

BIIA NEWSLETTER

Market Intelligence - Industry Developments & Trends - Information Technology - Regulatory Issues - User Community

BIIA NEWSLETTER ISSUE 04 - 2008

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EVENTS

FCIB's 127th INTERNATIONAL CREDIT RISK MANAGEMENT CONFERENCE AND WORKSHOP

MAY 18 - 20, 2008; BUDAPEST, HUNGARY

www.fcibglobal.com

CHINA TRADE & EXPORT FINANCE 2008

JUNE 2-4, 2008; THE WESTIN HOTEL, SHANGHAI, CHINA

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CRIF ACQUIRES MAGNUM COMMUNICATIONS

CRIF and Magnum Communications, Limited announced in January that they have completed a definitive agreement whereby CRIF has acquired Magnum. This move is beneficial to both companies and creates a strong synergistic relationship that will benefit Magnum clients and the market at large. Founded in 1976 as Magnum Communications, Limited, Magnum is a leader in credit data access, analysis and communications. The company offers a wide variety of products and services that enable lenders to make informed, automated decisions regarding credit risk. Using Magnum's powerful tools, clients can easily access and retrieve relevant data from a broad range of U.S. and international consumer and commercial data sources. Magnum enables its clients to maximize the value of this data to control both scoring attributes and decision criteria. For additional information about Magnum, visit the company's Web site at www.magnum.net

STANDARD & POOR'S DETAILS ENHANCEMENTS IN RATING PROCESSES

In a recent testimony before the United States Senate Committee on Banking, Housing and Urban Affairs, Vickie Tillman, Executive Vice President of Standard & Poor's Credit Ratings Services, detailed recent efforts by S&P to enhance its ratings process, increase transparency, and build confidence in credit ratings and the global capital markets. S&P has conducted a comprehensive assessment of its analytics, policies and practices, and engaged in a dialogue with financial market experts, global market participants, regulators and legislators. As a result of these efforts, S&P is implementing several new enhancements to its ratings process and will continue to develop and introduce further measures as needed. Ms. Tillman said S&P continues to take action and "welcomes further suggestions as to how we can enhance market confidence and continue our tradition of quality ratings that offer opinions on creditworthiness to the market." **For Details see Page 12**

Source: *McGraw-Hill Press Release*

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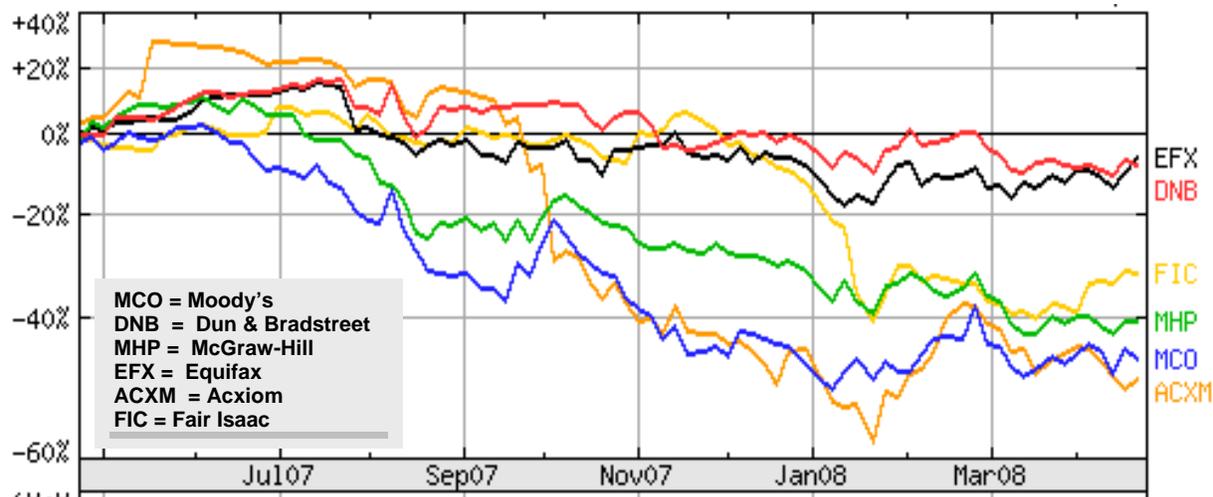
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BIIA NEWSLETTER ISSUE 04 - 08

LATE BREAKING NEWS

Ratings and Information Blues: No Rebound in Sight!



Information companies still feel the negative effects of the Credit Crunch. Most CEOs do not see any improvement short term. Most pronounced has been the effect on rating agencies and credit information companies that are heavily consumer oriented, such as Experian, Fair Isaac and Acxiom.

Moody's announced in its Q1 earnings call that US\$ 200 – 250 million in revenue from structured finance products may be 'extinct' permanently. For the full year Moody's expects revenue to show an annual decline in the mid to high-teens per cent with operating margins in the mid-40 per cent.

Raymond McDaniel, Chairman and Chief Executive Officer of Moody's, said, "Moody's revenue results in the first quarter clearly reflect the difficult credit market conditions in which we are operating. Strong growth at Moody's Analytics, our solid base of recurring revenue, and the positive effects of our cost management efforts helped to mitigate the impact of the operating environment on overall performance." Mr. McDaniel added that, "We remain cautious about the likely pace and strength of recovery in credit markets in 2008 and confirm our existing EPS guidance of \$1.90 to \$2.00." **Additional information can be found on page 15**

In the meantime the Security & Exchange Commission (SEC) has started its inquiries into the rating agencies, sending teams of examiners and collecting documents. In an effort to head off drastic new regulation, the agencies have begun to think about changing the way they do business. Moody's stated in its Q1 earning call that it has acted on many items the SEC had identified. S&P launched a comprehensive series of measures to enhance governance, analytics, information and investor information.

Details of S&P's Leadership actions are found on page 12

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LATE BREAKING NEWS

UDO PYSZNY, CEO OF CREDITREFORM GERMANY RESIGNS

Prof.h.c. Udo Pyszny, CEO of the Verband der Vereine Creditreform e.V. is leaving the Association for personal reasons and to pursue other interests. The new CEO will be Volker Ulbricht who currently holds a management position within the Association. In a short announcement on its Website, Creditreform's Presidium and Management Board praised Pyszny's accomplishments and regretted his departure.

Pyszny has recently received an honorary professorship from **BiTS**, which is a state-approved private university of applied sciences whose mission is to educate entrepreneurs for international careers. BIIA congratulates Professor Pyszny for this appointment and wishes him lots of success in his future endeavors. **Source: Creditreform Website / Password Germany**

EXPERIAN APPOINTS NEW CHIEF EXECUTIVE OFFICER FOR UK & EMEA

Experian® announced that Victor Nichols has been appointed as Chief Executive Officer, UK & EMEA. Prior to his appointment, Victor was Group President of Experian Interactive, Experian's global online marketing business. Mr. Nichols will report to Don Robert, Chief Executive Officer, Experian Group. As CEO, UK & EMEA, Victor will be directly responsible for driving Experian's continued growth in key territories and vertical markets. Tiku Patel, Managing Director of Experian UK & Ireland, will report to Victor Nichols. **Source: Experian Press Release**

THOMSON REUTERS – INTELLIGENT INFORMATION

Tom Glocer, the President & CEO of the new company **Thomson Reuters** has sent a letter to customers, shareholders and staff expressing his joy about the completion of the acquisition of Reuters by Thomson (some say it was in fact a reverse takeover).

