

Year-End 2018

European NPLs - FY18

An overview of the non-performing loan market

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A Record Year for NPL sales

The European non-performing loan (NPL) market reached its peak in 2018 with disposal totalling EUR 205.1bn in gross book value (GBV).

Debtwire NPL Database tracked 142 transactions. The year just closed has been by far a record, compared with EUR 144bn in 2017 and EUR 107bn in 2016, according to data from **Deloitte**.

The last quarter of 2018 saw a particularly intense pace of activity, given that at the end of the third quarter closed deals totalled EUR 125bn.

The most active country was Italy, which totalled half of the total volume of NPL sales. In 2018, 64 NPL sales with a gross book value (GBV) of EUR 103.6bn were tracked in the country, almost half of which were via securitisations within the government's *Garanzia sulla Cartolarizzazione delle Sofferenze* (GACS) scheme, which now has only until 6 March 2019 to run.

Spain has started to see a slowdown of sales, but still completed a massive EUR 43.2bn in 27 deals. Most deals went to **Cerberus Capital Management** and **Lone Star Funds**. Large Spanish banks are in advanced stages of cleaning up their balance sheets.

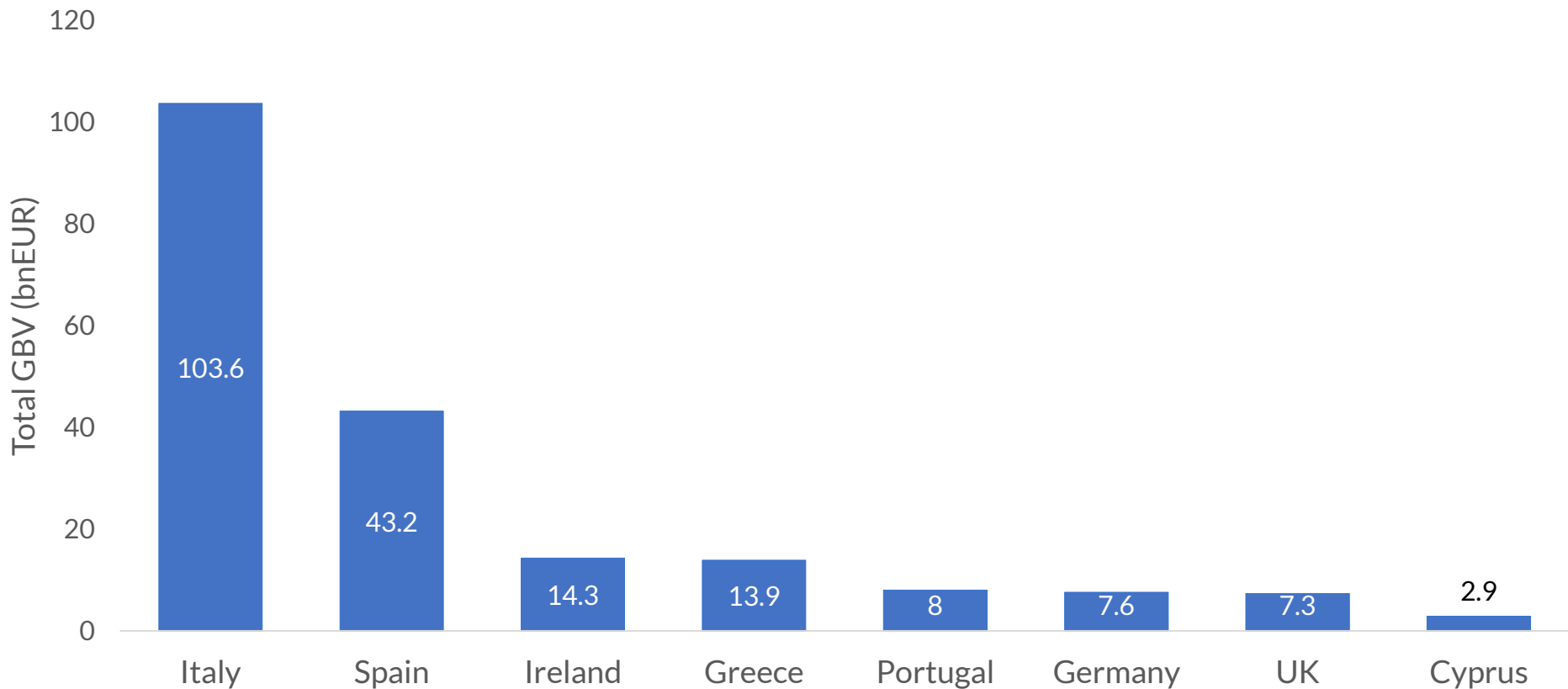
Southern European countries, still the ones with the highest NPL ratios, have started to see important activity and are expected to see more in 2019. In 2018, Greek banks closed eight sales for a total volume of EUR 13.9bn, Portuguese banks closed 16 NPL and real estate owned (REO) deals totalling EUR 8bn and Cyprus saw two deals worth EUR 2.9bn.

In Ireland, there were eight deals for EUR 14.3bn, while bad bank UKAR dominated the loan disposal market in the UK with GBP 5.8bn of sales out of a total GBP 6.5bn. Germany has seen disposal of NPLs connected with troubled local banks. **HSH Nordbank's** EUR 6.3bn portfolio sold, together with the bank, to Cerberus accounted for most of the EUR 7.6bn volume in the country.

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In the second quarter of 2018, the gross carrying amount of NPLs in the EU was EUR 746bn for an NPL ratio of 3.6%, the lowest since 2014, when total volume was EUR 1.17trn, and the NPL ratio was 6.5%, according to the **European Banking Authority's** December 2018 Risk Assessment Report. Despite the progress, the report noted that the NPL ratio remained high compared to those of Japan (1.2%) and the US (1.1%). With European regulators continuing to push banks to dispose early of their bad loans, the activity in 2019 is expected to remain intense.

