



*Dealmaker Community*

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# ***Austrian & CEE Distressed Debt Market Overview 2018***

# *In a nutshell*



**Ca. EUR 30b GBV of distressed debt** was brought to market during the past 5 years across the Austrian & CEE region, with SEE countries accounting for more than half of the traded volume

High NPL ratios, material NPL volume and increased NPL provisioning levels **provided the right mix for deleveraging via distressed debt disposals during the past years**



**Investor interest was driven mainly by improved market confidence**, established track record, fast growing servicing platforms and improving regulatory environment

**Looking forward**, Russia and Ukraine still seen as the next sizeable opportunities whereas Turkey is in a category of its own – sizeable NPL volumes expected to further increase, but still modest ratios, prompting sellers to a prudent approach



**In the “NPL 2.0” age**, we expect increasing buyer appetite for (sub)performing assets, emergence of ‘pool of single Corporate tickets’ transactions combined with structured solutions deals, forward flow agreements for retail assets – all spelling out a new phase for the regional non-core assets market, within the **wider trend of the Workout’s function transformation towards a profit centre**

# 1

## The macro perspective

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# Distressed debt market overview

## NPL stock and ratios as of end 2017

**Western European countries show a moderate decrease in distressed loans, while maintaining low NPL ratios**

**Russia and Ukraine remain main contributors to the NPL volume increase in the CEE region, while Turkey displays modest reduction in distressed assets**

**CEE and SEE continue deleveraging thus exhibiting declining NPL stock and ratios**

### Decline in NPL volume for analysed Western European countries

Germany, having the largest NPL volume, is deleveraging at a slower pace than in previous years whereas, Belgium and the Netherlands accelerated its NPL stock reduction through 2017. Austria again exhibited a double digit NPL decline however, in 2018 NPL volume decrease is expected to moderate in the Western European region.

### On the contrary, CEE NPL volume continues to increase, albeit slowing down

CEE NPL volume increased ca. 5% yoy in 2017, whereas selected Western European economies exhibit the opposite trend with a ca. 9% yoy decrease.

Countries driving volume growth in the CEE region remain to be Ukraine (+35% yoy 2017) and Russia (+12% yoy 2017). Turkey showed ca. 8% decline in distressed assets volume until end of 2017, notwithstanding the current macroeconomic environment may pose challenges for the country's NPL stock.

The increase outweighs the deleveraging tendencies in other CEE economies, where already established NPL markets such as Romania (-23% yoy 2017), Croatia (-16% yoy 2017) and Hungary (-16% yoy 2017) have experienced a vibrant NPL sale activity in the past years thus were able to reduce their NPL stock significantly.

### NPL ratio continues to be trailing high with still room for deleveraging

Although most of the surveyed markets have reduced their NPL ratio through 2017, ca. half of them are still above the 10% mark, most of them from the SEE region with CIS (Ukraine) leading the pack.

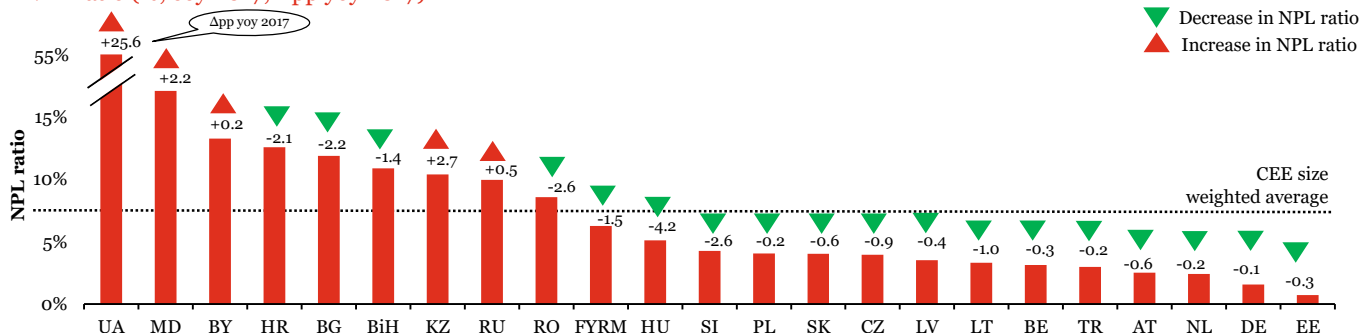
### NPL volume (EURb)