Tom Glocer writes: "Today is a very special day for the customers, employees and shareholders of Thomson Corporation and Reuters PLC. I write to share my excitement over the formation of Thomson Reuters. Birthdays are generally joyous occasions, so I hope you will permit me this celebration. Rare is the offspring who enters the world as the leading source of intelligent information for businesses and professionals and traces his family history to 1851. "We call our information 'intelligent' because it is not only insightful, well chosen content, but it is also made available in electronic formats that provide our customers with competitive advantage – the knowledge to act. If the 20th century was the era of the Carbon Economy, the 21st century will be the era of the information economy, and Thomson Reuters will be one of its leaders."

The new company has operations in 93 countries, a market capitalization of US\$30 billion and 50,000 employees. **Source: Password**

David Worlock recently commented in an OUTSELL Insight: "Thomson Reuters sets a new trend: we are no longer talking about information services and solutions providers in four or six markets getting portfolio stability from market spread. In order to invest at the level required in workflow and process development, and heavyweight search capacity, the new model will be intensive (and necessarily duopolistic, for competition regulation reasons) occupancy of broadly-defined verticals with strong synergistic relationships between operating units. The engineering needed to get there now begins in earnest." **Courtesy Outsell Inc. www.outsellinc.com**

LATE BREAKING NEWS

MOODY'S Q1 REVENUE DOWN BY 26% - EPS DOWN BY 23%

Moody's reported revenue of \$430.7 million for the three months ended March 31, 2008, a decrease of 26% from \$583.0 million for the same quarter of 2007. Operating income for the quarter was \$199.3 million, a 35% decline from \$304.7 million for the same period last year. Diluted earnings per share were \$0.48 for the first quarter of 2008, 23% lower than \$0.62 in the first quarter of 2007. *Source: Moody's Press Release*

To read the entire story go to page 15

EXPERIAN UPDATE ON TRADING RESULTS FOR SIX MONTH TO MARCH 2008

Experian issued an update on trading for the six months to 31 March 2008. Commenting on the performance of Experian, Don Robert, Chief Executive Officer, said: "Experian's strong portfolio of businesses enabled the Group to deliver a good second-half performance, despite continuing marketplace challenges in the US and the UK. Total revenue growth was 21% for the second half, with organic revenue growth of 2%. For the full year we expect double-digit EBIT growth, unchanged from our previous expectations.

"Looking ahead, we expect good performances in new geographies and across many business lines. Although we do not plan on short-term improvement in the US and UK financial services environment, and are facing strong comparables in the first quarter, our cost efficiency program is on track and we remain confident about the outlook." *Source: Experian Press Release*

For further information see pages 13 & 14

THERE IS STILL VALUE IN THE NEW ECONOMY: GOOGLE SHARES SOAR AFTER HEALTHY Q1 RESULTS

Investors cheered and Google's shares soared 17 per cent to \$527.85 on Friday April 18th. The internet pioneer's search-engine advertising business had stood up better than expected in the face of the US economic slowdown. On the pro forma basis on which Wall Street judges the company, earnings per share reached \$4.84, compared with analysts' expectations of \$4.52.

Google completed its \$3.1bn acquisition of online advertising group DoubleClick in March after receiving the green light from European competition authorities. It promptly has taken steps to cut a quarter of its US workforce at DoubleClick. The job cuts are related to a significant technology overlap. *Source: FT*

EU INTENDS TO STOP SEARCH ENGINES FROM CREATING TRACKING DATABASES

European regulators have determined that companies such as Google, Microsoft and Yahoo violate European data protection rules by keeping data for too long and not telling users how stored search queries and clicks help target advertisements. Search engine companies would like to keep data up to twenty-four months. The EU would like to have a limit of six months. If adopted by the European Commission, the findings are likely to lead to the first stringent regulation of search engines. *Source: European Press Reports - To read more go to page 20*

NEWS FROM CHINA

'CANTON FAIR' KICKS OFF WITH A SLOW START:

The 103rd China Import and Export Fair, the largest of its kind and previously known as the 'Canton Fair', opened on April 15th with 18,721 businesses attending. The slowing global economy has hit attendances and orders at the mainland's biggest trade fair, considered a barometer for the health of China's vital export sector.

According to Customs figures released last week, the growth rate of China's exports in the first quarter of the year declined for the first time in three years. Many experts caution that China's exports could decline this year, as the Yuan continues to appreciate and the US market shrinks, bogged down by the subprime crisis.

It has also been reported that many factories in the Pearl River Delta have closed under the pressure of rising costs and the Yuan's appreciation. The most heavily impacted companies were from the textile, garment, shoes and toy-making sectors.



PEOPLE'S BANK OF CHINA TO CONTINUE TIGHT MONETARY POLICY

The PBOC stated on Monday March 31, 2008 that it would continue with its tight monetary policy. The consumer price index (CPI) increased by 8.7% year-on-year in February and well ahead of the 4.8% set by the government.

Source: Xinhua

CHINA CRACKS DOWN ON ILLEGAL ONLINE MAP SERVICES TO PROTECT STATE SECURITY

The Chinese government is to crack down on illegal online map and geographical information websites, claiming they threaten state security, according to an official of the State Bureau of Surveying and Mapping (SBSM). Eight departments, including the SBSM, the Ministry of Foreign Affairs, and the Ministry of Public Security, said they would tighten supervision over online map and geographical information service websites.

Min Yiren, deputy director of the SBSM, said almost 10,000 online map websites operated in China, most of them showing maps without approval. "Some websites publish sensitive or confidential geographical information, which might leak state secrets and threaten national security," Min said those websites would be closed down. Foreign organizations and individuals engaging in making and publishing online maps in China would also be stopped. The campaign would also target websites that made mistakes such as labeling Taiwan a "country", wrongly drawing national boundaries, or omitting important islands including the South China Islands, Diaoyu Islands and Chiwei Island, said Min. These websites would be punished and required to make corrections, he said. *Source:*

As reported by China Daily

NEWS FROM CHINA

CHINA TO IMPROVE PROFESSIONALISM OF JUDGES

A Chinese political advisor urged to raise the standard of professionalism of judges. Currently, a number of judges do not have an adequate educational background and are not up to the professional standard. Statistics from judicial authorities in southwest China's Sichuan Province indicate that judges account for 54.8 percent of the total number of courts staff, but only 2 percent of the judges hold a master degree in law, nearly half of them do not have a bachelor degree. "Courts should increase salary and improve welfare for high-calibre judges who have been frequently reported to resign and become high-income lawyers", said Wu Zhengde, vice chairman of the Central Committee of the China Democratic League. **Source: Xinhua**

BAIDU ENTERS JAPAN; ANNOUNCES PRODUCT AND SERVICES LAUNCHES

Baidu has announced a number of important new product and service launches. In October, the company stated that it will enter China's consumer-to-consumer ecommerce market at unspecified date in 2008. In January this year, Baidu entered the Japanese search market with the official launch of **Baidu Japan** and in February **Baidu Hi**, an instant messaging service was launched. Baidu is the leading search engine in China with a 60% market share. **Google** is a distant second with 25.9% and **Yahoo China** is third with 9.6%. Baidu claims to have indexed over 740 million webpages, 80 million images and 10 million multimedia files. Baidu.com places 19th on **Alexa's Global Top 500**, a list which ranks websites based on user traffic.