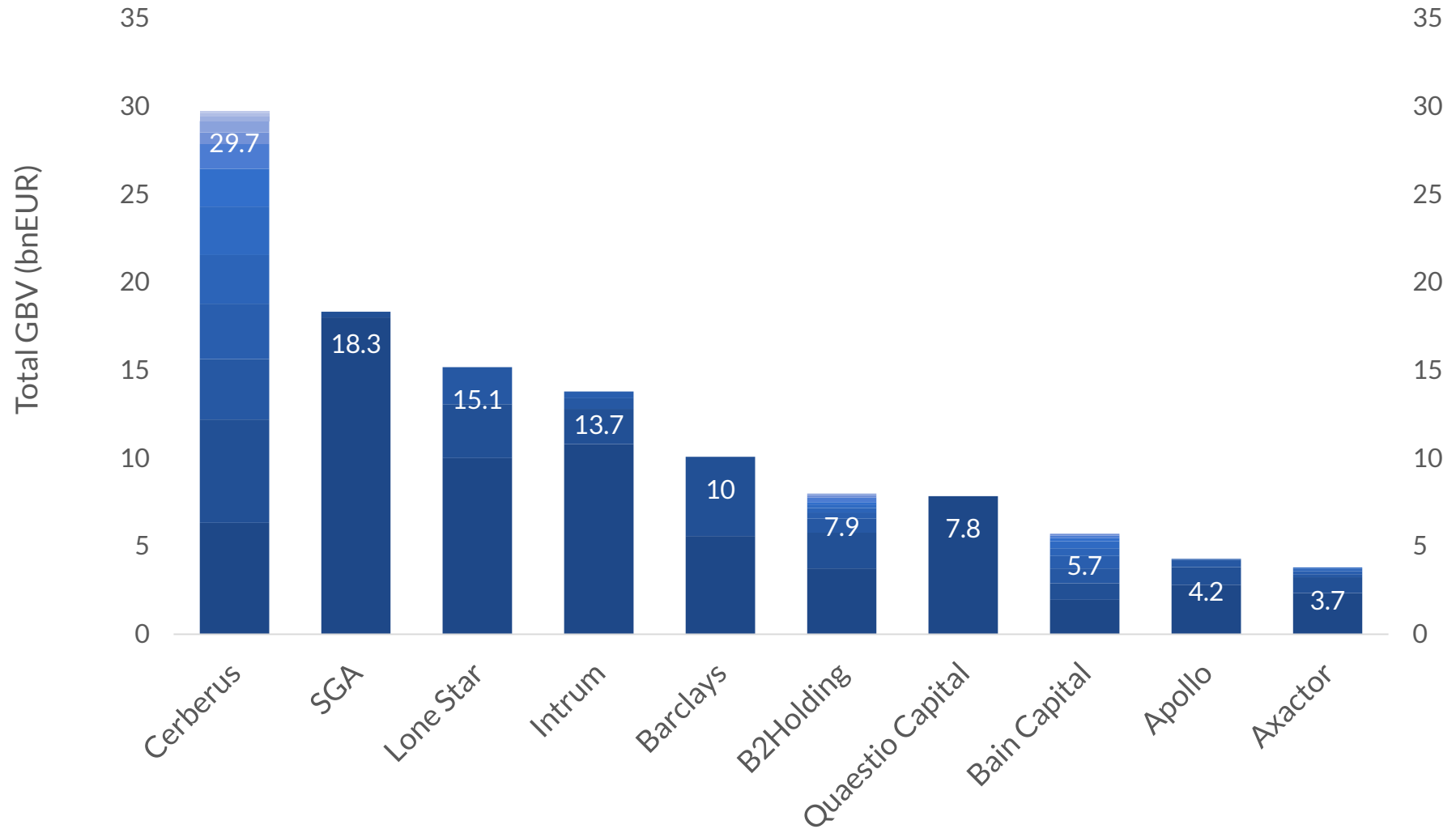
NPL Transactions by Country in 2018



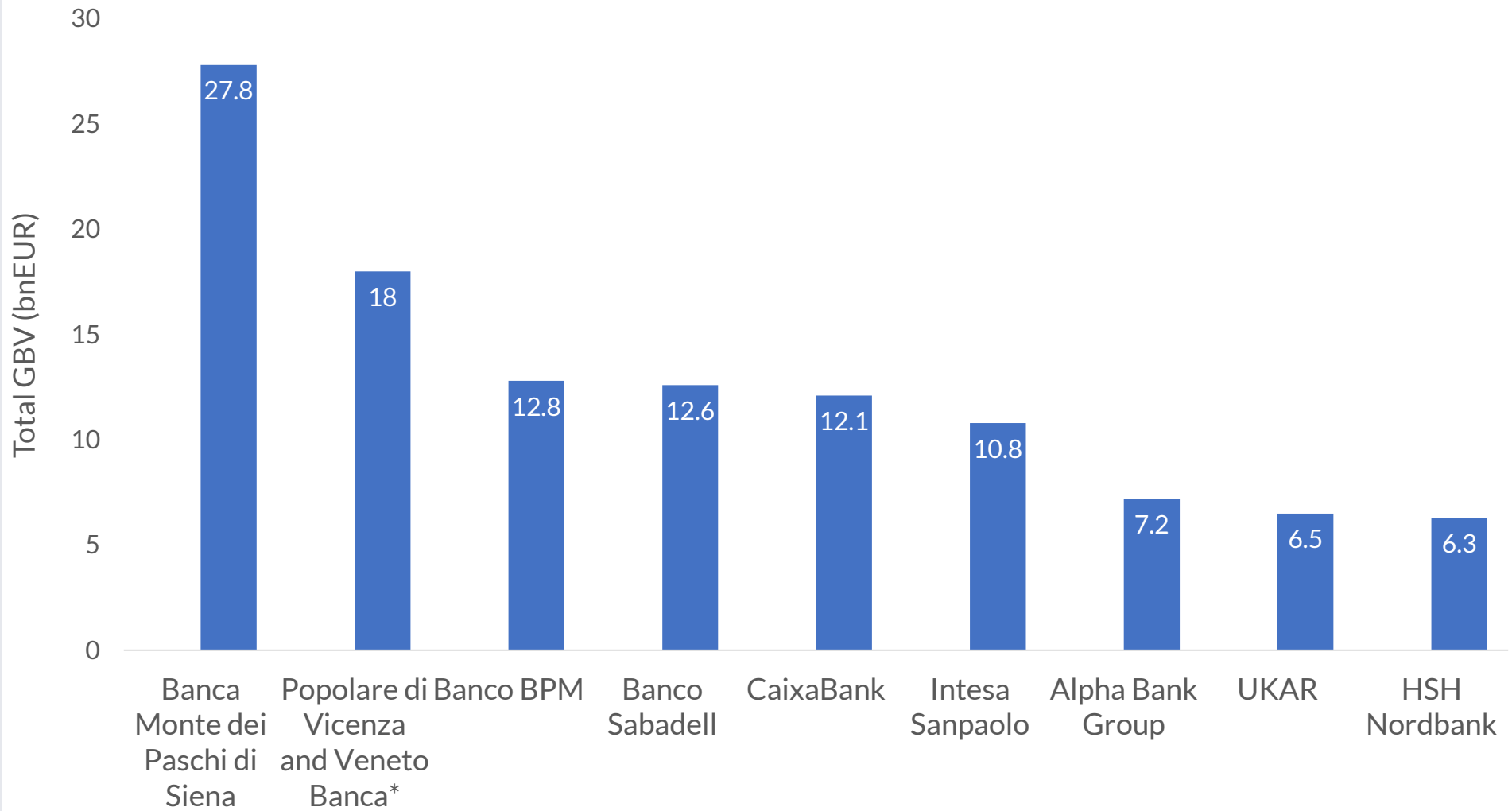
Top Deals of 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Closed
Banca Monte dei Paschi di Siena	Italy	Siena NPLs 2018	23939	Quaestio Capital SGR (Italian Recovery Fund)	Mixed Secured and Unsecured (GACS)	June
Banca Popolare di Vicenza and Veneto Banca	Italy	n/a	18000	SGA	Mixed Secured and Unsecured (NPLs and UTPs)	April
Intesa Sanpaolo	Italy	Project Savoy	10800	Intrum and CarVal	Mixed Secured and Unsecured, and Platform	April
CaixaBank	Spain	Project Gama	10000	Lone Star	Real Estate, and Platform	June
Banco BPM	Italy	Project Ace	7800*	Elliott and Credito Fondiario	Mixed Secured and Unsecured, and Platform	December
HSH Nordbank	Germany	Project North	6317	Cerberus	Mixed Secured and Unsecured	February
Banco Sabadell	Spain	Project Challenger	5880	Cerberus	REOs	July
UKAR	UK	Project Durham	5570	Barclays	Secured (Performing)	May
Banco BPM	Italy	Project Exodus	5097	CRC	Mixed Secured and Unsecured (GACS)	June
Lloyds Banking Group	Ireland	Project Porto	4500	Barclays	Residential Real Estate	May

Top Buyers in Europe 2018



Top Sellers in Europe 2018



*Transfer to bad bank SGA.

Year-End 2018

Italy

Italy – The Largest Market

Italy was by far the most active NPL market last year, accounting for around half the total volume of European NPLs traded.

The country reached a record disposal with a total GBV of EUR 103.6bn in 64 deals, according to *Debtwire NPL Database* data. It is more than twice the EUR 47.3bn that was recorded in 2017, according to data from **Deloitte**.

Non-performing exposures in the books of the Italian banks declined to EUR 222bn as at June 2018. Gross bad loans and UTP exposures reached EUR 130bn and EUR 86bn respectively, according to a report by **PwC**.

The volumes were boosted by the transfer of EUR 18bn of loans to bad bank **SGA** from the regional banks **Banca Popolare di Vicenza** and **Veneto Banca** following the liquidation through a special insolvency procedure under Italian law in 2017.

Bailed out by the Italian State in 2017, the world's oldest bank **Banca Monte dei Paschi di Siena** last year closed the largest disposal of NPLs in Europe with the securitisation of almost EUR 24bn under the government's *Garanzia sulla Cartolarizzazione delle Sofferenze* (GACS) scheme. The EUR 847.6m mezzanine and EUR 565m junior tranches were bought by **Quaestio Capital SGR** on behalf of the **Italian Recovery Fund**, formerly Fondo Atlante II.

The GACS scheme has allowed many Italian banks to find a way to clean up their balance sheets avoiding painful write downs on the valuation. After a slow start in 2016, the scheme got traction in 2017, most notably when **UniCredit** closed the largest securitisation, the EUR 17.7bn *Project FINO*.

GACS Deals Completed in 2018

Seller	Name	GBV (mEUR)	Servicer	Price (% of GBV)	Closed
Iccrea	BCC NPLs 2018-2	2004	Italfondionario	27.8%	December
Banca Carige	Riviera	964	Credito Fondiario and Italfondionario	22.3%	December
Banca Popolare di Bari, and 16 other Italian banks	POP NPLs 2018	1578	Cerved	31.1%	November
BPER	Aqui SPV	1900	Prelios	32.5%	November
Banca Agricola Popolare di Ragusa	Ibla	348.6	Italfondionario	27.9%	September
Ubi Banca	Maior	2748.8	Prelios	26.0%	August
Iccrea	BCC NPLs 2018	1046	Prelios	31.0%	July
Cassa di Risparmio di Asti and Cassa di Risparmio di Biella and Vercelli	Maggese	697	Prelios	29.6%	July
Banca Nazionale del Lavoro (BNL)	Juno	956.5	Prelios	17.1%	July
Banco di Desio	2Worlds	1002	Cerved	32.7%	June
Creval	Aragorn	1671	Cerved	35.1%	June
Banca Monte dei Paschi di Siena	Siena NPLs 2018	23939	Cerved, Credito Fondiario, Italfondionario and Prelios	18.0%	June
Banco di Sardegna (BPER Group)	4Mori Sardegna	900	Prelios	28.1%	June
Banco BPM	Red Sea	5097	Prelios	34.3%	June

In 2018, almost half of Italian NPL disposals by gross book value involved the GACS scheme, 14 deals worth almost EUR 44.8bn GBV of disposals. An additional one is set to be *Project Ace*, a EUR 7.8bn deal reached in December between **Banco BPM**, **Elliott**, and **Credito Fondiario**. The bank is working to obtain the state guarantee on the senior notes and plan to sell mezzanine and junior notes to Elliott.

Most banks have decided to retain the senior notes, guaranteed by the states. So far **UniCredit** is the only bank to have announced the sale of senior notes in the market.

In a previous deal with Banco BPM, **Christofferson, Robb & Company** (CRC) bought junior and mezzanine notes for EUR 203.8m in the *Red Sea* securitisation, which involved NPLs with a gross book value of EUR 5bn.