Country	13-'17	2016	2017	YoY '16-'17	2018F	% of Total	NPL ratio 2017
<b>Total</b>		<b>375.7</b>	<b>367.1</b>	<b>-2%</b>	<b>363.9</b>	<b>100%</b>	<b>4%</b>
AT		19.5	16.0	-18% ▼	15.1	4%	2%
BE		23.4	21.3	-9% ▼	20.4	6%	3%
DE		135.0	127.6	-6% ▼	120.5	35%	2%
NL		44.6	42.0	-6% ▼	39.9	11%	2%
<b>CEE</b>		<b>153.2</b>	<b>160.2</b>	<b>5%</b>	<b>168.0</b>	<b>43%</b>	<b>8%</b>
RU		74.3	83.0	12% ▲	91.6	22%	10%
UA		14.0	19.0	35% ▲	20.1	5%	56%
TR		16.2	15.0	-8% ▼	16.4	4%	3%
PL		12.0	12.2	1% ▲	12.1	3%	4%
CZ		6.0	5.3	-12% ▼	5.1	1%	4%
RO		6.4	4.9	-23% ▼	4.2	1%	9%
BG		5.3	4.7	-11% ▼	4.7	1%	12%
HR		5.2	4.4	-16% ▼	4.1	1%	13%
HU		4.3	2.5	-42% ▼	1.8	1%	5%
KZ		3.2	4.1	30% ▲	3.3	1%	10%
SK		2.3	2.2	-5% ▼	2.2	1%	4%
SI		2.0	1.2	-38% ▼	0.8	0%	4%
Other		1.9	1.8	-7% ▼	1.7	0%	7%

Others include BiH, FYRM, MD, EE, BY, RKS

Source: IMF, PwC Analysis

### NPL ratio (% eoy 2017, Δpp yoy 2017)



PwC

Source: IMF, PwC Analysis

Austrian & CEE Distressed Debt Market Overview 2018

# Distressed debt market overview

## Lending and NPL coverage as of end 2017

**Lending continues to be subdued across the region**

**Overall decrease of NPL volume to regulatory capital ratio**

**Further increase in NPL provisioning levels, especially in CIS**

**Subdued lending growth**

Although the European banking sector is showing signs of improved capital positions under accommodating monetary policy, new lending in CEE remains subdued. The increase in average loans to customers was driven by CE countries and Russia in 2017.

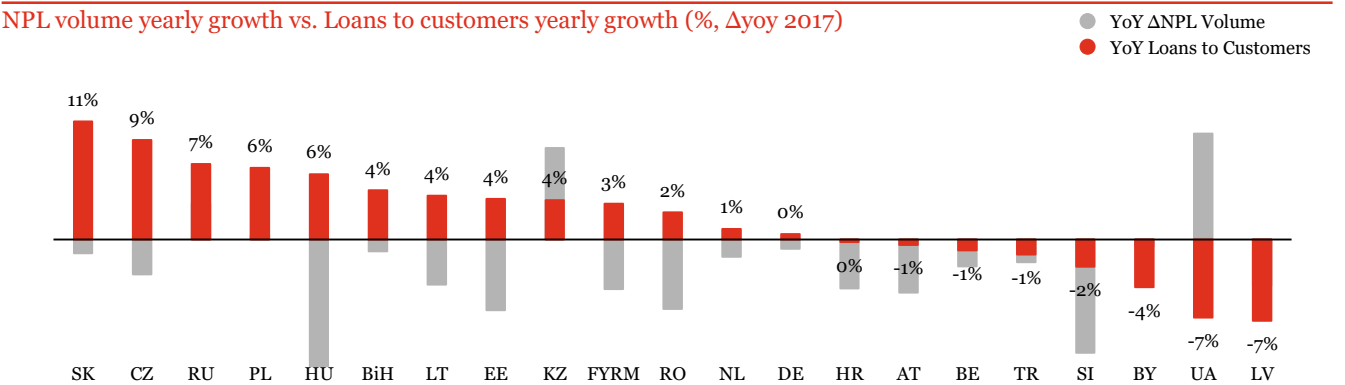
On one hand, many CE & SEE economies (e.g. Slovakia, Hungary, Estonia and Czech Republic) were able to recognize a slight increase in new lending. Combined with a continued reduction in NPL volumes, these economies show gradual deleveraging.

On the other hand economies like Belarus, Ukraine and Latvia had to deal with a reduction in loans to customers.

From the surveyed Western European markets, granted loans to customers slightly decreased for Austria and Belgium.

However, the Netherlands and Germany experiencing a flat trend in loans to customers volumes. Additionally, both economies were able to reduce their already low NPL ratios even further.