Beijing-based Baidu was founded in 2000 and had 6,000 employees at the end of 2007. Baidu listed on NASDAQ in August 2005. In 2007, the company recorded revenues of US\$239 million which is a 108% increase over the same figure in 2006. Net income was US\$86 million – also a 108% increase over the previous year. Baidu's market capitalization is approximately US\$10 billion.

Source: BAIDU PROFILE published in April 2008 by Business Strategies Group www.bsgasia.com

REUTERS ACQUIRES STAKE IN FINANCIAL DATA PROVIDER

Reuters announced that it has taken a minority stake in ChinaWeb, a provider of online financial information in China. According to the Reuters press release, **Hexun**, the principal business of ChinaWeb, is "one of the largest independent online financial websites in China." The company claims to have nearly 50 million unique visitors per month generating 670 million page views. ChinaWeb had gross assets of US\$5.2 million as of February this year according to Reuters. **Source: Reuters press release**

ALIBABA INITIATIVE TO PROMOTE EXPORTS TO CHINA

According to an article in the UK-based newspaper, the *Daily Telegraph*, **Alibaba.com** "is to launch an online platform which will encourage the owners of British small and medium-sized enterprises (SMEs) to export their products to the world's most populous country." The initiative will be called "Export to China, Export to the World" and it will be launched in the second half of 2008. Alibaba.com claims to have 268,000 registered users in the U.K. and it maintains that the company is adding 2,000 more users each week.

David Wei, chief executive of Alibaba.com stated, "in high-technology engineering products, where the UK is still very competitive, and in areas such as patents and intellectual property, there is a major opportunity for UK SMEs to export to China." **Source: Business Strategies Group www.bsgasia.com**

NEWS FROM CHINA

XINHUA FINANCE MEDIA APPOINTS NEW DIRECTOR

NASDAQ-listed **Xinhua Finance Media (XFML)** announced that David Green has been appointed to its board of directors. Mr. Green is chairman and founder of **September Films**, a television production company with offices in London and Los Angeles. Mr. Green will also join the board's Investment and Compensation Committees.

CEO of XFML, Ms. Fredy Bush, stated, "We are fortunate to have David joining XFMedia as an independent director and appreciate his taking on additional responsibilities as a member of the Board committees. His experience in building a successful television and film production company is very relevant to XFMedia, and he will undoubtedly bring invaluable insights that will enhance XFMedia's world-class business in China. Given the strategic importance of TV to XFMedia, I expect that David can provide significant guidance as we expand that part of the Company's business."

Source: Xinhua Finance Media press release; Courtesy Business Strategies Group www.bsgasia.com

TAOBAO POSTS SALES VOLUME INCREASE OF 170%

Taobao.com, a C2C platform owned by the **Alibaba Group**, recorded sales volume of US\$2.69 billion in the first quarter of 2008. That figure is an increase of 170% over the US\$1 billion recorded in the same quarter last year. There were over 140 million active items listed on **Taobao** in the first quarter of 2008 – a 131% increase year-on-year. Additionally, nearly three quarters of the sales are from second and third tier cities as the market leading service continues to effectively penetrate consumer markets outside China's major centers.

Taobao has now launched **Taobao Mall**, a B2C service targeting brand owners and retailers who want to access **Taobao's** market of 50 million registered users. Unlike the C2C platform, the **Taobao Mall** is not a free service. Sellers are required to pay **Taobao** a commission. Companies such as Dell and sports brand Lining have already agreed to set-up storefronts in the **Taobao Mall**.

Source: China Web 2.0 article; Courtesy Business Strategies Group, www.bsgasia.com

OTHER B2B MEDIA NEWS IN BRIEF

REED ELSEVIER PLANS TO SELL PUBLISHING UNIT

Reed Elsevier plans to sell the publishing operations **Reed Business Information (RBI)** which publishes a large number of well known titles including Variety, Publishers Weekly and New Scientist. RBI recorded revenues of US\$1.78 billion which accounts for 20% of all sales within the group. Reed Elsevier confirmed that it will retain the exhibitions business. The company noted that the advertising revenue generated by the RBI publishing business is more susceptible to the changes in the wider economy and the company aims to move to more subscription-based businesses. **Reed Elsevier CEO, Crispin Davis** stated that the company currently is not in talks with potential buyers of Reed Business Information and he stated that he expected the sale could take sometime due to the uncertainty in the credit markets. The sale price is expected to be approximately US\$2 billion.

Source: Bloomberg article; Courtesy Business Strategies Group, www.bsgasia.com

NEWS FROM INDIA

RESERVE BANK OF INDIA CREDIT BUREAU LICENCES STILL PENDING

The Reserve Bank of India has not made a decision that will be getting the much coveted licenses to operate credit bureaus in India. The largest credit bureau operators have entered into partnerships with local Indian companies due to a 49% FDI equity restriction.

UK based **Experian** has joined hands with HDFC, ICICI, (both are shareholders in CIBIL, only credit bureau currently operating in India) Axis and Centurian Bank of Punjab. Experian will hold 49% in the venture; ICICI will hold 19.9%; Axis will hold 11.1% and HDFC and Centurian Bank of Punjab will hold 10% each. The initial capital of the joint venture will be US\$ 7.4 million.

Equifax has teamed up with Tatas and S&P's owned rating agency CRISIL. Tatas to hold 25%, Crisil will hold 26% and Equifax will hold 49% in equity in the new joint venture. The three partners are said to invest US\$ 4.5 million which is to increase over a three year period to a total of US\$ 20 million.

A Newcomer is **High Mark Credit**, who is backed by US based CBCInnovis, Fair Isaac and several banks, has applied for a license. It has hired a number of industry experts and has set up offices in Mumbai.

The sudden interest in the Indian market by foreign information companies is driven by the huge retail market that has emerged in the country. However consumer credit growth is retarded by the lack of information and banks have now become more receptive to the idea of sharing information in order to reduce credit losses and to be able to increase the customer base. The home loan market is estimated to be US\$ 35 billion. **CIBIL**, the first Indian Credit Bureau is said to have now reached critical mass with over 100 million records on file. **Source: Local press coverage**

ADWEEK TO LAUNCH IN INDIA

Various sources have reported **Adweek**, a leading publication focused on the advertising industry, will soon launch an Indian edition. The magazine has been published continuously for over 30 years and targets advertising, marketing and media professionals. In India, **Adweek** will be published under license by **Paprika Media**, a subsidiary of the **Essar Group**, which also publishes **Time Out** in India. Paprika Media reportedly recently signed the licensing agreement with Dutch media conglomerate **VNU**. **Adweek** will compete with **Haymarket's** Indian edition of **Campaign** and two local titles, **Brand Reporter** and **Impact**.