Davidson Kempner has been another active buyer, acquiring mezzanine and junior tranches totalling EUR 86.9m in **Ubi Banca's** *Project Maior*, involving NPLs with EUR 2.7bn GBV, and mezzanine and junior tranches totalling EUR 76.8m in **Creval's** *Project Aragorn*, involving NPLs with EUR 1.6bn GBV.

The GACS scheme runs out on 6 March 2019. Politicians are still debating the scheme's renewal.

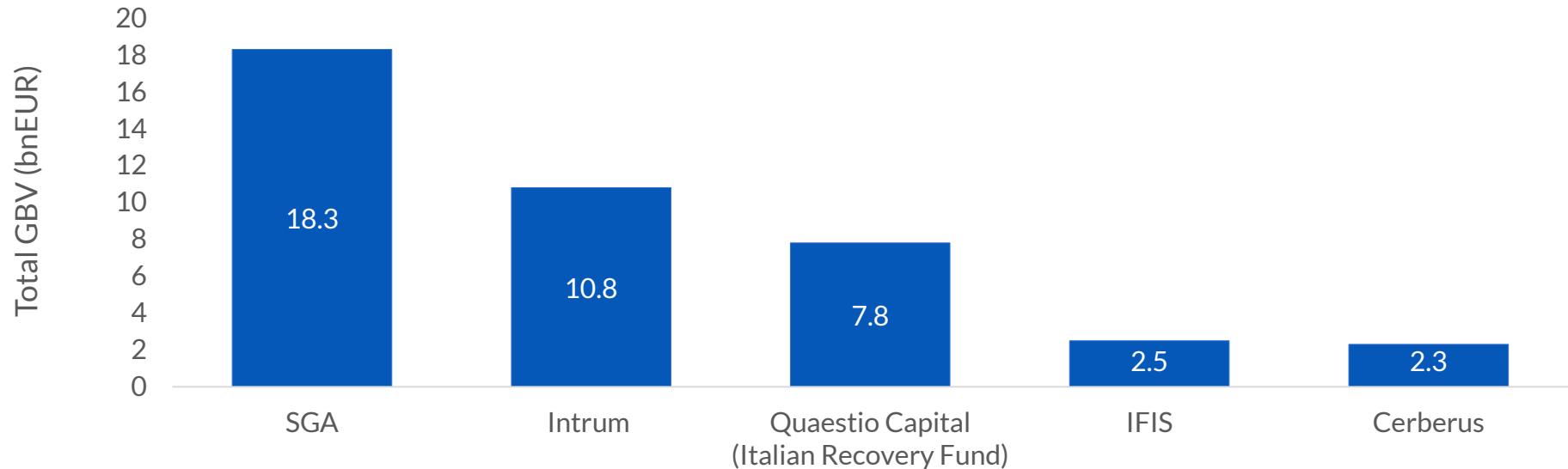
Another notable trend in Italy has been the sales of servicers and banks' NPL managing platforms. **Intesa Sanpaolo** reached an agreement with **Intrum** to buy the platform and a 51% stake in an SPV to which NPLs with a volume of EUR 10.8bn were transferred. Similarly, the deal closed in December between Banco BPM and Elliott and Credito Fondiario involves the sale of the NPL managing platform.

Following this bumper year of NPL disposals, attention is now turning to unlikely to pay (UTP) loans. These transactions often require restructuring and fresh finance.

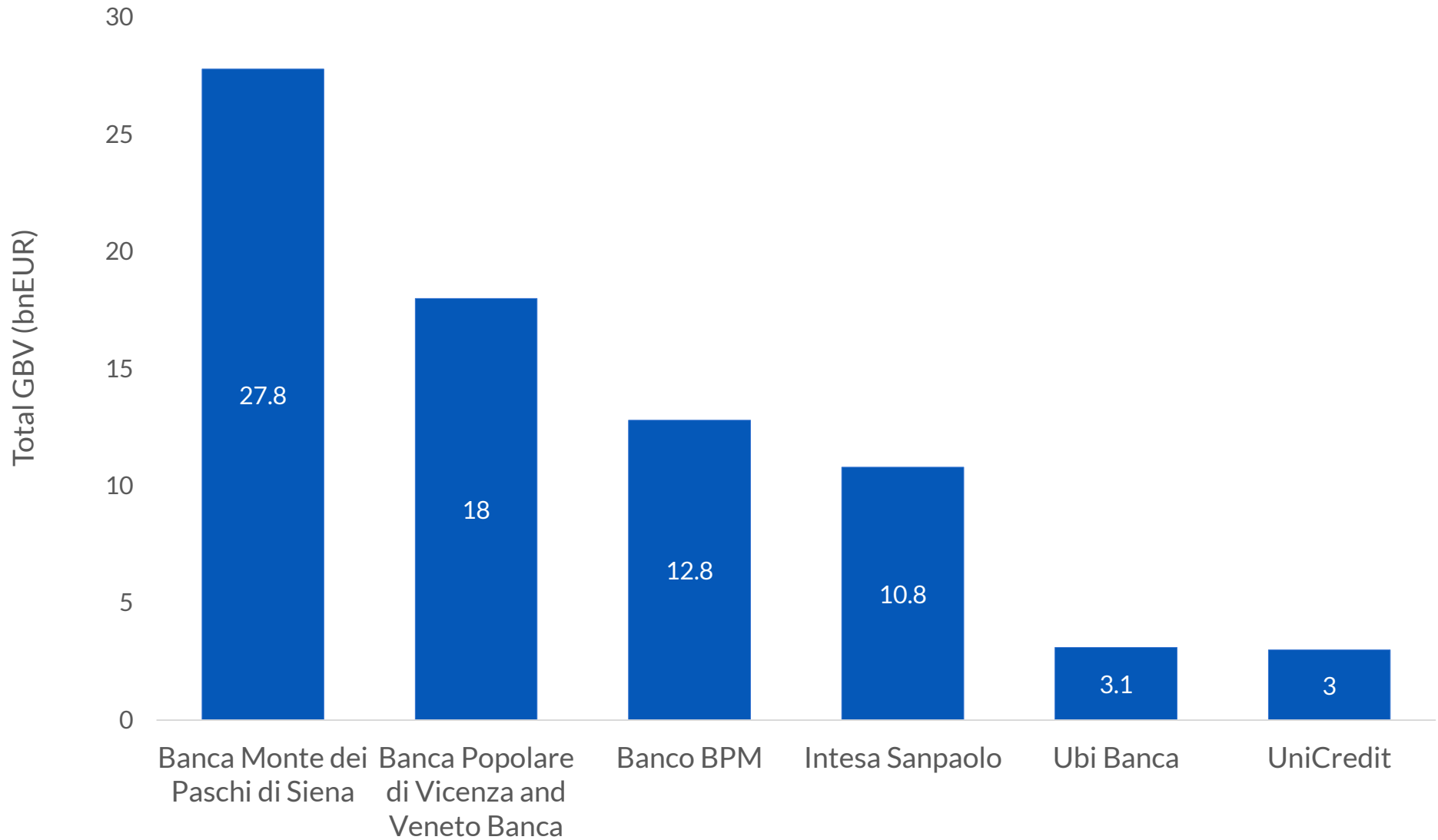
Top Deals in Italy 2018

Seller	Name	GBV (mEUR)	Buyer	Collateral Type	Closed
Banca Monte dei Paschi di Siena	Siena NPLs 2018	23939	Quaestio Capital SGR (Italian Recovery Fund)	Mixed Secured and Unsecured (GACS)	June
Banca Popolare di Vicenza and Veneto Banca	n/a	18000	SGA	Mixed Secured and Unsecured (NPL and UTP)	April
Intesa Sanpaolo	Project Savoy	10800	Intrum and CarVal	Mixed Secured and Unsecured, and Platform	April
Banco BPM	Project Ace	7800	Elliott and Credito Fondiario	Mixed Secured and Unsecured, and Platform	December
Banco BPM	Red Sea	5097	CRC	Mixed Secured and Unsecured (GACS)	June

Top Buyers in Italy 2018



Top Sellers in Italy 2018



Year-End 2018

Spain

Spain - Jumbo Buyers

Although the volume of NPL sales dipped last year, Spain was still the second-most active market in Europe. A total of EUR 43.2bn in 27 deals changed hands compared with a **Deloitte** estimate of EUR 51.7bn in 2017.

Following eighteen months of jumbo sales, Spanish banks have entered the last phase of cleaning up their balance sheets.

Cerberus Capital Management and **Lone Star Funds** dominated the market in 2018, closing deals worth EUR 15.8bn and EUR 13bn respectively.

Blackstone Group was notably absent last year, after having bought in 2017 a majority stake in the EUR 30bn real estate portfolio **Santander** had inherited acquiring **Banco Popular**. That transaction also involved 100% of the share capital of Popular's real estate management company, **Aliseda Inmobiliaria**.

Since 2017, servicing platforms have also been put up for sale. Towards the end of the year, Italian financial services group **doBank** made its debut in Spain by buying an 85%-stake in **Altamira Asset Management Holdings**, Spain's largest servicer with EUR 55bn of assets under management. It paid EUR 412m to the sellers, **Apollo Global Management**, **CPPIB**, and **ADIA**, while Santander will remain holder of the remaining 15%.

Many wondered what Cerberus would do with its servicing business, **Haya**. A listing was planned and then put on ice. Equally, Cerberus could merge Haya with **Anida**, which it acquired from **BBVA** at the end of 2017.