NPL volume yearly growth vs. Loans to customers yearly growth (% Δyoy 2017)



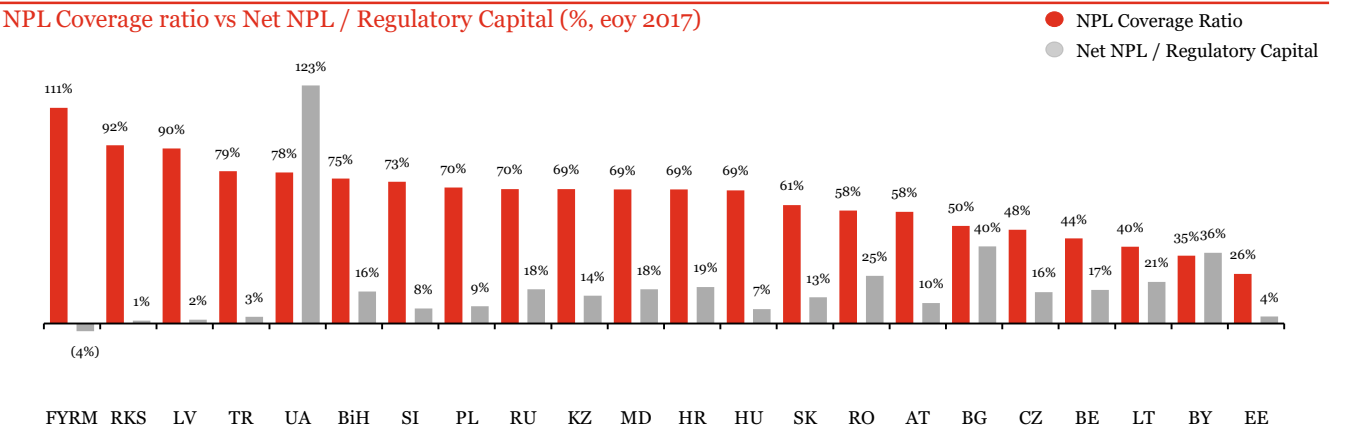
Source: IMF, PwC Analysis

**Increasing NPL coverage ratio**

The NPL coverage ratio (i.e. loans provisioning to NPL volume), stands at 67% on average within the CEE region. This marks no change compared to 2017 but the overall trend shows an increase in provisioning through the previous years. CIS region economies like Russia, Ukraine and Kazakhstan improved their coverage ratios, showing a

potential for future transactions. On the other hand, Lithuania and Estonia, faced a further decrease in coverage ratios, from already significantly low levels. At the same time almost every economy show a double-digit decrease in Net NPL to Regulatory Capital ratio.

NPL Coverage ratio vs Net NPL / Regulatory Capital (% eoy 2017)



Source: IMF, PwC Analysis  
PwC

# Distressed debt market overview

## Evolution of key NPL metrics

High NPL ratios, sizeable provisioning & material stock provide the right mix for deleveraging via NPL disposals

Deleveraging via disposals is expected to continue and accelerate

Markets exhibiting pressure to deleverage with NPL ratios above average, and coverage ratios high enough to allow banks to sell without material negative P&L effect offer the ideal landscape for sizeable NPL deals within an economy.

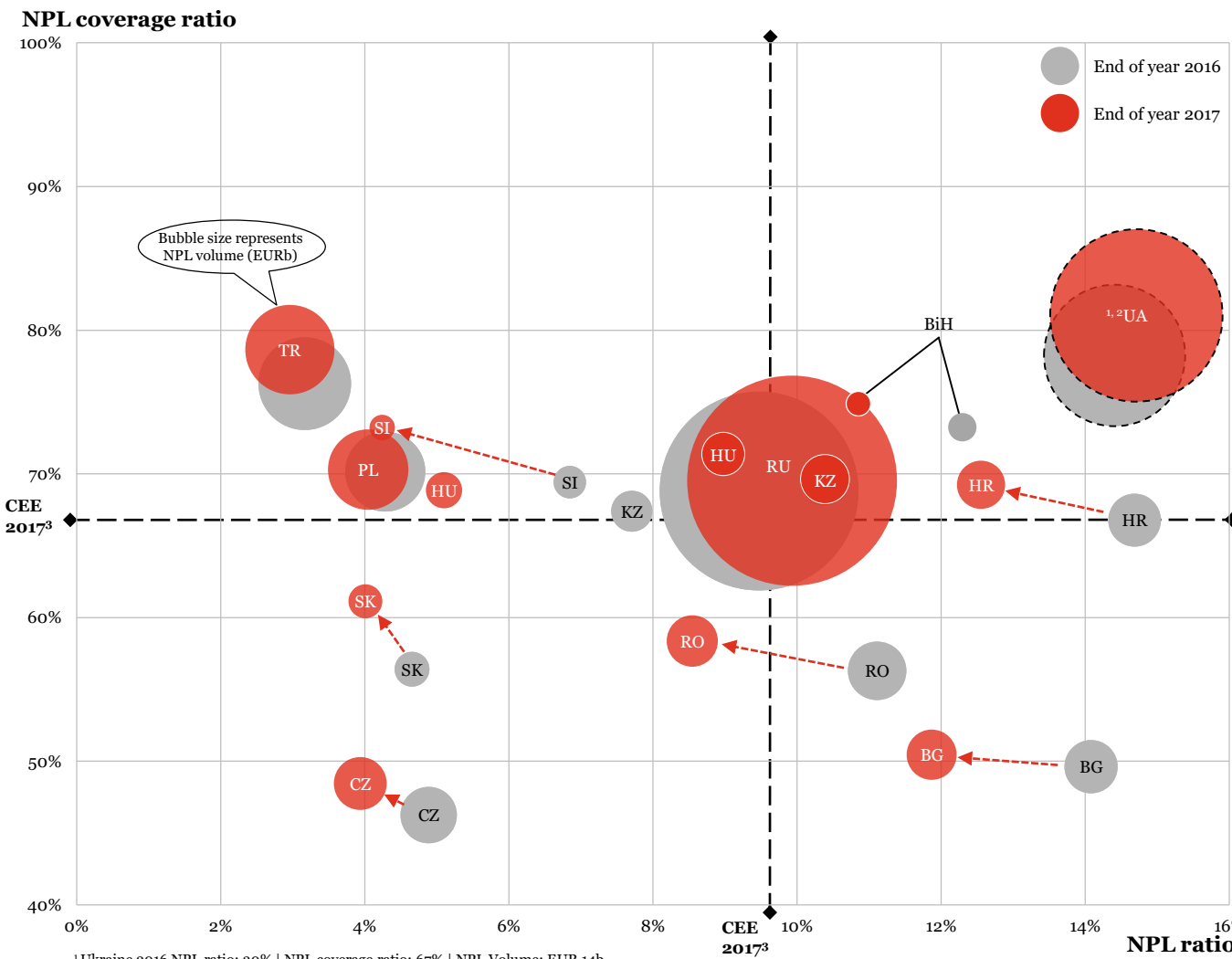
Active NPL markets such as Bulgaria and Croatia, are still exposed to NPL ratios above average, but are clearly