Source: Business Standard article; Courtesy Business Strategies Group, www.bsgasia.com

CYBERMEDIA AND ICICI BANK TARGET INDIAN SMES

Cybermedia, an Indian specialty publisher, and **ICICI**, one of the country's leading banks, have agreed to launch a nationwide knowledge sharing program targeting executives from Indian SMEs. The executives will have the opportunity to meet with experts specialized in human resources, taxation, marketing and entrepreneurship. "The SME CEO Knowledge Series is yet another initiative towards our desire to create a vibrant ecosystem for the SMEs. This will also enable us to cater to entrepreneurs at the root level with specific knowledge and guidance, thereby strengthening the industry as a whole," noted Vijay Chandok, Senior General Manager & Global Head SME, ICICI Bank.

Source: ICICI press release; Courtesy Business Strategies Group, www.bsgasia.com

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NEWS FROM INDIA

TRADEINDIA.COM SERVICE TARGETS SMEs

TradeIndia.com, an online B2B sourcing platform, has announced that it will launch a news service specifically targeting SMEs in India. The service, named the *SME Times*, will also serve as an information resource for SMEs involved in import and export trading. *SME Times* will provide daily news from wire services as well as unique content written by TradeIndia.com staff, freelance journalists and industry experts.

Source: Indian Media Observer article; Courtesy Business Strategies Group, www.bsgasia.com

ASIAN B2B MEDIA SHARE PRICE PERFORMANCE

SHARE PRICE MOVEMENT PAST 12 MONTHS (as of April 18, 2008)

TradeEasy	134.6%	Tarsus	-28.5%
Baidu.com	129.6%	Global Sources	-29.8%
China Finance Online	116.2%	Time Warner	-34.8%
BOL THAILAND [BIIA MEMBER]	85.7%	United Business Media	-37.0%
Kenfair	64.0%	Fairfax	-37.9%
CCID Consulting	47.1%	Pico	-41.2%
Info Communication	35.6%	China.com	-42.3%
Infomedia	23.6%	Euromoney	-42.8%
Zhejiang Netsun	10.8%	Ninetowns	-42.8%
SEEC Media Group	0.0%	Expomedia	-44.6%
Reed Elsevier	-1.0%	Cybermedia	-44.7%
Las Vegas Sands	-7.8%	McGraw Hill [BIIA MEMBER]	-45.8%
Pico Thailand	-11.4%	Lexicon Grp.	-50.0%
CNET	-13.6%	Axiom	-52.9%
ITE	-14.7%	Impress Holdings, Inc.	-57.6%
Business Media China	-23.1%	Huicong International	-71.2%
Pearson	-26.2%	Xinhua Finance Media	-76.4%
<i>Courtesy Business Strategies Group, www.bsgasia.com</i>		Xinhua Finance	-90.9%

ENHANCE YOUR LISTING IN THE BIIA INFORMATION INDUSTRY DIRECTORY

BIIA member **Business Online Limited**, Thailand has enhanced its listing in the BIIA Information Industry Directory: <http://www.wand.com/bia/NewCompanyProfile.aspx?mfqcode=22017&slno=Business+Online+Public+Company+Limited-Commercial+Credit+Information+Services&Redirect=stype%3d4423500>

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MEMBER NEWS

CRIF ACQUIRES MAGNUM COMMUNICATIONS IN THE USA

CRIF Expands Its North American Presence With The Acquisition of Magnum: CRIF and Magnum Communications, Limited announced in January that they have completed a definitive agreement whereby CRIF has acquired Magnum. This move is beneficial for both companies and creates a strong synergistic relationship that will benefit Magnum clients and the market at large.

"The acquisition of Magnum provides CRIF with greater scale, extends our presence in the U.S. and North American credit markets, and expands the distribution channel for our software solutions and risk analytic services," said CRIF CEO Carlo Gherardi. "The addition of Magnum's product offerings, including CREDICHECK® and RapUP®, underscores CRIF's commitment to providing the most comprehensive range of solutions to our clients."

"We believe this is a very attractive relationship for our clients" stated Carl Eikhoff, Magnum's founder and CEO. "We are very impressed by CRIF's success, global presence, personnel, and their software and information services. We feel the synergies between the two companies are very strong, and the combined team will allow us to bring new benefits to our current clients and the market as a whole."

Under this agreement, Magnum, already a leader in credit data access, analysis and decision applications, will also be able to provide web-based workflow management, loan origination, expanded international data acquisition, as well as new and enhanced score card development and desktop simulation tools. In addition, many of Magnum's international clients will now take enormous advantage of it and have the possibility to develop and implement global strategies for consistent data access and scoring rules. *Source: Company Press Release*

CRIF IS GOING GLOBAL

With its latest acquisition CRIF has accelerated its push to becoming a global company. CRIF originally an Italian-based company, established in 1988 in Bologna (Italy), specializes in the development and management of **consumer credit reporting, business information and decision support systems**. Today, CRIF has operations in Europe and in the Americas. With this aggressive expansion it would not be surprising if CRIF will consider Asia as well.

In the last 10 years, CRIF has expanded covering both the European and American markets. CRIF is currently the leading group in continental Europe in the field of banking credit information and one of the main operators on an international level concerning integrated services for business & commercial information and for credit & marketing management. Since 1997, CRIF has been present in the UK with CRIF Decision Solutions Ltd., where, through the acquisition of Qui Credit Assessment Ltd. two years later, the Group has enhanced its facilities to Users, particularly in the areas of financial analysis, reporting and monitoring services. CRIF Decision Solutions Ltd. specializes in the design and development of customer database solutions, in particular in claim management and fraud detection solutions for **UK** insurance companies. In 1999, CRIF extended its international presence in the United States by establishing CRIF North America Corp. based in Tampa (FL). The strategic alliance with the American company TransUnion, leader in the NAFTA market, has given rise to two companies that specialize in providing custom and model-based business solutions in Mexico (TransUnion CRIF Decision Solutions S.A. de C.V.) and in Central and South America and Canada (TransUnion CRIF Decision Solutions LLC).

Continued on next page

MEMBER NEWS

GRIF IS GOING GLOBAL (cont.)

To consolidate its role and relationship with local financial institutions in strategic **Eastern European** markets, CRIF bought 100% of the stock in CCB - Czech Credit Bureau and later in SCB - Slovak Credit Bureau. The systems used by both the credit bureaus were set up and managed by CRIF and are based on EURISC - CRIF credit bureau.

In 2005, CRIF began its expansion also into the Russian market by founding the National Bureau of Credit Histories (NBCH), together with the National Banking Association (ARB) and some of the country's main banks. Today, the membership of the Russian credit bureau includes about 600 credit institutions. CRIF's direct presence in **Russia** was strengthened in 2007 with the establishment of OOO CRIF, located in Moscow, which offers services ranging from analysis to consultancy, as well as outsourcing and software solutions.

In 2006 CRIF expanded its presence in Eastern Europe by acquiring INFIN in the Slovak Republic, which provides added-value business information services on Slovak companies and municipalities. Since 2008, INFIN has been merged into SCB – Slovak Credit Bureau.

At the beginning of 2007, InfoData, founded in 1990 as a Department of the Polish Chamber of Commerce, became part of the CRIF Group. Since 2008, CRIF Sp. Z.o.o offers added-value business information services in **Poland**, providing high quality data and freshly investigated credit reports on any Polish and foreign companies worldwide, as well as analytics, consulting, outsourcing and software solutions.

Based in Tampa (**USA**), CRIBIS Corp. is the CRIF company that develops and distributes worldwide online services for decision making support, from risk management to marketing strategies, providing business information about companies, industries and markets. Used by general business companies and banks around the world, SkyMinder (www.skyminder.com) integrates information from dozens of international providers and from local sources in specific countries, providing detailed credit, financial and business information on more than 50 million companies in 230 countries.