CaixaBank closed in December 2018 the sale to Lone Star of 80% of its real estate business with a portfolio with a GBV of circa EUR 10bn and 100% of the share capital of **Servihabitat Servicios Inmobiliarios**.

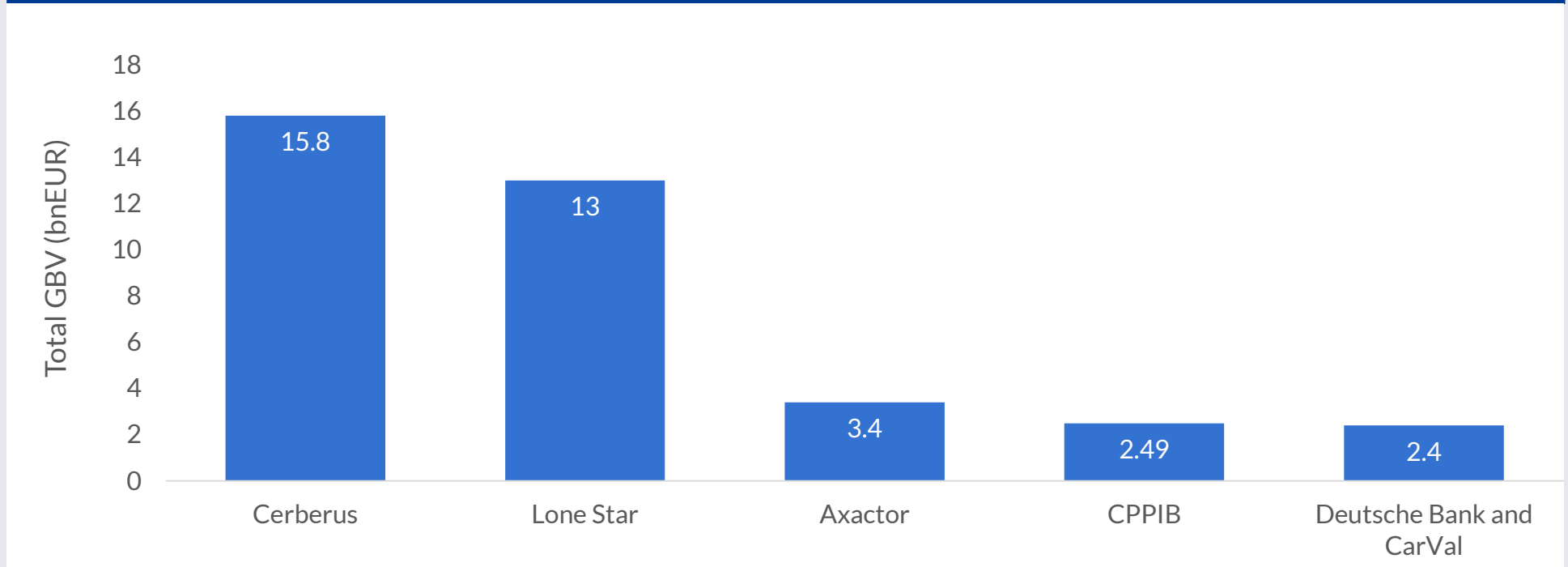
Banco Sabadell sold large portfolios to Cerberus, which became the first buyer in 2018 (see table). Sabadell eventually sold its servicer, **Solvía Servicios Inmobiliarios** to **Intrum** for EUR 300m in December 2018.

Despite the large volumes traded, there is still more work to do. Bad bank **Sareb** is still sitting on EUR 36.1bn of NPLs.

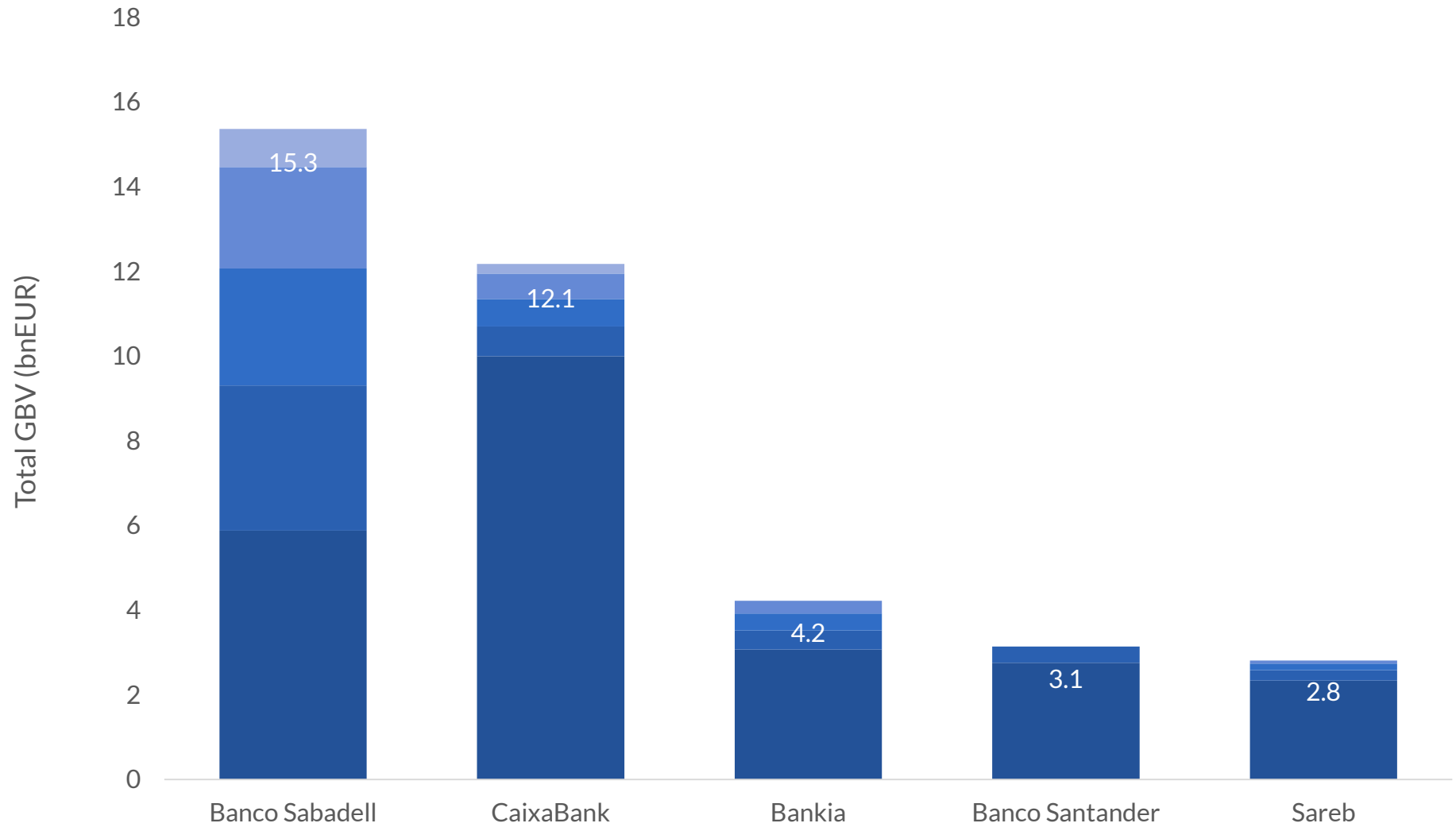
Top Deals in Spain 2018

Seller	Name	GBV (mEUR)	Buyer	Collateral Type	Closed
CaixaBank	Project Gama	10000	Lone Star	Real Estate, and Platform	June
Banco Sabadell	Project Challenger	5880	Cerberus	REOs	July
Banco Sabadell	Project Coliseum	3430	Cerberus	REOs	July
n/a	Project Mauser	3154	Cerberus	Consumer and SME Loans	December
Bankia	n/a	3070	Lone Star	NPLs and REOs	December

Top Buyers in Spain 2018



Top Sellers in Spain 2018



Year-End 2018

New Entries: Portugal, Greece and Cyprus

Greece – The Next Frontier

Greek banks have made some headway in addressing their NPL problems. They managed to bring down the volume from a peak of EUR 107.2bn in March 2016 to EUR 84.7bn by September last year, according to the **Bank of Greece**. That still reflects an NPL ratio of 46.7%.

Last year, Greek banks closed eight sales totalling EUR 13.9bn compared with just two deals in 2017, **Eurobank Ergasias's** sale of a EUR 1.5bn unsecured NPL portfolio and the securitisation of a EUR 1.3bn portfolio by **Attica Bank**. In 2018, all four major Greek banks closed sizeable sales and started to focus on disposing portfolios of loans secured by real estate.

The sale of the secured EUR 1.45bn *Project Amoeba* by **Piraeus Bank** to **Bain Capital Credit** for EUR 432m was a first in the country. It was followed by **Alpha Bank's** sale to **Apollo Global Management** of the EUR 1bn secured NPL portfolio *Project Jupiter* for EUR 337.1m with a EUR 56m REOs portfolio for EUR 51m.

Eurobank and **National Bank of Greece** have focused on large unsecured deals and are preparing secured disposals for circa EUR 2bn and EUR 1bn each.