With SEE & CE countries benefiting from past deals, Russia and Ukraine walk the path towards favorable deal conditions

converging towards the CEE average, reflecting past transactions.

Markets like Russia and Ukraine show increased provisioning levels as well as a ramping up NPL ratio. They are thus seen as interesting targets for future NPL deals, especially in terms of volume. Moreover, Turkey managed to reduce its NPL ratio however, the overall stock still remains sizeable.

NPL ratio (%), NPL coverage ratio (%) and NPL volume (represented by bubble size, EURb): EoY 2017 vs EoY 2016



Source: IMF, National Bank of Serbia, PwC Analysis

# 2

## Market activity

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# CEE distressed debt transactions

## Market perspective

**Over EUR 30b GBV of distressed assets were brought to market through the past 5 years with Romania and Croatia making up half of the volume**

**Innovative deal structures and asset classes are in the center of attention for both buy- and sell-side market participants**

**New markets are on the rise as investors open towards untapped territories such as Turkey or Russia**

### Market activity and buyer appetite

Over EUR 30b GBV brought to market through the past 5 years. Following three consecutive years of exponential increase, 2018 market volume is expected to slightly fall behind previous levels.

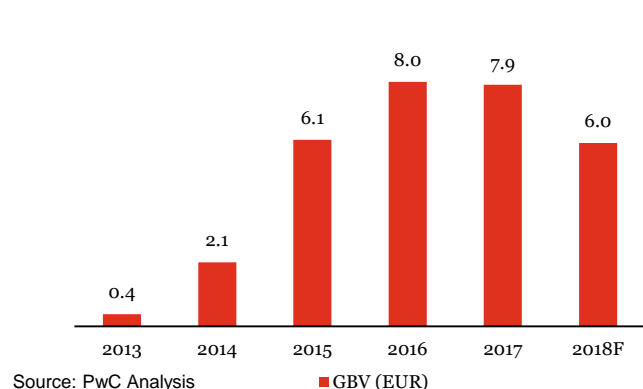
Across the CEE region, Romania and Croatia make-up ca. 50% of the GBV volume brought to market. Hungary and Slovenia coming in approx. equally in 3rd place. Activity growth observed in Bulgaria and Serbia.

With (most) large deals behind, the distressed debt market is

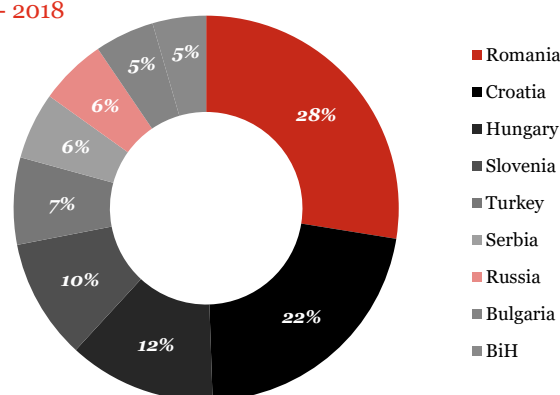
now trading on an average GBV deal size of ca. EUR 150m, approximately half from the 2014-2016 average deal size. Most sell-side volume is driven by Austrian banks, with Greek banks following closely.