Since early 2008 CRIF has strengthened its presence in the Americas through CRIF Corp. (based in Tampa, **USA**), Magnum (based in Atlanta, **USA**) and CRIF S.A. de C.V. (based in **Mexico City**), which provide decision support and software solutions to financial institutions, service providers and businesses.

Source: Company Press Release - <http://www.crif.com/en/AboutUs.aspx>

CREDITREFORM PORTAL “[WWW.FIRMENWISSEN.DE](http://www.firmenwissen.de) (‘COMPANY KNOWLEDGE’)

In 2007 Verband der Vereine Creditreform launched its company portal www.firmenwissen.de (direct translation: company knowledge). The portal operates parallel to the regular Creditreform information services. Its owners are obviously not worried about cannibalization. Since its inception the portal has reached 5 million page impressions per month. The originators of www.firmenwissen.de were the German business newspaper Handelsblatt and Creditreform. In the meantime Creditreform has taken over the portal, has developed a new technical platform added search engine technology and offers a broad spectrum of information products from marketing, business profiles, financial and credit information to the small business community. Source: *Password Germany*

MEMBER NEWS

STANDARD & POOR'S ACTION PLAN TO INCREASE TRANSPARENCY

Deven Sharma, president of S&P announced new actions to enhance independence, strengthen the ratings process and increase transparency to better serve global markets. He stated: "The ongoing transformation of the financial markets requires us to continue to bring more innovative thinking, greater resources, and improved analytics to the ratings process. By further enhancing independence, strengthening the ratings process, and increasing transparency, the actions we are taking will serve the public interest by building greater confidence in credit ratings and supporting the efficient operation of the global credit markets."

The actions, which will be implemented throughout S&P's global organization, include enhancements in the following four areas:

- Governance: S&P is implementing new measures that build on existing governance policies and protections and further strengthen the integrity of the ratings process to ensure its independence, make the effectiveness of our governance even more transparent and to maintain investor confidence.
- Analytics: S&P is taking steps to ensure that our ratings models, processes, and analytical talent continue to be of the highest quality and that S&P remains fully equipped to rate complex financial structures with increasing transparency regarding assumptions.
- Information: S&P is providing market participants with greater transparency about the ratings process and greater clarity about the risks that could cause a change in ratings assumptions.
- Education: S&P is undertaking an extensive educational outreach program to help market participants better understand what a credit rating is – and is not. The goal is to help them use ratings appropriately.

S&P has already adopted a number of these enhancements and will implement the remainder throughout the year. S&P also is evaluating additional actions and intends to introduce further measures throughout the year.

"This initial set of actions is the product of a comprehensive, formal assessment of our policies and practices conducted in collaboration with an independent third-party expert, as well as active dialogue with market participants, regulators, and legislators. These actions are consistent with our commitment to continuous improvement," said Sharma. "Our goal is not only to enhance specific processes but also to minimize even the potential for perceived conflicts of interest and provide the public a greater understanding of how our ratings are determined, what they mean, and how market trends and events affect them. "We are committed to playing a leadership role, in collaboration with market participants, regulators, and experts, in addressing the issues currently facing the global credit markets. We will continue to engage with market participants and policymakers on an ongoing basis and consider additional steps in response to the feedback we receive," concluded Sharma.

Details of all 27 individual measures that S&P is implementing are available at <http://www.spnewactions.com/>.

Standard & Poor's, a division of The McGraw-Hill Companies (NYSE:MHP), is the world's foremost provider of financial market intelligence, including independent credit ratings, indices, risk evaluation, investment research, and data. With approximately 8,500 employees (including wholly owned affiliates) located in 21 countries, Standard & Poor's is an essential part of the world's financial infrastructure and has played a leading role for more than 140 years in providing investors with the independent benchmarks they need to feel more confident about their investment and financial decisions. For more information, visit <http://www.standardandpoors.com>.

INDUSTRY NEWS

EXPERIAN: NO SHORT TERM IMPROVEMENT IN USA AND UK TRADING

In the six months to 31 March 2008, revenue from continuing activities at Experian increased by 15% at constant exchange rates. **Group organic revenue growth was 2% (Q3 2%, Q4 1%).** There was good organic revenue growth at Decision Analytics and Interactive, both up 7%. There were modest organic revenue declines in Credit Services and Marketing Services of 1% each. Acquisitions contributed 13% to revenue growth.

North America: Revenue in North America for the six months ended 31 March 2008 increased by 2% in total. Organic growth was 1%, with Hitwise (acquired in June 2007) contributing the balance.

Market conditions in US financial services continued to be challenging, particularly in mortgage and pre-screen. Growth in automotive and business information helped mitigate weakness in consumer information, resulting in a decline in organic revenue of 3% at Credit Services. Decision Analytics performed well against a very strong comparable, delivering 3% organic growth and reflecting a number of new businesses wins in the telecommunications and energy sectors. Marketing Services continued to benefit from the mix shift to new media with 3% organic revenue growth, while at Interactive organic revenue growth was 3%, with continued strength in Consumer Direct and PriceGrabber offsetting further weakness at LowerMyBills.

Latin America: Revenue for Latin America in the six-month period to 31 March 2008 was \$221m (prior year \$3m), including contributions from Serasa (acquired in June 2007) and Informarketing (acquired in April 2007). Organic revenue growth was 40%, reflecting the performance of Decision Analytics only. Serasa performed well during the period, in line with the buy plan, reflecting the strong market environment for credit in Brazil. The integration of Serasa has now been completed.

UK and Ireland: Revenue from continuing activities for the six months ended 31 March 2008 increased by 7% at constant exchange rates. Organic revenue rose 1%, with the acquisitions of Tallyman (acquired in May 2007), Hitwise, The pH Group (acquired in July 2007) and N4 Solutions (acquired in July 2007) contributing the balance.

While the **environment for UK financial services** continues to be uncertain, strength in business information helped mitigate weakness in consumer information and as a result Credit Services' organic revenue declined modestly by 1%. At Decision Analytics organic revenue rose 1%, with some improvement in pipeline conversion, offsetting weak application processing activity. Marketing Services continues to be affected by lower levels of spend by financial services clients, with organic revenue down 7% in the half. Interactive performed very strongly, as higher volumes of new CreditExpert members contributed to a near doubling of revenues.

EMEA/Asia Pacific: At constant exchange rates, revenue in EMEA/Asia Pacific increased by 12% in the six-month period to 31 March 2008. Organic revenue growth was 6%, with acquisitions, mainly Emailing Solution (acquired in May 2007), Tallyman and Hitwise, contributing the balance.

Organic revenue growth was 1% at Credit Services in the half. Decision Analytics performed strongly, with organic revenue growth of 24%, reflecting good performances in both Europe and Asia Pacific. Marketing Services again performed well, particularly across Asia Pacific, with organic growth up 10%.

