

Corporate NPL Sales: the role of specialist investors

1 - Who are the specialist investors?

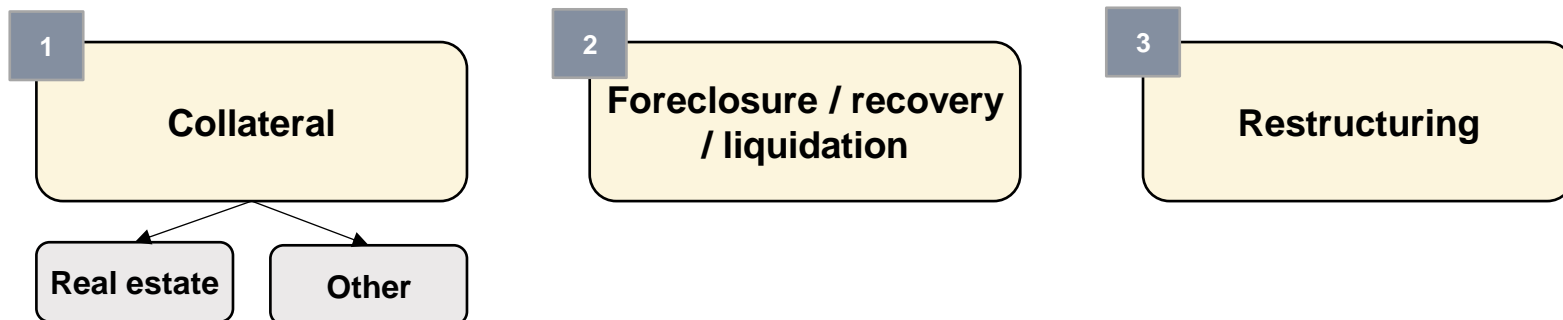
- 1 Who are the specialist investors?
- 2 How do investors think about Corporate NPLs?
- 3 Other considerations for specialised investors



2 - How do investors think about Corporate NPLs?

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- Corporate NPLs investors look at portfolios through three approaches



- Key considerations for investors:

Market considerations

- Size of market / portfolios / FX
- Clear and stable legal / regulatory framework
- Efficiency / timing of bankruptcy / foreclosure / enforcement process
- Requirement for banking license?

Deal considerations

- Sufficient information to properly assess portfolio
- Tax / leverage
- Sale with servicing activity / existence of credible and locally experienced servicers
- Ability to do additional deals

3 - Other considerations for specialised investors

1

Who are the specialist investors?

2

How do investors think about Corporate NPLs?

3

Other considerations for specialised investors

- Very pro-active in approaching sellers / potential advisers
- Bilateral conversations vs. auction process
- Targeted returns / One-off deal vs. recurring business
- Geographical focus / appetite: Western Europe vs. CEE