Most of the buy-side activity was driven by regional servicers / investors, working together with established Western European funds. Today, appetite is stronger than ever, given robust servicing capabilities and availability of funds. Additionally, the buyers show interest for diversifying into wider non-core assets and special situations deals, including single tickets in early recovery stages needing credit or equity support, forward flow, etc.

NPL GBV brought to market yearly (EURb) 2013 – 2018F



Distressed debt GBV brought to market by country (%) – 2015 - 2018



### Latest market trends

**Emergence of 'pool' single-ticket sales** – Single tickets are defined as mid-sized or larger claims against individual corporate debtor groups. Sale process represents innovative sale structure capturing advantages of both traditional single tickets and portfolio sales. In addition, key benefits of single ticket pools include high level of flexibility in perimeter composition and tailor-made deal structure on an individual object level. Moreover, seller can look to optimize overall pricing across the pool by focusing bidder interest on assets where most competitive while also taking into account preferred potential structures. At the same time it allows significant flexibility for the buyer as well.

**Increasing supply and appetite for (sub)performing assets** – Sell side is driven by latest regulations pushing banks to address early staged distressed assets, coupled with target focus on core business, with buyer's appetite driven by lack of larger NPL portfolio deals, comparably larger transaction sizes & more strategic options for dealing with cases

**Securitization & other structured solutions back on the rise** – newly introduced EU framework expected to serve as boost for a revitalized and more transparent securitization market which can benefit both originators, sponsors and investors.

**"3<sup>rd</sup> wave" of new markets underway** – both small (Albania, Bosnia & Herzegovina) and sizeable (Turkey, Russia and Ukraine) markets are becoming more sought-after by investors who are looking to expand their operations and establish themselves in still untapped territories.



# CEE distressed debt transactions

## Countries overview

**Poland, Romania, Croatia & Slovenia benefit from experienced sellers and buyers with servicing across all asset classes. The sale of pool of single tickets, forward flow agreements and synthetic securitisations are seen to be the new trends on the markets.**

**Hungary, Serbia and Bulgaria have shown strong NPL activities over the past 2 years with still untapped asset classes. Strong investor interest driven by improved market confidence and improving regulatory environment.**

**Russia and Ukraine have sizeable NPL stocks but modest deals track record outside of unsecured retail segment. There is also ongoing potential in the Bosnian and Albanian markets.**

**In Turkey, secured assets together with AMC's investment, could provide plentiful growth opportunities, pending further macro and political stability.**

### Country watch

#### Poland

- Confirmed investor appetite & seller interest
- Ongoing transactions, especially in the retail unsecured segment
- Available servicing platforms

#### Czech Republic & Slovakia

- Confirmed investor appetite & seller interest
- Available servicing platforms
- Limited stock for portfolio disposals

#### Hungary

- Known investor appetite & seller interest
- Improved regulatory environment
- Growing number of servicing platforms
- Several transactions already on the market, with disposal to continue and accelerate

#### Croatia & Slovenia

- Strong transaction track record, with declining available NPL stock
- Available and growing servicing platforms
- Transactions closed or ongoing in all asset classes

#### Bulgaria

- Confirmed seller & increased buyer interest
- Favourable regulatory regime
- Sufficient NPL stock offering deal pipeline
- Servicing platforms quickly developing

#### Baltics

- Confirmed investor appetite & seller interest
- Favourable regulatory regime
- Available servicing capabilities
- Transactions track record in all asset classes

#### Russia and Ukraine

- Known seller interest
- Political uncertainty, but improving regulatory regime
- Sizeable and increasing NPL stocks, initial transactions observed
- Limited servicing platforms availability

#### Romania

- Confirmed investor appetite & seller interest
- Favourable regulatory regime
- Sizeable NPL stock
- Available servicing platforms
- Significant transactions track record in all asset classes

#### Serbia

- Confirmed investor appetite & seller interest
- Regulatory improvements ongoing
- Sufficient, but declining NPL stock
- Limited servicing platforms availability

#### Turkey

- Confirmed seller interest, with buyers selectively looking at opportunities
- Sizeable NPL stock
- Concentrated servicing market
- Political and economic uncertainty

# 3

## Selected transactions

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# Most recent and expected transactions 2015 – 2018 (1/2)