ENHANCE YOUR LISTING IN THE BIIA INFORMATION INDUSTRY DIRECTORY

BIIA member **Business Online Limited**, has enhanced its listing in the BIIA Information Industry Directory: <http://www.wand.com/bia/NewCompanyProfile.aspx?mfqcode=22017&sInfo=Business+Online+Public+Company+Limited-Commercial+Credit+Information+Services&sRedirect=stype%3d4423500>

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INDUSTRY NEWS

EXPERIAN TRADING RESULTS FOR SIX MONTHS TO MARCH 31, 2008

Experian Trading Update (second half)

Continuing activities only ¹	Total growth %	Total growth %	Organic growth %
	At actual exchange rates ²	At constant exchange rates	At constant exchange rates
North America	2	2	1
Latin America	>100 ³	>100 ³	40
UK and Ireland	12	7	1
EMEA/Asia Pacific	26	12	6
Experian	21	15	2

¹ Continuing activities exclude the contributions of MetaReward, UK account processing and Loyalty Solutions

² Experian is reporting in US dollars

³ Latin America total growth at actual exchange rates for the six months ended 31 March 2008 was 7,306% and total growth at constant exchange rates was 6,119%

For commentary see previous page.

Experian sues LifeLock: Experian Group alleges that fraud-alert company, LifeLock, is defrauding consumers and violating the Fair Credit Reporting Act by selling services that are otherwise free and abuse the fraud-fighting tools the government enacted with the FCRA.

In its suit, Experian charges that LifeLock is illegally posing as the consumer when requesting an initial fraud alert, and conducting a "scheme" to "game the system" by adding new alerts every 90 days so that the consumer's file is maintained in a perpetual state of alert, which inhibits lenders from extending credit without a follow-up to the consumer. Part of Experian's suit also cites LifeLock for allegedly failing to disclose to consumers they could do fraud alerts themselves at no cost (Experian calls this "deceptive").

LifeLock, claims to be the industry leader in proactive identity theft protection, and offers a solution that prevents an individual's identity from being stolen (<http://www.lifelock.com/>) *Source: Press Reports*

ContractorCheckSM Pro launched by Experian. It is a new combination report package that provides home-improvement professionals with convenient access to their ContractorCheckSM report. This includes a full year of business credit report access and monitoring to proactively manage their business profile.

Experian also announced it is teaming with Angie's List[®] to provide ContractorCheck products for its consumers and contractors they rate.

"ContractorCheck Pro consists of a detailed reporting of the contracting business's credit history and a copy of the ContractorCheck report that consumers receive when reviewing the contractor's business. With a subscription to ContractorCheck Pro, a contractor can proactively manage the business's profile by regularly checking both reports and seeing if action needs to be taken on any items that may affect the business's overall rating. Furthermore, by being able to review and understand the underlying business credit data that drives the ContractorCheck report, contractors can utilize it to their advantage to help acquire new customers by demonstrating the business's reliability.

INDUSTRY NEWS

MOODY'S FIRST QUARTER RESULTS

Moody's reported revenue of \$430.7 million for the three months ended March 31, 2008, a decrease of 26% from \$583.0 million for the same quarter of 2007. Operating income for the quarter was \$199.3 million, a 35% decline from \$304.7 million for the same period last year.

U.S. revenue of \$232.8 million for the first quarter of 2008 decreased 39% from the first quarter of 2007, while **non-U.S. revenue** of \$197.9 million decreased 3% from the same period. Moody's global revenue results included approximately 200 basis points of positive impact from currency translation. Non-U.S. revenue accounted for 46% of Moody's total revenue for the quarter, up from 35% in the year-ago period.

Revenue at **Moody's Investors Service** for the first quarter of 2008 was \$298.2 million, a decrease of 37% from the prior-year period. Non-U.S. revenue of \$131.4 million represented 44% of total MIS revenue. Changes in revenue and operating income were positively impacted by foreign currency translation of approximately 200 basis points and 220 basis points, respectively.

Within the ratings business, **global structured finance revenue totaled \$107.2 million for the first quarter of 2008, a decrease of 57% from a year earlier.** U.S. structured finance revenue decreased 69%, driven by significant declines in issuance across most asset categories. Non-U.S. structured finance revenue decreased 29%, led by declines in the European credit derivatives and commercial real estate finance sectors.

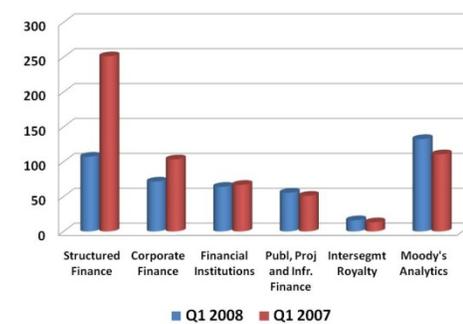
Global **corporate finance revenue** of \$71.5 million in the first quarter of 2008 declined 31% from the same quarter of 2007. Revenue in the U.S. declined 41% from the prior year period. Significant revenue growth from rating U.S. investment grade debt was more than offset by high double-digit declines in revenue from speculative-grade bond and bank loan ratings. Outside the U.S., corporate finance revenue decreased 6% due primarily to declines in revenue from rating European speculative-grade securities.

Global **financial institutions revenue** of \$64.0 million decreased 4% for the first quarter of 2008. Financial institutions revenue in the U.S. declined 5% as growth in the banking sector was more than offset by revenue declines in the insurance, and finance and securities sectors. Outside the U.S., revenue decreased 4% as growth in the insurance sector was more than offset by declines in revenue from the larger European banking sector.

Global **public, project and infrastructure finance revenue** was \$55.5 million for the first quarter of 2008, 9% higher than in the first quarter of 2007, reflecting solid double-digit growth in project and infrastructure finance. Public, project and infrastructure finance revenue in the U.S. was flat with the prior year period. Non-U.S. revenue increased 32% due to strong growth in both project finance and public finance.

Moody's Analytics revenue rose to \$132.5 million, up 20% from the same quarter of 2007 with non-U.S. revenues contributing 50% of the total. All three business lines - subscriptions, software, and consulting - delivered double-digit percent growth. Revenue from subscriptions rose to \$118.3 million, contributing the greatest dollar growth. Foreign currency translation positively impacted operating results, increasing revenue and operating income growth by approximately 220 basis points and 310 basis points, respectively. **Source: Moody's Press Release**

Moody's Q1 Results in US\$ millions



INDUSTRY NEWS

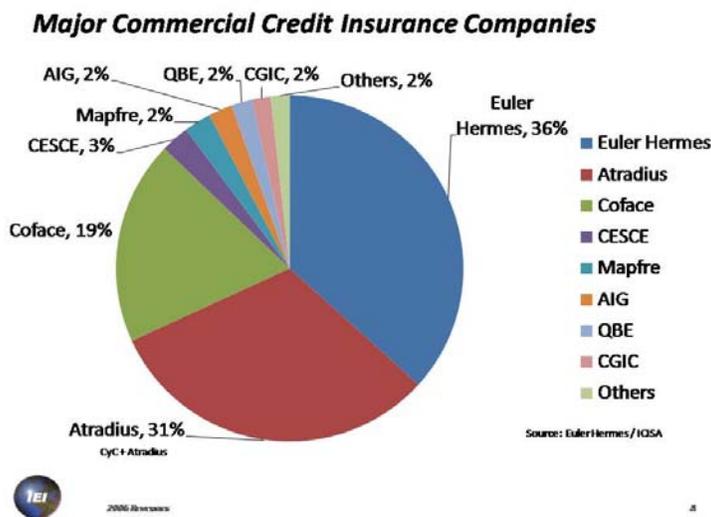
ATRADIUS AND CREDITO Y CAUCION COMPLETE MERGER

Atradius and Crédito y Caución, the world's second and fourth largest credit insurers, have announced the completion of the transaction to combine their businesses. The credit insurance companies will together operate as part of the Atradius Group, providing credit insurance, surety / bonding, collections, credit information and other related products and services to customers in 40 countries across the globe.

