

Press Release

SIAGI accelerates its digital transformation by introducing BIPE Rating in order to facilitate access to finance of micro enterprises

Paris, 21 June 2016 – SIAGI, a guarantee society which offers financial guarantees to micro enterprises to facilitate obtaining a loan via all banking networks, decided to introduce BIPE Rating, a tool for evaluation and analysis of the financial strength of enterprises.

Embedding BIPE Rating within SIAGI constitutes a major innovation. It reinforces SIAGI's quality of support to respond even more thoroughly to specificities of financing for micro enterprises in France.

As a matter of fact, it consists in:

- Stimulating the granting of credit while the evolution of the economic activity, to which micro enterprises are more exposed than SMEs, remains uncertain;
- Empowering, via an adequate financial evaluation, the takeover and transmission of enterprises as the owners of the enterprises of the baby-boomer generation enter the age of retirement;
- Making the credit decision of entrepreneurs with new profiles safer (professional reconversion, new technologies...);
- Advancing this decision in order to keep up with the rhythm of entrepreneurial dynamics.

By sharing the credit risk with all local banks, SIAGI facilitates the financing of investments and of working capital of micro enterprises. Thereby SIAGI protects the professional and personal fortune of the entrepreneurs. With BIPE Rating SIAGI adopts internally a powerful tool to structure and objectify its credit analysis of micro enterprises and to strengthen the quality of the judgement of the individual potential for development of every single of its enterprises.

BIPE Rating is a digital solution developed by BIPE, a company consulting in strategy and in economic forecasting. On the basis of financial, legal, economic and sectoral data BIPE Rating evaluates the financial soundness of enterprises according to criteria of profitability, creditworthiness and liquidity. The automated analysis allows for a refined calculation of the probability of default of the enterprises, for measuring their performances compared to their peers and for a forecast of their growth in view of the forecasts for their sectors.

“The combination of the field expertise of SIAGI, gained in more than 50 years, in the area of credit risk evaluation of craft enterprises and of proximity and the mastering of given data by the tool BIPE Rating, strengthens the attractiveness of our offer”, declares **Bernard STALTER**, President of SIAGI.

“The tool BIPE Rating is above all a technological device which must provide SIAGI with multiple types of benefits: the development of its client base; a strengthened risk control; an increased productivity and the position as driving force within its value chain”, specifies **Pascal LE MERRER**, President of BIPE.

Michel COTTET, Director General of SIAGI adds: “ensuring a strengthened historic and future expertise, ensuring that the entrepreneurs gain confidence in their capacity to invest and ensuring that the bankers broaden their scope of financing, we considered the benefits to integrate BIPE Rating, a tool of economic intelligence, in our decision process, as unquestionable.”

At one point, SIAGI might as well consider to open the access of BIPE Rating directly to micro enterprises so that they can transparently carry out their own self-evaluation and know better their forces and their weaknesses in their quest for financing in order to obtain a pre-guarantee.

About SIAGI

SIAGI is a financing company, certified by the Autorité de contrôle prudentiel et de résolution (ACPR) and a mutual guarantee society founded in 1966 by the chambers of trade and of craft which are its shareholders next to the big banking networks and to Bpifrance with which it has a historical partnership.

Its mission is to give small enterprises of the craft, commercial, industrial, agricultural sector and liberal professions a guarantee in case of default of a bank credit.

The concrete action is very operational encouraging the creation, the development and the transfer of enterprises which constitutes the base of the dynamic of the country’s economy.

SIAGI proposes two systems of guarantees: One which is initiated by the bank in the moment the credit is applied for and the other upon the initiative of the entrepreneur upstreaming the demand for a loan that can result in issuing a pre-guarantee to optimize the acceptance of a credit by the bank.

SIAGI benefits from a strong proximity to the entrepreneurs via its 25 regional agencies and branches and since its creation has accompanied more than 350.000 small enterprises in France with an amount of guaranteed credit of 15 billion euros.

About the BIPE Rating

BIPE is a fintech that uses big data solutions, econometric modelling and a machine learning in order to offer a service of financial analysis, of rating and of measures of the default risk. This new activity, launched at the beginning of 2016 proposes a quantitative approach of rating at global level (BIPE Rating), primarily in the area of unlisted activities. The enterprises are rated on the basis of their financial data, measuring their performance with respect to their line of business, to their competitors and by integrating the legal and socio-economic developments in the catchment area.

This tool is also used in asset management.

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