

# Private Equity: Credit Insurance Should Be Part of the Pre-Acquisition Checklist

Senior debt, cash, working capital, management packages, carve-out planning... Private equity firms scrutinise every aspect of an acquisition.

Yet one lever remains largely underestimated: credit insurance.

Receivables protection, preservation of supplier credit and funding capacity... When addressed early, credit insurance becomes a powerful tool for risk mitigation, value creation and cash generation.



INTERVIEW WITH  
THIBAUT ROBOT  
CEO and Co-Founder, Fibus



AND  
MARC CHAQUÈS  
Director, Fibus

## DÉCIDEURS. Why is credit insurance directly relevant to private equity firms?

**THIBAUT ROBOT.** Because it addresses a core concern for any investor: the resilience of portfolio companies' cash flows. Beyond the insurance policy itself, credit insurance is fundamentally about a company's ability to protect its revenue, monitor customer credit risk, preserve supplier credit and optimise short-term funding.

**MARC CHAQUÈS.** Credit insurance has long been perceived as a purely operational matter or a topic reserved for finance teams. Today, however, it has become a genuine shareholder issue. In a more volatile environment, it directly influences working capital requirements, margin resilience and, in some cases, the ability to execute the investment plan.

## Why is it particularly strategic during an LBO or an acquisition?

**T.R.** Because a change of ownership often alters the perception of risk. A new shareholding structure, additional leverage, a carve-out... all these factors may be closely scrutinised by credit insurers and rating agencies.

**M.C.** The issue does not arise in every transaction, but it should be part of the acquisition checklist. Supplier credit can become more fragile, particularly if credit insurance cover is reduced, potentially creating an immediate cash requirement. This is not something that should be discovered after closing.

## Can you share a concrete example?

**M.C.** We recently supported a major trading company undergoing a sale process. Its business model relied on high transaction volumes, resulting in significant accounts receivable balances, but also substantial levels of supplier credit.

**T.R.** The key challenge was to anticipate how credit insurers would perceive the future LBO. Had certain credit lines been reduced, the impact on liquidity could have been immediate. We therefore prepared the discussions in advance, provided an objective assessment of the risks and secured alternative funding solutions where necessary.

## Credit insurance, and the assessment of customer credit risk more broadly, should be on every private equity firm's LBO checklist, alongside debt, cash, working capital and supplier-related matters.

**M.C.** This type of situation is not limited to trading businesses. It can also be encountered in manufacturing, distribution and certain B2B service sectors with longer operating cycles.

## Can credit insurance also create value?

**T.R.** Absolutely. It is often viewed solely through a defensive lens, whereas it can actively support growth. A well-protected business can finance its commercial development more easily, engage with new customers with greater confidence and absorb shocks more effectively.

**M.C.** It can also enhance receivables financing. In many factoring programmes, a well-structured credit insurance policy can significantly increase funding capacity – by ten to twelve percentage points on some of our most recent transactions.

**T.R.** This is particularly relevant for private equity firms looking to accelerate a buy-and-build strategy, finance organic growth or optimise cash generation ahead of an exit.

## Can credit insurance become a portfolio management tool?

**M.C.** Yes, and it remains significantly underutilised. Insurers' underwriting decisions, changes in coverage levels, and sector or geographic concentrations provide highly valuable indicators of the quality of a portfolio company's customer base.

**T.R.** In other words, credit insurance can become a leading indicator of operational risk. The most sophisticated private equity firms no longer monitor only EBITDA or net debt; they also assess the resilience of accounts receivable.

## What advice would you give to investors in 2026?

**T.R.** First, systematically integrate the topic during due diligence – not post-closing.

**M.C.** Second, assess credit insurance as a financing lever, not merely as a cost.

**T.R.** Finally, seek specialist support on these matters. The credit insurance market is driven by technical balances, risk perceptions and strategic negotiations. Properly prepared, it becomes a value-creation driver. Poorly anticipated, it can quickly become a source of friction.