Paul-Henri Denieuil, Chairman of the Supervisory Board of Atradius N.V., commented: "This combination is something that both companies have envisaged since Crédito y Caución became an Atradius shareholder in 2003. Together, we look forward to leading the global credit insurance industry." Jesús Serra, Chairman of the Board of Crédito y Caución added: "We will now be able to capitalize on the combined strengths of both Crédito y Caución and Atradius to provide our customers with a more extensive breadth of coverage, specialized products that help them meet their specific insurance needs and first class service."

Atradius has one of the world's leading global credit insurance and collections platforms while Crédito y Caución leads in the Spanish and Portuguese markets. They will operate together as part of the Atradius Group but will maintain local brand names to ensure continued strong brand recognition. Isidoro Unda, CEO of Atradius N.V. concluded: "Our customers are our most important concern and the priority of the new reinforced Atradius Group will always be to make sure their needs are addressed first. We have increased our financial strength and improved our value proposition and service capabilities including an enlarged presence, especially in Latin America."

The Atradius Group: The Atradius Group provides credit insurance, surety and collections services worldwide, and has a presence in 40 countries. Its products and services aim to reduce its customers' exposure to buyers who fail to pay for the products and services they purchase. With total revenues of approximately EUR 1.8 billion and a 31% share of the global credit insurance market, its products contribute to the growth of companies throughout the world by protecting them from payment risks associated with selling products and services on credit. The Atradius Group annually insures around EUR 465 billion of world trade against non-payment. With 160 offices, it has access to credit information on 52 million companies worldwide and makes more than 22,000 credit limit decisions daily.



Source: Atradius Press Release

SPECIAL REPORT: CREDIT CRUNCH HITS MAIN STREET

ASIA'S EXPORT MARKETS IN PERIL: WHAT INFORMATION COMPANIES NEED TO TELL THEIR 'CROSS BORDER' CLIENTS

Late last year BIIA started to inform its members that the developing credit crunch may eventually be hitting main street businesses. This prediction has now become fact with economists and industry groups confirming a gloomy scenario. Some of the headlines are outlined below.

Our industry's customers in cross border information services are well advised to monitor the credit standing of their clients on a consistent basis, as the credit climate in their major export destination is deteriorating fast.

CATERPILLAR SEES SHORT TERM GLOOM: NO IMPROVEMENT UNTIL 2009

The world's largest maker of construction equipment lowered its forecast for construction in North America and warned that the US and European economies would slow further than its already gloomy projections. Caterpillar cut its economic forecast for US economic growth to 0.5%; for Europe to 2%. The company expects the US economy to begin a comeback in 2009.

S&P's ECONOMIC FORECAST: NO IMPROVEMENT UNTIL 2009

Deven Sharma, President of S&P quoted in a recent interview with the FT S&P's economist: "Our economist indicates we are in recession and expects recovery to be slower than we had originally anticipated. Our economist is projecting it to end somewhere in early 2009. **Source: FT**

US RETAILING IN DISTRESS SAYS BERNARD SANDS

The recent consumer spending drought brought on by insane gasoline prices, rising food prices, the housing slump, a severe credit crunch and weakening job market has pushed a number of retailers into bankruptcy and has forced others to shutter stores and curtail expansion plans. The retailing landscape is undergoing a seismic shift, resulting in increased vacancies at the nation's malls and strip centers. **Source: Bernard Ratings and Risk Management for the Retail Supply Chain**

Since 1925, Bernard Sands is considered by many to be the gold standard for credit ratings and information on the retail industry. Bernard Sands covers the mass merchandisers, department stores and chains plus 250,000+ owner-managed retailers. Sands ratings and reports include financial analysis, industry and company trends, trade attitudes and references, payment scores and liquidity trending. <http://www.bernardsands.com>
Bernard Sands is a Smyth Solutions LLC company.

OECD AND IMF DIFFER ON IMPACT OF SUB-PRIME LOSS

The IMF has released a study which asserts that losses from sub-prime sector would hit close to one trillion dollar (US\$945 billion). In comparison an OECD study suggests losses in the range of US\$350 billion to US\$450 billion. Apparently the IMF bases its estimate on market prices and property losses, while the OECD looked at a bigger pool of mortgages to reach its conclusions. **Source: Armada Corporate Intelligence**

CREDIT CRUNCH HITS MAIN STREET

THE BLAME GAME: GREENSPAN OR GREEDY INVESTORS

Breakingviews.com and a number of economists have started to point fingers at Alan Greenspan, the former chairman of the Federal Reserve Bank in essence making him a scapegoat. He fired back in an article printed by the FT of London putting the blame on investors. Greenspan wrote: "The problem is not the lack of regulation but unrealistic expectations about what regulators are able to prevent". He added: "The core of the subprime problem lies with the misjudgments of the investment community". He said he knew of "no instance" in which central bank policy has been successful in "leaning against the wind" as bubbles develop. "I doubt that it is possible", he said. "If it turns out to be feasible, I would become a strong supporter of leaning against the wind."

Between February 1995 and February 2006 (the last figure available), US M3 money supply increased from \$4.4tn to \$10.3tn, or 8.27% per annum. Between the first quarters of 1995 and 2006 nominal US GDP increased from an annual rate of \$7.3tn to \$13.0tn, or 5.36% per annum. Global international foreign exchange reserves increased from \$1.4tn in 1997 to \$6.4tn, or 16.2% per annum.

The following is an excerpt of Martin Hutchinson of our member Breakingviews.com had to say about Mr. Greenspan: "Greenspan argues that the Fed cannot "lean against" bubbles while they are in progress. But as chief regulator of the US banking system it has the best access to information and should be able to spot excesses - in fact, its own people regularly spoke about high leverage and inadequate stress testing by banks. A responsible Fed in such circumstances could have tightened both monetary policy and regulation. The Greenspan Fed failed on both counts. That makes him a prime suspect in the current mess." *Contribution by: martin.hutchinson@breakingviews.com*

Additional comments from the BIIA Forum 2008: Dr. Belcsak of Rundt Associates (a BIIA member and director) said it quite bluntly: "***The end result of the crisis could be, and was, foreseen at the start but these warnings were not believed and soon the impact of the admonitions faded. Essentially everyone was making a hefty fee on the process moving forward as everyone was charging consultation time while the markets remained hot. The position of the economy as a whole has been rendered very precarious by the surge of greed that followed the wide open spigot that was monetary policy under much of Alan Greenspan last few years.***"

In addition to the Fed's inappropriate monetary policy, wrong incentives, lack of concern of the credit standing of the borrower, off balance sheet transactions due to securitization and imperfect assumptions by the rating agencies are the other factors that led to the debacle. In the meantime other voices point to Basel II's three pillar system that might prove to be faulty towers: Basel II is supposed to safeguard the banking system. With too much focus on capital adequacy linked to the credit standing of borrowers, banks cannot afford to take on subprime debt. After initiating subprime mortgage loans, banks had to move it off their balance sheet in form of securitized debt instruments. However Basel II did not prevent them to buy back these securitized debt instruments, which are now on their balance sheets as worthless assets.

