2 3216 3216
Fax +421 2 3216 3280
www.intrum.sk

Spain

Intrum Justitia Iberica SAU
Lindorff España SAU
Calle Vía de los Poblados, 3.
Edificio 1.
28033. Madrid.
Spain
Ph +34 91 423 4600
www.intrum.es

Sweden

Intrum Justitia Sverige AB
105 24 Stockholm
Sweden
Ph +46 8 616 77 00
Fax +46 8 640 94 02
www.intrum.se

Switzerland

Intrum AG
Eschenstrasse 12
CH-8603 Schwerzenbach
Switzerland
Ph +41 44 806 5656
Fax +41 44 806 5660
www.intrum.ch

United Kingdom

Intrum UK Ltd
The Omnibus Building
Lesbourne Road
Reigate, Surrey, RH2 7 JP
United Kingdom
Ph + 44 17 372 373 70
www.intrum.co.uk

intrum