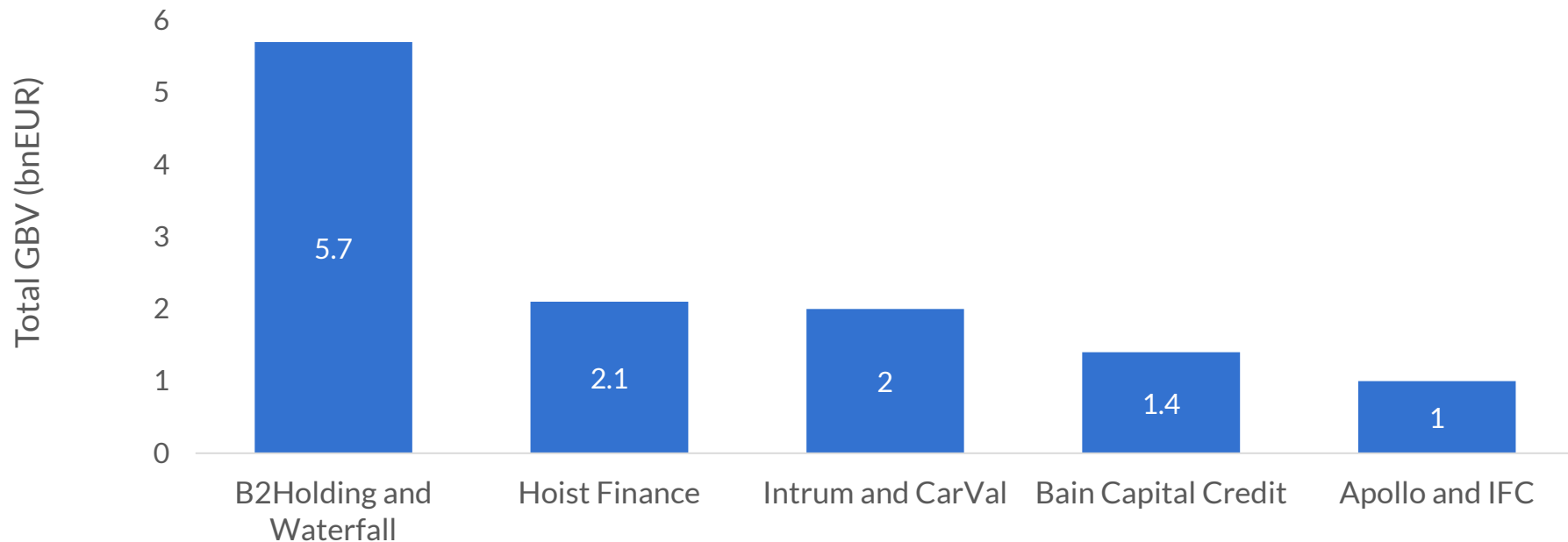
In the year when Greece completed its international bailout program, the banks have started to dispose of their NPLs. But still there is a lot to do. Aside from sales, the banks have explored different ways to manage the bad loans. In the summer, Alpha Bank, National Bank of Greece, Eurobank and Piraeus entered into a servicing agreement with Italian servicer **doBank** for the management of common non-performing exposures (NPEs) of more than 300 Greek SMEs totalling around EUR 1.8bn.

The Bank of Greece has recently unveiled a proposal for using deferred tax claims to bolster securitisations to rid bank balance sheets of non-performing loans. It is a hybrid of the **NAMA/Sareb** and GACS models. The bank suggested that EUR 40bn of NPLs could be transferred to a special purpose vehicle along with EUR 7.4bn of deferred tax credits.

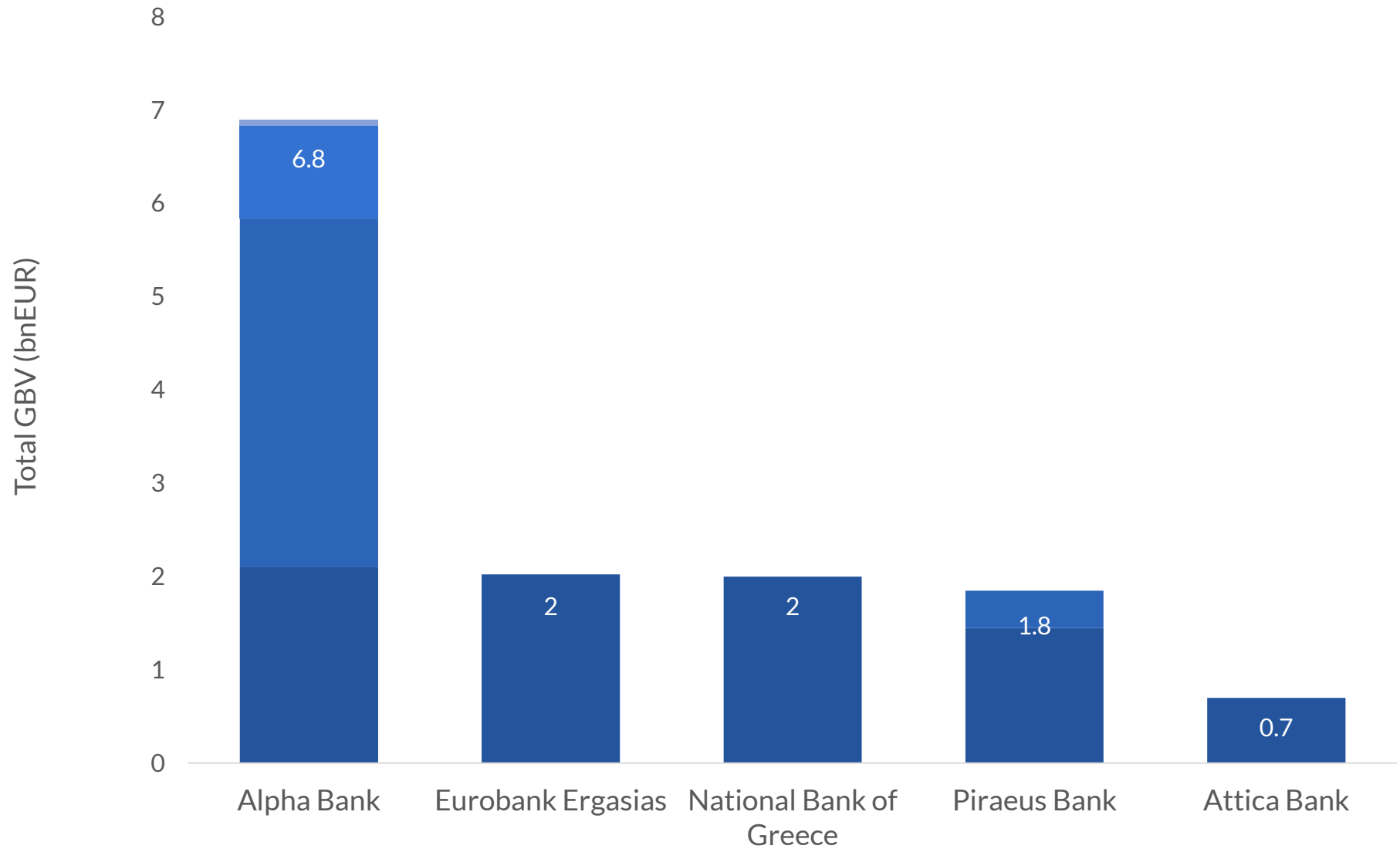
Top Deals in Greece 2018

Seller	Name	GBV (mEUR)	Buyer	Collateral Type	Closed
Alpha Bank	Project Venus	3740	B2Holding and Waterfall	Unsecured Consumer Loans	October
Alpha Bank	Project Mercury	2100	Hoist Finance	Unsecured Consumer and Small Business Loans	November
Eurobank Ergasias	Project Zenith	2024	B2 Holding and Waterfall	Unsecured	October
National Bank of Greece	Project Earth	2000	Intrum and CarVal	Unsecured	June
Piraeus Bank	Project Amoeba	1450	Bain Capital Credit	Secured	May

Top Buyers in Greece 2018



Top Sellers in Greece 2018



Deals Completed in Cyprus 2018

Seller	Name	GBV (mEUR)	Buyer	Collateral Type	Closed
Bank of Cyprus	Project Helix	2800	Apollo	Commercial Real Estate	August
Hellenic Bank	Project Semele	145	B2Holding	Mixed Secured and Unsecured	January

Source: Debtwire NPL Database

Cyprus – First Sales

At the beginning of July, Cyprus’ parliament passed legislation to tackle the country’s NPL crisis, including approving the acquisition of state-owned **Cyprus Cooperative Bank** by **Hellenic Bank**. It also modified the NPL framework to bring it in line with European Union directives and make foreclosure easier.

Total non-performing exposures dropped to EUR 16.77bn out of total facilities of EUR 43.1bn as at the end of August 2018, from EUR 22.5bn out of total facilities of EUR 50.6bn at the end of January 2018, according to the latest data from the **Central Bank of Cyprus**.

A turning point was the sale of a jumbo NPL portfolio, *Project Helix*, by the **Bank of Cyprus** to **Apollo Global Management**. *Project Helix* has a gross book value of EUR 2.8bn, including EUR 2.7bn NPLs, secured by real estate. Apollo paid EUR 1.4bn.

Currently, Hellenic Bank is preparing the sale of a EUR 1bn portfolio.