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CREDIT CRUNCH HITS MAIN STREET

CORPORATE DEFAULTS ARE UP IN AUSTRALIA

There has been a dramatic jump in the number and value of corporate defaults in Australia as the global credit crisis starts to impact local debt performance. And in signs that local businesses are now scrambling to recover outstanding money and improve cash flow, smaller debts are being escalated to formal collection proceedings at much earlier stages. *Source: D&B Australia. To read the full story click on: <http://www.biaa.com/press.php>*

WORLD BANK NOTES EXPORT SHIFTS

The sagging U.S. economy and the weak dollar have started to combine to affect the patterns of global trade, especially for the fast growing markets in Asia. U.S. exporters have become more active as the dollar has weakened and new export records have been set almost every month. The U.S. market has also become less attractive to global exporters as the weak dollar has made products from other nations more costly in the U.S. The most significant shift in trade patterns has been taking place in Asia and these changes will have immense implications in the not-so-distant future.

An analysis from the World Bank shows that these countries have adjusted very quickly to new market realities—rebouncing from a 15% annual export growth rate in the third quarter of last year to 19% in the last quarter. In January of 2007 the level was at 22%. The majority of the shift has been from the U.S. market to other Asian states and to Europe. This trend is very likely to accelerate in the months to come.

The impact this shift will have on overall global trade is likely to be long lasting and profound. The U.S. export community will continue to find opportunities in Asia and Europe, allowing the trade deficit to erode at some point (provided oil prices fall some day). The growth that has projected East Asia to the forefront is not likely to deteriorate to the extent that some had predicted and that means continued demand for commodities from this region. The engine of world growth is now being shared more equitably between the U.S., Europe and Asia. The decline in the U.S. is allowing these markets to assert themselves and this means that the shifts will become more entrenched.

Europe is already showing some signs of growth that is being exploited by the Asian exporters and the growth in internal markets in China, India, Korea and elsewhere means that many companies have found insulation from the vagaries of the U.S. market. The focus on trade between the Asian economies and the western states will begin to alter as intra-Asian trade expands. The U.S. is not losing its place in the world as a consumer nation, but it is now clear that it will have rivals and that changes a great many equations.

Source: Armada Corporate Intelligence

Implications on Information:

Changing trade flows mean changing information flows. With trade flows shifting to Asia, Asia needs to produce more information on exporters and importers. That is a challenge in itself as many Asian markets have imperfect public sector information which has a negative impact on reliable and timely credit information. BIIA is pursuing this issue relentlessly in the interest of credit grantors to have access to accurate, reliable and timely credit information. If this problem is not fixed over time, another Asian credit crisis will be on the horizon.

CREDIT CRUNCH AND THE *TRIPPLE-A* RATING

VICKIE TILLMAN EVP OF S&P ANSWERS QUESTIONS ABOUT RELIABILITY!

In light of the illiquidity of credit markets and mortgage related debt instruments, the question has been raised about the reliability of the Triple-A rating. Vickie Tillman, Executive Vice-President, Standard & Poor's New York recently responded in the Financial Times:

"A triple-A rated security implies that the rated security or debt issuer has an extremely strong capacity to meet its financial commitments. It is the highest rating and therefore should have the lowest probability of default.

This remains the case, even in today's volatile credit markets. Although the market value of many triple-A structured securities has fallen heavily – reflecting in large part their limited market liquidity – very few have defaulted. According to our most recent structured finance rating transition study, of the 26,000 triple-A ratings issued by S&P on structured securities between 1978 and the end of 2007, fewer than 0.1 per cent have defaulted. That is broadly comparable with the historic default rate for triple-A corporate bonds.

Triple-A ratings can and do change, both in the corporate and structured bond markets, and they can and do default. However, it remains the case that default much more rarely than securities that were originally rated lower.

Standard & Poor's is committed to continuing to enhance its analytics and the information we provide the market, and we continue to take steps to build greater confidence in our ratings and support the efficient operation of the global credit markets." *Source: Financial Times*

REGULATORY NEWS

SEARCH ENGINES UNDER ATTACK BY EU PRIVACY ADVOCATES

If the *European Union's Article 29 Data Working Party* will have its way search engines need to purge personal data after six months or explain very carefully why it needs to keep data longer. Search engine companies such as Google and Microsoft had attempted to head off such a move by reducing the use of 'cookies', network addresses and other personal data to 24 months.

The Working Party also took issue with Google's data retention practices, where Google attempts to anonymize search engine logs after 18 months by removing the last section of an IP address (e.g. 71.202.117.xxx). That may not be enough to anonymize users, the group found, since it only rules out 254 possible IP addresses. It is possible, the commission argued, for law enforcement to re-identify a person by combining queries and the slightly redacted IP address.

The Working Party's recommendations are based on Europe's Data Protection directive, which are based on the core data privacy practices of notice, consent and choice. However, search engines companies that also offer web mail have to comply with a different EU directive, the *Data Retention Directive*, which compels them to store communications data for six months to two years. The U.S. has no such policy, though the Justice Department has pushed for such rules in the past.

Source: Press Coverage

BIIA MEMBERS: UPGRADE YOUR LISTING IN THE BIIA INDUSTRY DIRECTORY

BIIA and WAND (<http://www.wandinc.com>) announce the launch of the *BIIA Business Information Industry Directory*. The purpose of the BIIA directory is to improve the transparency, the business information content industry and to provide a new source of revenue base to be able to support BIIA member services and industry advocacy initiatives. The listing of company activities and link to websites is free.

Members have an opportunity to upgrade their listing to promote products and services for less than US\$2.00 to US\$4.00 per day. For further information visit: <http://www.wand.com/bia/profile-desc.aspx><http://www.wand.com/bia/profile-desc.aspx>

BIIA Member Listings:

BIIA members are listed free of charge with a basic listing of company name, contact information, a comprehensive list of products and services and a link to the company website. Membership in BIIA is indicated by the BIIA Logo illustrated below the country flag. BIIA members will be able to upgrade their listing in two ways:

Upgrade to a BIIA Directory Platinum Listing in the BIIA and the Wand Network Directories:

Company contact information and comprehensive listing of company products/services
Priority position on BIIA Directory and all WAND Network Directories
Link to company web site - Full color company logo
Logo will appear in the company list search results page and the company profile page
Full color company photo - 500-word company profile
Link to page with up to 10 additional company information pages (PDF's or web pages)
Link to company's online catalog - Email link
Receive request for quotes (RFQ) - RFQ link on your company profile page
Monthly report detailing your listing traffic, activity, etc

Less than US\$ 4.00/day or US\$ 1,399.00/year

Upgrade to a BIIA Directory Silver Listing in the BIIA and the Wand Network Directories:

Company contact information and comprehensive listings of company products/services
Priority position on BIIA Directory and all WAND Network directories - 250 word company description
Link to company web site - Email link
Receive request for quotes (RFQ) - RFQ link on your company profile page Monthly report detailing your listing traffic, activity, etc.

Less than US\$2.00/day Price: US \$699.00/year

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