Austria / Germany								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Glan	Austria/Germany	HETA	NPL - Leasing unsecured	110	2016	Closed	Balbec	Lead Sell-side advisor
Bulgaria								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Mail	Bulgaria	Eurobank (Postbank)	NPL - Corporate & SME	365	2018	Ongoing	n/a	Lead Sell-side advisor
Lion Bulgaria	Bulgaria	UniCredit	NPL - Mixed	250	2018	Closed	B2Holding	Sell-side advisor
Taurus 2 Bulgaria	Bulgaria	UniCredit	NPL - Mixed	80	2017	Closed	B2Holding	Sell-side advisor
Metro	Bulgaria	Eurobank	NPL - Corporate	65	2017	Closed	n/a	n/a
Taurus Bulgaria	Bulgaria	UniCredit	NPL - Corporate, CRE	100	2016	Closed	B2Holding	Lead Sell-side advisor
n/a	Bulgaria	National Bank of Greece	Consumer	70	2016	Closed	n/a	n/a
n/a	Bulgaria	BNP Paribas	NPL - Retail	46	2016	Closed	Kredit Inkaso	n/a
n/a	Bulgaria	TBI Credit	NPL - Retail	50	2015	Closed	APS	n/a
Bosnia & Herzegovina								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Lion BiH	B&H	UniCredit	NPL - Corporate	25	2018	Ongoing	n/a	Sell-side advisor
Bolero	B&H	HETA	NPL - n/a	440	2017	Closed	APS	Buy-side advisor
Drava	B&H	HETA	NPL - Corporate, SME	400	2015	Closed	B2Holding	n/a
Croatia								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Luna Croatia	Croatia	Confidential	NPL - Corporate & REOs	75	2018	Late stage	n/a	Lead Sell-side advisor
n/a	Croatia	Raiffeisen	NPL - Retail secured & unsecured	30	2018	Closed	n/a	n/a
Solaris	Croatia	HETA	Platform & NPL portfolio	700	2017	Late stage	n/a	Lead Sell-side advisor
n/a	Croatia	Raiffeisen	NPL - Corporate	45	2017	Closed	n/a	n/a
Taurus 2 Croatia	Croatia	UniCredit	NPL - Mixed	330	2017	Closed	B2	Sell-side advisor
n/a	Croatia	Raiffeisen	NPL - Corporate	100	2017	Closed	DDM	n/a
n/a	Croatia	Intesa	NPL - Retail	40	2017	Closed	n/a	n/a
Taurus Croatia	Croatia	UniCredit	NPL - Mixed	770	2016	Closed	APS / Attestor	Lead Sell-side advisor
Pathfinder	Croatia	HETA	CRE	400	2016	Closed	Deutsche Bank / EOS	Buy-side advisor
Sunrise	Croatia	HPB	NPL - Mixed, CRE	320	2016	Closed	APS / B2Holding	n/a
Skipper	Croatia	HETA	NPL - CRE	160	2016	Closed	Supernova	n/a
Sapphire	Croatia	HETA	Single ticket	135	2016	Closed	KNG	Lead Sell-side advisor
Faust	Croatia	HETA	Single ticket	100	2016	Closed	Gasfin SA	Lead Sell-side advisor
Atlantis	Croatia	HETA	Single ticket	30	2016	Closed	Adris grupa	Lead Sell-side advisor
Apollo	Croatia	HETA	Single ticket	25	2016	Closed	B2Holding	Lead Sell-side advisor
Janica	Croatia	Erste	NPL - Corporate, CRE	217	2015	Closed	B2Holding	Lead Sell-side advisor
Mica	Croatia	Erste	NPL - Corporate, CRE	200	2015	Closed	n/a	Lead Sell-side advisor
Hungary								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Rosie	Hungary	Raiffeisen	NPL - Retail	300	2017	Closed	n/a	n/a
Taurus 2 Hungary	Hungary	UniCredit	NPL - Retail	50	2017	Closed	EOS	Sell-side advisor
Ulysses	Hungary	Erste	NPL - Retail mortgage	350	2016	Closed	Intrum Justitia	Buy-side support
Rita	Hungary	Raiffeisen	NPL - Corporate, mixed	200	2016	Closed	CarVal	n/a
Taurus Hungary	Hungary	UniCredit	NPL - Retail	130	2016	Closed	APS	Lead Sell-side advisor
n/a	Hungary	Axa	Residential	n/a	2016	Closed	OTP	n/a
Velence	Hungary	n/a	NPL - Mixed	300	2015	Closed	Carval / DDM	n/a
Helena	Hungary	Intesa	NPL - CRE	237	2015	Closed	CarVal	n/a
n/a	Hungary	Citibank	PL - Retail	n/a	2015	Closed	Erste	n/a
Montenegro								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Tara	Montenegro	HETA	n/a	190	2017	Closed	APS	n/a
Poland								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
n/a	Poland	Getin Noble Bank	PL - Auto-loans (securitisa	166	2017	Closed	n/a	n/a
n/a	Poland	Santander	PL - Retail (securitisation)	290	2016	Closed	n/a	n/a
n/a	Poland	mBank	n/a	80	2016	n/a	Best	n/a
n/a	Poland	Syigma Bank	n/a	70	2016	n/a	Best	n/a
n/a	Poland	Santander	n/a	75	2015	n/a	Kruk Group	n/a