Top Deals in Portugal 2018

Seller	Name	GBV (mEUR)	Buyer	Collateral Type	Closed
Novo Banco	Project Nata	2150	KKR and LX Partners	Secured and Unsecured	December
Caixa Geral de Depositos	Project Atlantic	850	Bain Capital Credit	REOs	August
Novo Banco	Project Viriato	716	Anchorage Capital	REOs	October
Banco Santander	Project Tagus	650	Cerberus	REOs	December
Millennium bcp	Project Crown	500	LX Partners and Balbec	Mixed Secured and Unsecured	May

Source: Debtwire NPL Database

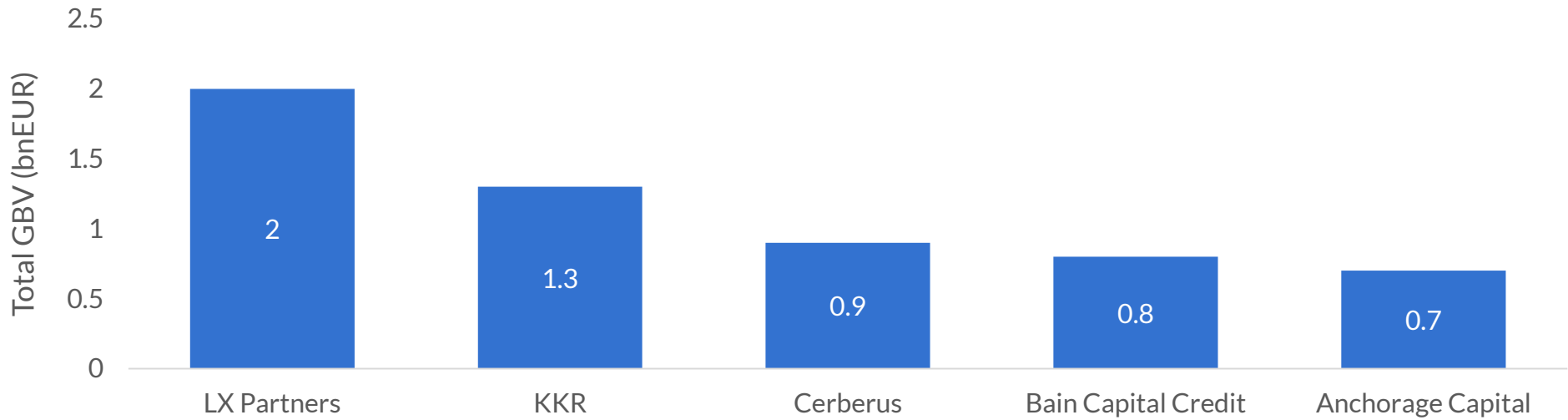
Portugal – At Full Speed

Portugal has still the third-highest NPL ratio in Europe, but in 2018 things have started to move. The banks shifted EUR 1.3bn of NPLs, according to the latest report by the **Bank of Portugal**. As of the end of the third quarter, the total NPL ratio decreased 0.4 % to 11.3%.

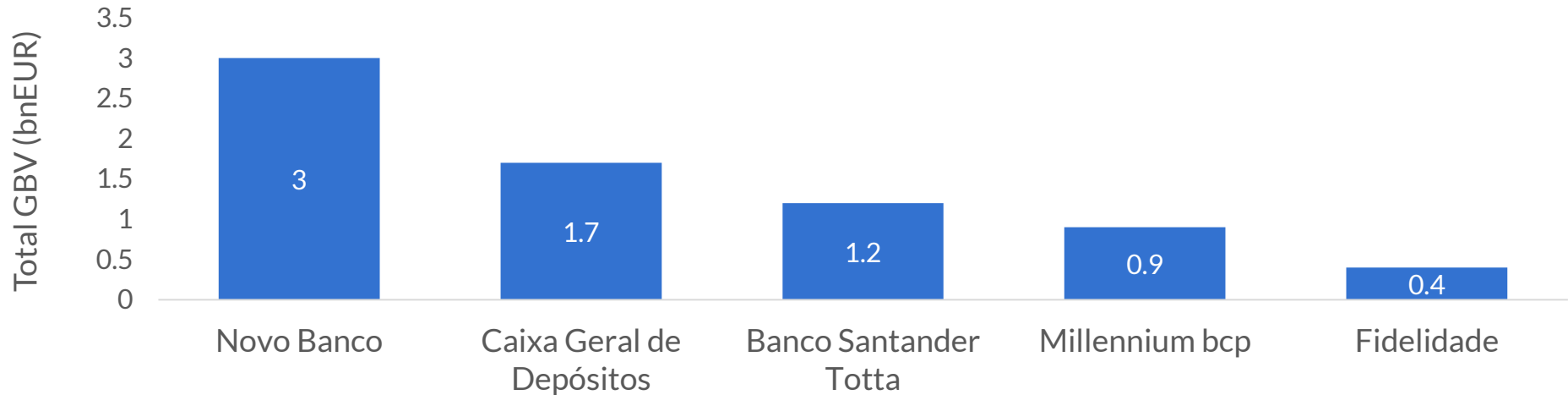
The country has experienced a record year in terms of NPL and REO sales, with 16 deals totalling EUR 8bn changing hands, compared with just two deals totalling EUR 1bn in 2017.

Novo Banco, the bank born out of the restructuring of **Banco Espirito Santo** and bought by **Lone Star Funds** in 2017, became the largest seller last year. In December, it closed *Project Nata*, the largest NPL sale so far in Portugal, splitting it into a EUR 1.3bn secured tranche to **KKR Financial Advisors** and an EUR 850m unsecured tranche to **LX Partners**. Novo Banco had previously sold a EUR 650m REOs portfolio to **Anchorage Capital** and is currently working on the sale of a NPL portfolio in Spain, the EUR 400m *Project Albatros*.

Top Buyers in Portugal 2018



Top Sellers in Portugal 2018



Year-End 2018

UK and Ireland

Ireland and UK – The End of Bad Banks

Since the financial crisis **NAMA** and **UKAR**, the bad banks of Ireland and the UK, have dominated the market for NPL sales. So much so that the job is almost done. NAMA is almost at the end of its wind down process and UKAR will get there soon.

In 2018, UKAR continued to be the largest seller of loans in the UK market. During the year it completed the sale via securitisation of *Project Durham*, a GBP 5bn performing mortgage portfolio from the former **Bradford & Bingley**, to an investor group led by **Barclays Bank**, and of *Project James*, a GBP 860m portfolio of equity release mortgages, to **Rothesay Life**. In November, its balance sheet was reduced to GBP 13.6bn bringing the total reduction to GBP 102.2bn or 88% since its formation in 2010.

UKAR is working to offload its remaining loan book and hopes to pay back all its public sector financing by 2021.

Deals Completed in the UK 2018

Seller	Name	GBV (mGBP)	Buyer	Collateral Type	Closed
UKAR	Project Durham	5000	Barclays Bank	Mixed Secured (Performing)	May
UKAR	Project James	860	Rothesay Life	Real Estate (Performing)	September
Cerberus and Capital Home Loans	UK Mortgages	523	Metro Bank	Residential Real Estate	February
Titlestone	Project Lancelot	200	CarVal	Real Estate Development (Performing)	July

Source: Debtwire NPL Database

Continued on the next page ...

Top Deals in Ireland 2018

Seller	Name	GBV (mEUR)	Buyer	Collateral Type	Closed
Lloyds Banking Group	Project Porto	4500	Barclays Bank plc	Residential Real Estate	May
Allied Irish Bank	Project Redwood	2755	Cerberus	Commercial Real Estate	May
Permanent TSB Bank	Project Glas	2100	Lone Star	Residential Real Estate	July
KBC Bank Ireland	n/a	1900	Goldman Sachs	Residential Real Estate (Performing and NPLs)	August
Ulster Bank	Project Scariff	1400	Cerberus	Residential Real Estate	August

Source: Debtwire NPL Database

In Ireland, the environment has changed. Following the final repayment of its EUR 30.2bn senior guaranteed debt in 2017, NAMA commenced buybacks of its EUR 1.6bn subordinated debt in 2018 and expects that the remaining EUR 1.06bn will be redeemed, by March 2020 at the latest.

NPL balances in the Irish retail banking system declined from EUR 85bn in 2013 to around EUR 25bn in 2017, according to a September 2018 report from the **Central Bank of Ireland**.

Continued on the next page ...

CRE NPLs fell to EUR 4bn in 2017 from EUR 37bn in 2012. SME and corporate NPLs were just over EUR 3bn in 2017 from EUR 15.5bn in 2013. The sector remaining to be materially addressed is non-performing mortgages, which dropped to EUR 17.6bn at the end of 2017 from EUR 31bn in 2013. It was a substantial decrease, but at a slower pace than in other segments. As a result, mortgages made up 69% of outstanding NPL balances at the end of 2017.

In 2018, Irish banks have worked to address the delicate issue, often facing political pushback and an angry response in face of foreclosures. In the originally EUR 3.7bn *Project Redwood* sale to **Cerberus Capital Management, Allied Irish Bank** opted to strip out owner occupied mortgages from the portfolio, leaving only buy-to-let mortgages, small-to-medium sized business loans, and development loans. The bank is due to receive a first round offer at the end of January 2019 on a EUR 3.4bn portfolio, dubbed *Project Beech*, of buy-to-let mortgages and borrowings against commercial property and development land.

