

Sinotrust Holds Credit Risk Management for China Domestic Funded Enterprise 2011 Forum

Beijing, March 29, 2011----On March 29, the “Credit Risk Management for China Domestic Funded Enterprise 2011 Forum” organized by Sinotrust was held in Beijing to address such issues as status quo & development trend, effective instruments and tools, successful practices and cases of domestic funded enterprises in respect of credit risk management, aiming to better tackle demand for credit management in China and provide a comprehensive and in-depth review in this area.

Fu Junsheng, Consultant Director of Sinotrust Credit Risk Consulting Services gave the keynote speech titled *Difficulties, Solutions and Implementation Strategies for Credit Risk Management*, which points out that credit management is a cross-disciplinary study on management science to encompass marketing, financial management and information management and also an important part of modern corporate management. The ultimate goal of a company’s credit management department is to maximize its cash flow with a good balance between credit risk control and reasonable sales growth.

According to a Sinotrust research, an effective feed-forward control can prevent the occurrence of 70% delinquent accounts, an effective concurrent control can prevent 35% and an effective feedback control can save 41% losses on delinquent accounts while an integrated approach can reduce 80% losses from non-performing and doubtful debts. The absence of elaborated credit management policies, specialized department or staff assigned for credit management as well as scientific and strict working procedures, weak enforcement of relevant rules and codes, employees’ lack of credit risk consciousness, credit management knowhow and skills, deficiencies in customer assessment methods and models, unsatisfactory customer file management, incomplete and obsolete customer information are among the difficult problems encountered by domestic funded companies in China.

Fu advised that a sound and complete credit management system necessarily contains a specialized credit management department, clear-defined credit management procedures, well-established credit management regulations and smooth internal communication.

As for the application of information technology in credit risk management, He Xiaocai, Senior Product Manager of Sinotrust Software R&D Center, introduced that credit investigation and credit limit decision are key feed-forward control points, account monitoring and early warning are concurrent control points while receivables collection, evaluation and analysis are feedback control points. From years’ experiences in credit risk management, customer management and receivables collection, Sinotrust has independently researched and developed RiskManager, a fully tested and certified package of tools to help companies achieve effective credit and receivables management, which can remarkably enhance the efficiency and consistency of customer credit evaluation and ensure implementation of and compliance with corporate credit policies thanks to its scientificness and objectivity as well as its powerful and versatile features in credit investigation, credit limit granting, account monitoring and

warning, receivables collection, assessment and analysis.

Vicky Han, Vice President of Sinotrust and also a major promoter of Credit Risk Management for China Domestic Funded Enterprise Forum, shared her insights on the current credit management of domestic funded enterprises in China, saying that the percentage of domestic companies resorting to credit risk management and control has risen by 20% ever since 2009, but the vast majority is still confined to large-sized businesses. Now more and more domestic funded enterprises have come to realize the importance of credit management and have raised their credit risk consciousness gradually.

As a leading supplier of marketing solutions and credit solutions in China, Sinotrust has so far successfully organized the event for three years consecutively after Credit Risk Management for China Domestic Funded Enterprise Forum made its debut in 2009.

For more information on the forum or Sinotrust products and service, please contact:

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About Sinotrust Business Information & Consulting Services

Sinotrust is a leading supplier of business information & consulting services. We provide company credit reports, database products, industry information and database technology services, and help you make informed decisions in credit management, marketing and sales development, industry analysis and competitor monitoring.

About Sinotrust

Sinotrust is a leading supplier of marketing solutions and credit solutions in China. We collect, analyze and manage information about markets, consumers and businesses to provide marketing research, business information, consulting and database marketing services through integration of information, services and technology. Our products and services help you make better marketing and credit decisions and develop profitable customer relationships.

We employ over 700 people in our offices in Beijing, Shanghai and Guangzhou, supporting organization clients from automotive, financial services, insurance, retail, telecommunications, IT, manufacturing, consumer products and trade sectors. Over 80% of the Fortune 500 companies operating in China are using different products and services of ours.

At the beginning of 2007, Experian, the leading global information services company, made a strategic investment in Sinotrust with both capital and know-how. The investment keeps on improving our service

capabilities.

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