Source: PwC Analysis

PwC

Austrian & CEE Distressed Debt Market Overview 2018

# Most recent and expected transactions

## 2015 – 2018 (2/2)

Romania								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
n/a	Romania	Patria Bank	NPL	50	2018	Closed	n/a	n/a
Mars	Romania	Alpha Bank	NPL - Corporate & retail	400	2017	Closed	Corp (360m) - Deutsche Bank / AnaCap / APS Retail - B2	Lead Sell-side advisor
Fain	Romania	Raiffeisen	NPL - Mixed	260	2017	Closed	B2	Lead Sell-side advisor
Arena	Romania	Banca Transilvania	NPL - Corporate	250	2017	Closed	B2	n/a
Sunshine	Romania	Piraeus	NPL - Corporate unsecured	185	2017	Closed	Kruk	Lead Sell-side advisor
Castrum - Retail	Romania	Banca Transilvania	NPL - Retail unsecured	110	2017	Closed	EOS	n/a
n/a	Romania	Eurobank EFG	NPL / REOs	n/a	2017	Closed	n/a	n/a
n/a	Romania	Bancpost (Eurobank)	Consumer	597	2016	Closed	Kruk / IFC	n/a
Blue Lake	Romania	Erste	NPL - Retail mortgage	410	2016	Closed	B2Holding / EOS	Lead Sell-side advisor
Iris	Romania	Societe Generali	NPL - Corporate secured	280	2016	Closed	Kruk	n/a
n/a	Romania	Piraeus	NPL - Mixed	200	2016	Closed	Kruk	n/a
Rose	Romania	Top Factoring	Platform & NPL portfolio	n/a	2016	Closed	Intrum Justitia	Lead Sell-side advisor
n/a	Romania	Banca Romaneasca / National Bank of Greece	NPL - n/a	75	2016	Closed	n/a	n/a
n/a	Romania	CEC Bank	NPL - Mixed	70	2016	Closed	Kruk	n/a
Ursa	Romania	Eurogroup EFG	NPL - Retail	600	2015	Closed	Kruk	n/a
Triton	Romania	UniCredit	NPL - Corporate, CRE	350	2015	Closed	Kredyt Inkaso	n/a
Rosemary	Romania	Intesa	CRE, CRE	287	2015	Closed	APS / AnaCap	n/a
Henri	Romania	Piraeus	NPL - Retail	200	2015	Closed	Kruk	n/a
n/a	Romania	MKB	Platform, Mixed	85	2015	Closed	APS	n/a
Tokyo	Romania	Erste	NPL - Corporate, CRE	1.2	2015	Closed	Deutsche Bank / APS	n/a
Russia								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Lion Russia	Russia	UniCredit	NPL - Retail	96	2018	Closed	EOS	Sell-side advisor
n/a	Russia	Bank Otkritie	NPL - Retail	500	2017	Ongoing	n/a	n/a
Taurus Russia	Russia	UniCredit	NPL - Retail	125	2017	Closed	EOS & NR Service	Sell-side advisor
Marble	Russia	Snoras	Corporate, Residential	140	2016	Closed	n/a	n/a
Serbia								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Pineta	Serbia	NLB	NPL - Corporate, SME	120	2018	Ongoing	n/a	Lead Sell-side advisor
n/a	Serbia	Bank of Cyprus	NPL - Corporate	100	2018	Ongoing	n/a	n/a
Leo	Serbia	Raiffeisen	NPL - Corporate, SME	30	2017	Closed	B2	Lead Sell-side advisor
Julia	Serbia	Sberbank	NPL - Corporate	45	2017	Closed	EOS	n/a
Onyx	Serbia	HETA	NPL & Platform, Mixed	350	2016	Closed	APS / Apollo / Balbec	Lead Sell-side advisor
n/a	Serbia	Intesa	NPL - Corporate	150	2016	Closed	Apartners	n/a
n/a	Serbia	Raiffeisen	NPL - Single ticket	50	2016	Closed	n/a	n/a
Victor	Serbia	Piraeus	NPL - Mixed	45	2016	Closed	B2Holding	Lead Sell-side advisor
n/a	Serbia	Intesa	NPL - CRE	35	2015	Closed	n/a	n/a
Grey	Serbia	Erste	NPL - Corporate	21	2015	Closed	APS	n/a
Slovenia								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Amber	Slovenia	Abanka	NPL - Corporate	246	2017	Closed	DDM	Lead Sell-side advisor
Taurus Slovenia	Slovenia	UniCredit	NPL - Mixed	140	2016	Closed	B2Holding	Lead Sell-side advisor
n/a	Slovenia	DUTB	NPL - Corporate, CRE	670	2015	Closed	BAML	n/a
Pine	Slovenia	NLB	NPL - Mixed	500	2015	Closed	Apartners / Pineriver / DDM	Lead Sell-side advisor
Alpha	Slovenia	Raiffeisen	NPL - Corporate, CRE	55	2015	Closed	B2Holding	Lead Sell-side advisor
Istrabenz	Slovenia	Bawag	NPL - Corporate, CRE	47	2015	Closed	York	n/a
Sigma	Slovenia	Raiffeisen	NPL - Retail	12	2014	Closed	EOS	Lead Sell-side advisor
Turkey								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
Bosphorus	Turkey	Yapi Kredi	NPL - SME	320	2018	Ongoing	n/a	n/a
n/a	Turkey	Akbank	NPL - n/a	180	2017	Closed	Hayat / Final / Efes	n/a
n/a	Turkey	Yapi Kredi	NPL - Retail & Corporate	140	2017	Closed	Güven	n/a
n/a	Turkey	Yapi Kredi	NPL - n/a	139	2017	Closed	Güven / Hayat / Sümer	n/a
n/a	Turkey	Finansbank	NPL - Retail	218	2016	Closed	Güven / Atlas / Destek	n/a
n/a	Turkey	Akbank	NPL - n/a	122	2016	Closed	Güven	n/a
Ukraine								
Project name	Country	Seller	Asset type	GBV EURm	Market year	Status	Buyer	PwC role
n/a	Ukraine	Erste	NPL - Mixed	500	n/a	Closed	n/a	n/a