Permanent TSB Bank faced heavy criticism during the sale of the EUR 2.1bn *Project Glas* portfolio of non-performing mortgages, linked to a total of circa 10,700 properties made up of 3,300 buy-to-let properties and 7,400 private dwelling houses, which eventually was bought by **Lone Star Funds**. The pressure prompted the bank to choose the securitisation route instead for EUR 1.3bn of restructured mortgages. Citi arranged the deal, *Glenbeigh Securities 2018-1*.

The securitisation path is expected to be followed by other Irish banks in 2019.

Year-End 2018

Germany

Deals Completed in Germany 2018

Seller	Name	GBV (mEUR)	Buyer	Collateral Type	Closed
HSH Nordbank	Project North	6317	Cerberus	Mixed Secured and Unsecured	February
Deutsche Bank	Shipping Portfolio	870	Oak Hill and Värde	Shipping Loans	July
D.E. Shaw	Project Cologne	300	Cerato	Mixed Secured and Unsecured	January
Deutsche Bank	n/a	155	Banca IFIS	Unsecured	September

Source: Debtwire NPL Database

Germany - On Course to Tackle Shipping Loans

Germany has moved to clean up its mountain of shipping loans gone wrong. Last year, around EUR 13bn of non-performing shipping loans came to the market, several of which are still expected to close this year.

The biggest deal was the privatisation of **HSH Nordbank** by a consortium of **Cerberus Capital Management**, **J.C. Flowers**, **GoldenTree Asset Management**, **Centaurus** and **BAWAG** for EUR 1bn. The deal also involved the sale of EUR 6.3bn NPLs. The sale is still being contested in court by Tier-1 bondholders who claim that HSH sold the portfolio below market value and structured the sale to benefit its new shareholders at the expense of the investors.

In the summer, **Deutsche Bank** sold a EUR 870m shipping NPL portfolio to **Oak Hill Advisors** and **Värde Partners**.

Between them, regional banks DVB and NordLB could sell around EUR 11bn of shipping NPLs in the first part of this year. DVB sold a EUR 100m portfolio of its shipping NPLs to Oak Hill in February 2018 to test the market. The bank came back in the summer with EUR 5bn in shipping NPLs.

NordLB offered the bulk of its shipping NPLs in two separate portfolios; the EUR 2.7bn *Project Big Ben* and the EUR 3.4bn *Project Tower Bridge*. Cerberus is in pole position to acquire the two portfolios as well as the entire bank.

Year-End 2018

Full List of NPL Deals Completed in 2018

Full List of Deals Completed in 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Last Reported
Hellenic Bank	Cyprus	Project Semele	145	B2Holding	Mixed Secured and Unsecured	January
Alpha Bank	Romania	n/a	360	Deutsche Bank, AnaCap and APS	Wholesale Loans	January
Stepstone	Ireland	Project Field	108	Cerberus	Residential Real Estate	January
Cerberus and Capital Home Loans	UK	UK Mortgages	580	Metro Bank	Residential Real Estate	January
HSH Nordbank	Germany	Project North	6317	Cerberus	Mixed Secured and Unsecured	February
CaixaBank	Spain	n/a	228	Testa Residencial	REOs	March
Rabobank	Netherlands	Project Purple	1300	CarVal	Commercial Real Estate, Office and Retail (Performing and NPLs)	March
Creval	Italy	Project Gimli 1	245	Algebris	Commercial Real Estate (UTPs)	April
Banca Transilvania	Romania	n/a	121	B2Holding	Mixed Secured and Unsecured	April
Sicilcassa	Italy	n/a	1500	MB Finance (GMA)	Mainly Unsecured	April
Banca Popolare di Vicenza and Veneto Banca	Italy	n/a	18000	SGA	Mixed Secured and Unsecured (NPLs and UTPs)	April
Bankia	Spain	Project Giants	300	GoldenTree	Real Estate Development	April
UKAR	UK	Project Durham	5570	Barclays Bank	Secured (Performing)	May
Millennium bcp	Portugal	Project Crown	500	LX Partners and Balbec	Mixed Secured and Unsecured	May
Creval	Italy	Project Gimli 2	222	Credito Fondiario	Real Estate (UTPs)	May
Allied Irish Bank	Ireland	Project Redwood	2755	Cerberus	Commercial Real Estate	May

Full List of Deals Completed in 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Last Reported
Lloyds Banking Group	Ireland	Project Porto	4500	Barclays Bank	Residential Real Estate	May
Liberbank	Spain	Project Bolt	180	GoldenTree	REOs	May
Piraeus Bank	Greece	Project Amoeba	1950	Bain Capital Credit	Commercial Real Estate	May
Commerzbank	Italy	Project Borromini	238	Deutsche Bank and Davidson Kempner	Commercial Real Estate (Performing)	May
FMS Wertmanagement	Italy	Project Leonardo	100	GWM	Commercial Real Estate	June
Veneto Banca	Italy	Project Bubbles	656	Cassa Centrale Banca	Mixed Secured and Unsecured, and Company (Performing and NPLs)	June
Alba Leasing	Italy	Project Goldrake	95	Bain Capital Credit	Commercial Real Estate	June
Piraeus Bank	Greece	Project Arctos	400	APS Holding	Unsecured	June
Zagrebačka banka (UniCredit Group)	Croatia	Project Taurus 2	245	B2Holding	Mixed Secured and Unsecured	June
BBVA	Spain	Project Sintra	1000	CPPIB	Development Loans	June
Cajamar	Spain	Project Galleon	308	Link Financial Group	Corporate Secured	June
CaixaBank	Spain	Project Agora	650	Cerberus	Commercial and Residential Real Estate	June
National Bank of Greece	Greece	Project Earth	2000	Intrum with CarVal	Unsecured	June
UniCredit	Italy	n/a	227	MBCredit Solutions	Unsecured	June
Banco BPM	Italy	Red Sea	5097	CRC	Mixed Secured and Unsecured (GACS)	June
Banco di Sardegna (BPER Group)	Italy	4Mori Sardegna	900	n/a	Mixed Secured and Unsecured (GACS)	June

Full List of Deals Completed in 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Last Reported
CaixaBank	Spain	Project Gama	10000	Lone Star	Real Estate, and Platform	June
Banco Santander	Spain	Project Wembley	383	Intrum	Corporate Unsecured	June
Banca Monte dei Paschi di Siena	Italy	Project Primo	178	Cerberus	Real Estate	June
Crédit Agricole Italia	Italy	Project Valery	435	Bain Capital Credit	Commercial Real Estate (UTPs)	July
Banco Sabadell	Spain	Project Galerna	900	Axactor	Residential Real Estate	July
Titlestone	UK	Project Lancelot	200	CarVal	Real Estate Development (Performing)	July
Banca Sella	Italy	Project Rendez-Vous	214	B2Holding	Mixed Secured and Unsecured	July
Cassa Centrale Banca	Italy	CCRES 7	1397	Värde, Barclays and Guber Banca	Secured	July
Iccrea	Italy	BCC NPLs 2018	1046	n/a	Mixed Secured and Unsecured (GACS)	July
Banca Monte dei Paschi di Siena	Italy	Siena NPLs 2018	23939	Quaestio Capital SGR (Italian Recovery Fund)	Mixed Secured and Unsecured (GACS)	July
UniCredit	Italy	Project Narciso	537	Banca IFIS	Mixed Secured and Unsecured	July
Banco Sabadell	Spain	Project Coliseum	3430	Cerberus	REOs	July
Banco Sabadell	Spain	Project Challenger	5880	Cerberus	REOs	July
Banco Sabadell	Spain	Project Makalu	2400	Deutsche Bank and CarVal	Secured Corporate, SME and individuals	July
Emil Banca-Credito Cooperativo Societa Cooperativa	Italy	Project Restart	86	B2Holding	Secured	July
Cassa di Risparmio di Asti and Cassa di Risparmio di Biella and Vercelli	Italy	Maggese	697	n/a	Mixed Secured and Unsecured (GACS)	July

Full List of Deals Completed in 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Last Reported
Sareb	Spain	Project Navia	2335	Axactor	Unsecured	July
Permanent TSB Bank	Ireland	Project Glas	2100	Lone Star	Residential Real Estate	July
Deutsche Bank	Germany	Shipping Portfolio	870	Oak Hill and Värde	Shipping Loans	July
Ubi Banca	Italy	Maior	2749	Davidson Kempner	Mixed Secured and Unsecured (GACS)	August
Banca Monte dei Paschi di Siena	Italy	Shipping Portfolio	140	SC Lowy	Shipping Loans (UTPs)	August
Banca Carige	Italy	Project Isabella	400	Bain Capital Credit	Commercial and Residential Real Estate (UTPs)	August
Caixa Geral de Depositos	Portugal	Project Atlantic	850	Bain Capital Credit	Real Estate	August
KBC Bank Ireland	Ireland, UK	n/a	1900	Goldman Sachs	Residential Real Estate (Performing and NPLs)	August
Crédit Agricole Italia	Italy	Project Valery 2	700	Pimco	Mixed Secured and Unsecured	August
Bankinter	Portugal	Project Veleiro and Project Snipe	362	Arrow Global	Mixed Secured and Unsecured	August
Caixa Geral de Depósitos	Portugal	Project Pacific	300	AnaCap	Residential Real Estate	August
Ulster Bank	Ireland	Project Scariff	1400	Cerberus	Residential Real Estate	August
Heta Asset Resolution	Croatia	Project Solaris	798	B2Holding	Secured	August
Evo Banco	Spain	n/a	721	Elliott	Mortgages	August
Bank of Cyprus	Cyprus	Project Helix	2800	Apollo	Real Estate	August
Banca Agricola Popolare di Ragusa	Italy	Ibla	349	n/a	Mixed Secured and Unsecured (GACS)	September

