

## Press release

### Huawei signs benchmark deal with Euler Hermes to cover European mobile business against payment default

**PARIS – 19 JUNE 2014** - Euler Hermes, the global leader in trade credit insurance, and Huawei, a leading global ICT solutions provider, today announced an agreement to cover the trade receivables for Huawei's consumer device business in Europe. In 2013, Huawei's consumer business was the world's third largest supplier of smartphones by units shipped and contributed 24% of Huawei's global revenue. This agreement provides a new supporting framework in respect of credit management arrangements for Huawei's Consumer business in Europe.



Cathy Meng, CFO of Huawei, along with Wilfried Verstraete, Chairman of the Management Board of Euler Hermes, signed the MOU of bilateral cooperation on European Terminal Distributor Businesses on June 16th in New York

Using its proprietary database of companies operating in markets covering 92% of global GDP, Euler Hermes will support Huawei's Consumer business to prioritize target countries for market entry, assess and categorize potential business partners based on their credit and payment history, and manage its portfolio of existing business relationships.

"Operating in highly competitive European business environments with diverse regulatory frameworks, and given our global market reach, we require service partners with extensive knowledge and experience both in Europe and globally," explains Cathy Meng, Huawei Corporate CFO. "This is a pioneering partnership for us as it will help to free up management and financial resources to focus on innovation, brand value and differentiation related to high-quality, reasonably-priced consumer and industrial products."

"This partnership is a significant milestone for Euler Hermes since our APAC team provides all consultancy and Euler Hermes World Agency unit covers Huawei's European consumer device business," explains Wilfried Verstraete, Chairman of the Management Board of Euler Hermes. "Chinese multinationals are now able to obtain trade credit insurance solutions meeting the highest standards of corporate governance, and tailored products that fit their needs wherever they trade."

The agreement was announced at the Huawei Information & Communications Technology (ICT) Finance Forum held in New York on June 17-18, 2014. The agreement is issued by Euler Hermes World Agency, the dedicated team within the Euler Hermes Group specifically tasked with servicing multinational clients through tailored solutions, and the global market leader in the multinational segment. Terms and conditions have been structured and harmonized to support Huawei's governance.

Making its foray into global markets as early as 1997, Huawei ranks among the pioneering Chinese-headquartered multinational operations going global. Key selection criteria for Huawei included product and geographical

coverage, and financial solidity. Euler Hermes' AA- ratings, from Standard and Poor's and from Dagong Europe as the first and only non-Chinese insurer to be rated by a Chinese rating agency, were key.

Euler Hermes – the largest and fastest growing private market credit insurer in the Asia Pacific supports companies to establish and maintain trading relationships, from initial counterparty vetting to prompt claims payment in the event an approved counterparty defaults on payment. Counterparty risk in both developed and emerging markets is monitored throughout the life of each policy.

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### **About Huawei**

Huawei is a leading global information and communications technology (ICT) solutions provider. Through the dedication to customer-centric innovation and strong partnerships, Huawei has established end-to-end advantages in telecom networks, devices and cloud computing. Huawei is committed to creating maximum value for telecom operators, enterprises and consumers by providing competitive solutions and services. Its products and solutions have been deployed in over 170 countries and regions, serving more than one third of the world's population.

For more information, visit Huawei online: [www.huawei.com](http://www.huawei.com)

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**Euler Hermes** is the global leader in trade credit insurance and a recognized specialist in the areas of bonding, guarantees and collections. With more than 100 years of experience, the company offers business-to-business (B2B) clients financial services to support cash and trade receivables management. Its proprietary intelligence network tracks and analyzes daily changes in corporate solvency among small, medium and multinational companies active in markets representing 92% of global GDP. Headquartered in Paris, the company is present in over 50 countries with 6,000+ employees. Euler Hermes is a subsidiary of Allianz, listed on Euronext Paris (ELE.PA) and rated AA- by Standard & Poor's and Dagong. The company posted a consolidated turnover of €2.5 billion in 2013 and insured global business transactions for €789 billion in exposure at the end of 2013. Further information: [www.eulerhermes.com](http://www.eulerhermes.com), [LinkedIn](#) or Twitter [@eulerhermes](#).

Euler Hermes' Asia Pacific trade credit insurance activities were established in 2000 and today are present either directly or through local partners in Australia, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Singapore, Taiwan and Thailand. More than 250 people are employed in trade credit, bonding and collection services across the Asia Pacific region. Euler Hermes' Asia Pacific headquarters are based in Hong Kong. In 2013 and again in 2014 Euler Hermes was named best trade credit insurer in Asia Pacific in the *GTR Asia Leaders in Trade* awards by GTR (Global Trade Review) magazine and in 2013 as best credit service provider in China at the 10<sup>th</sup> *China International Credit and Risk Management Conference* in Beijing. Further information: [www.eulerhermes.hk](http://www.eulerhermes.hk)

**Cautionary note regarding forward-looking statements:** The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, the words "may", "will", "should", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in the Euler Hermes Group's core business and core markets, (ii) performance of financial markets, including emerging markets, and including market volatility, liquidity and credit events (iii) the frequency and severity of insured loss events, including from natural catastrophes and including the development of loss expenses, (iv) persistency levels, (v) the extent of credit defaults, (vi) interest rate levels, (vii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (viii) changing levels of competition, (ix) changes in laws and regulations, including monetary convergence and the European Monetary Union, (x) changes in the policies of central banks and/or foreign governments, (xi) the impact of acquisitions, including related integration issues, (xii) reorganization measures, and (xiii) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences. The company assumes no obligation to update any forward-looking statement.