Source: PwC Analysis

PwC

Austrian & CEE Distressed Debt Market Overview 2018

# Abbreviations

Abbrev.	Description
<b>AMC</b>	Asset Management Company
<b>AT</b>	Austria
<b>BE</b>	Belgium
<b>BG</b>	Bulgaria
<b>BiH</b>	Bosnia and Herzegovina
<b>b</b>	Billion
<b>BY</b>	Belarus
<b>CE</b>	Central Europe: CZ, HU, LV, LT, PL, SI, SK
<b>CEE</b>	Central and Eastern Europe: for the purpose of this report: CE, EE, SEE, CIS
<b>CIS</b>	Commonwealth of Independent States: KZ, RU, UA
<b>CZ</b>	Czech Republic
<b>DE</b>	Germany
<b>EE</b>	Estonia
<b>eoy</b>	End of year
<b>ES</b>	Spain
<b>EUR</b>	Euro
<b>FYRM</b>	Former Yugoslav Republic of Macedonia
<b>GBV</b>	Gross Book Value
<b>GDP</b>	Gross Domestic Product
<b>HR</b>	Croatia
<b>HU</b>	Hungary
<b>IE</b>	Ireland

Abbrev.	Description
<b>IMF</b>	International Monetary Fund
<b>IT</b>	Italy
<b>LT</b>	Lithuania
<b>LV</b>	Latvia
<b>LU</b>	Luxembourg
<b>M</b>	Million
<b>MD</b>	Moldavia
<b>M&amp;A</b>	Merger & Acquisitions
<b>n/a</b>	Not available
<b>NL</b>	The Netherlands
<b>NPL</b>	Non-performing loan
<b>NPL &amp; platform</b>	NPL portfolio + Servicing Platform
<b>pp</b>	Percentage points
<b>PwC</b>	PwC Network, of independent legal entities
<b>REO</b>	Real estate owned
<b>RO</b>	Romania
<b>RS</b>	Serbia
<b>RU</b>	Russia
<b>SEE</b>	South Eastern Europe: BG, HR, RO, RS, TR
<b>SI</b>	Slovenia
<b>SK</b>	Slovakia
<b>STS</b>	Simple, transparent and standardized
<b>yoy</b>	Year-on-year



*PwC's  
European  
Portfolio  
Advisory Group  
has  
unparalleled  
market track-  
record both on  
sell-and buy-  
side across the  
Austrian & CEE  
region with  
demonstrated  
strong access to  
investors  
universe and  
execution  
certainty*

**80%**

Share of NPE face value  
brought to market within the  
Austrian & CEE region  
advised by PwC



**€25b+**

PwC's European Portfolio  
Advisory Group has  
successfully advised on more  
than €25b transaction face  
value during the past 5 years  
in the Austrian & CEE market



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