Full List of Deals Completed in 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Last Reported
CRC and Bayview	Italy	Project Diaz 1	425	MBCredit Solutions	Unsecured	September
Balbec	Italy	n/a	217	MBCredit Solutions	Unsecured	September
Banco Santander	Spain	Project Apple	2760	Cerberus	REOs	September
Banca Intermobiliare di Investimenti e Gestioni	Italy	Nuova Frontiera Spv	601	n/a	Mixed Secured and Unsecured (Securitisation)	September
Deutsche Bank	Germany	n/a	155	Banca IFIS	Unsecured	September
UniCredit	Italy	Project Torino	870	Banca IFIS	Unsecured	September
Cassa di Risparmio di Volterra	Italy	n/a	155	Spaxs	Commercial and Industrial Assets	September
UKAR	UK	Project James	960	Rothsay Life	Real Estate (Performing)	September
Volksbank	Italy	n/a	141	AnaCap	Secured	September
Banca di Pisa e Fornacette Credito Cooperativo	Italy	n/a	84	AnaCap	Secured	September
UniCredit Bulbank	Bulgaria	Project Lion	254	B2Holding	Mixed Secured and Unsecured	September
Creval	Italy	Aragorn	1671	Davidson Kempner	Mixed Secured and Unsecured (GACS)	October
Banco di Desio	Italy	2Worlds	1002	n/a	Mixed Secured and Unsecured (GACS)	October
Nordea Danmark	Denmark	Project Vendere	353	B2Holding	Unsecured	October
Novo Banco	Portugal	Project Viriato	716	Anchorage Capital	Real Estate (REOs)	October
Eurobank Ergasias	Greece	Project Zenith	2024	B2Holding and Waterfall	Unsecured	October

Full List of Deals Completed in 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Last Reported
Alpha Bank	Greece	Project Venus	3740	B2Holding, Waterfall and EBRD	Unsecured Consumer Loans	October
Banca Patavina	Italy	n/a	150	Hoist	Residential Real Estate	October
NAMA	Ireland	Project Lee	300	Deutsche Bank	Commercial and Residential Real Estate (Performing and NPLs)	October
CRC and Bayview	Italy	Project Diaz 2	532	J-Invest	Unsecured	October
Attica Bank	Greece	n/a	701	Pimco and QQuant	Mixed (Securitisation)	October
Bank Norwegian	Finland	n/a	160	Axactor	Unsecured	October
UniCredit	Italy	Project Amalfi	600	J-Invest and Spaxs	Unsecured	November
BPER	Italy	Aqui SPV	1900	n/a	Mixed Secured and Unsecured (GACS)	November
Caja Rural del Sur	Spain	n/a	180	Axactor	Real Estate	November
Banca Popolare di Puglia e Basilicata	Italy	Project Altea	347	Spaxs	Unsecured	November
Banca Popolare di Bari and other 16 Italian banks	Italy	POP NPLs 2018	1578	n/a	Mixed Secured and Unsecured (GACS)	November
Banco Santander Totta	Portugal	Guincho Finance	481	n/a	Mixed Secured and Unsecured (Securitisation)	November
Alpha Bank	Greece	Project Jupiter	1056	Apollo and IFC	Real Estate	November
Alpha Bank	Greece	Project Mercury	2100	Hoist Finance	Unsecured	November
GetBack	Poland	n/a	325	Hoist Finance	Mixed Secured and Unsecured	November
Permanent TSB	Ireland	Glenbeigh Securities 2018-1	1300	n/a	Mortgages (Securitisation)	November

Full List of Deals Completed in 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Last Reported
Fidelidade	Portugal	Project Gold	425	Apollo	Residential Real Estate (REOs)	December
UniCredit	Italy	Project Milan	675	Fortress	Secured	December
Intesa Sanpaolo	Italy	Project Savoy	10800	Intrum with CarVal	Mixed Secured and Unsecured, and Platform	December
Banco Santander	Portugal	Project Tagus	650	Cerberus	REOs	December
CaixaBank	Spain	Project Orion	600	D.E. Shaw	Real Estate	December
Banco BPM	Italy	Project Ace	7800	Elliott and Credito Fondiario	Mixed Secured and Unsecured, and Platform	December
Cassa di Risparmio di Cento	Italy	Project Carnival	190	LCM Partners	Mixed Secured and Unsecured	December
Crédit Agricole Italia	Italy	Project Valery 3	70	Axactor	Unsecured Retail	December
UBI Banca	Italy	n/a	145	Axactor	Unsecured Retail	December
Gruppo Delta	Italy	Project Arcade	2150	Cerberus	Unsecured Consumer Loans	December
UBI Banca	Italy	n/a	271	n/a	Unsecured	December
BBVA	Spain	Project Anfora	1490	CPPIB	Commercial and Residential Real Estate	December
Bankia	Spain	n/a	3070	Lone Star	Real estate (NPLs and REOs)	December
Iccrea	Italy	BCC NPLs 2018-2	2004	n/a	Mixed Secured and Unsecured (GACS)	December
Banca Carige	Italy	Riviera	964	n/a	Mixed Secured and Unsecured (GACS)	December
Sareb	Italy	n/a	70	Talisman Capital	REOs	December

Full List of Deals Completed in 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Last Reported
Caixa Geral de Depósitos	Portugal	Project Indian	290	Cerberus	Residential Real Estate	December
Sareb	Spain	Project Bidasoa	155	Bain Capital Credit	Development Land	December
Sareb	Spain	Project Adra	250	BAML and Hayfin	Residential Real Estate	December
BPER	Italy	Project Mutina	153	MBCredit Solutions	Unsecured	December
MBCredit Solutions	Italy	Project Mutina	50	Guber Banca	Unsecured	December
UniCredit	Italy	Project Aril	170	Guber Banca	Unsecured	December
Ibercaja	Spain	Project Cierzo	600	Intrum	REOs	December
Banca Nazionale del Lavoro (BNL)	Italy	Juno	957	n/a	Mixed Secured and Unsecured (GACS)	December
Kutxabank	Spain	Project Shell	700	Bain Capital Credit	Land and Residential Real Estate	December
Caixa Geral de Depósitos	Portugal	Project Arctic	345	Bracebridge	Commercial and Residential Real Estate	December
Novo Banco	Portugal	Project Nata	2150	KKR and LX Partners	Secured and Unsecured	December
UniCredit, Areal Bank, Carige, Ubi, Cassa di Risparmio di Saluzzo, and Intesa SanPaolo	Italy	Project Mondovi	180	Bain Capital Credit	Residential and Commercial Real Estate	December
Novo Banco	Portugal	Project Crown II	200	Balbec and LX Partners	Secured	December
n/a	Spain	Project Mauser	3154	Cerberus	Consumer and SME Loans	December
Banco Santander Totta	Portugal	n/a	100	CRC	Secured	December
Banca Valsabbina	Italy	Project Sand	145	Guber Banca and Barclays	Mixed Secured and Unsecured	December

Full List of Deals Completed in 2018

Seller	Country	Name	GBV (mEUR)	Buyer	Collateral Type	Last Reported
Montepio	Portugal	Project Atlas	239	Minimus Finance	Unsecured	December
D.E. Shaw	Germany	Project Cologne	300	Cerato	Mixed Secured and Unsecured	December
Bayview Italia and CRC	Italy	Belvedere	2541	n/a	Mixed Secured and Unsecured (Securitisation)	December
Banca Monte dei Paschi di Siena	Italy	Project Alfa 2	270	Algebris	Real Estate (UTPs)	December
Banca Monte dei Paschi di Siena	Italy	Project Alfa 2	142	GWM and Farallon	Real Estate (UTPs)	December
Banca Monte dei Paschi di Siena	Italy	Project Morgana	940	Bain Capital Credit	Real Estate and Machinery Leasing	December
Banca Monte dei Paschi di Siena	Italy	Project Merlino (Medium and Large Cluster)	1040	Credito Fondiario and Fire (Medium), and Balbec (Large)	Unsecured	December
Banca Monte dei Paschi di Siena	Italy	Project Merlino (Small Consumer Clusters)	1160	Banca IFIS	Unsecured Small Consumer Loans	December
Bankia	Spain	Project Beetle	400	Davidson Kempner and Farallon	Secured	December
Bankia	Spain	Project Newton	450	Waterfall	Real Estate and Development	December
CaixaBank	Spain	Project Olympia	700	D.E. Shaw	Real Estate	December
Millennium bcp	Portugal	Project Wolf	200	LX Partners	Unsecured	December
Millennium bcp	Portugal	Project Wallabies	280	LX Partners and Balbec	Real Estate	December
Banca del Fucino	Italy	n/a	314	SGA	Secured (NPLs and UTPs)	December

Criteria

This report covers NPL portfolio transactions across Europe of deals, on average, over EUR 100m in gross book value.

Information primarily came from editorial coverage by *Debtwire*, and directly from market players who also supplemented information.

The *Debtwire NPL Database* is available only to subscribers of *Debtwire ABS*.

European NPLs – FY18

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