



The Workout Unit

A practitioner's perspective

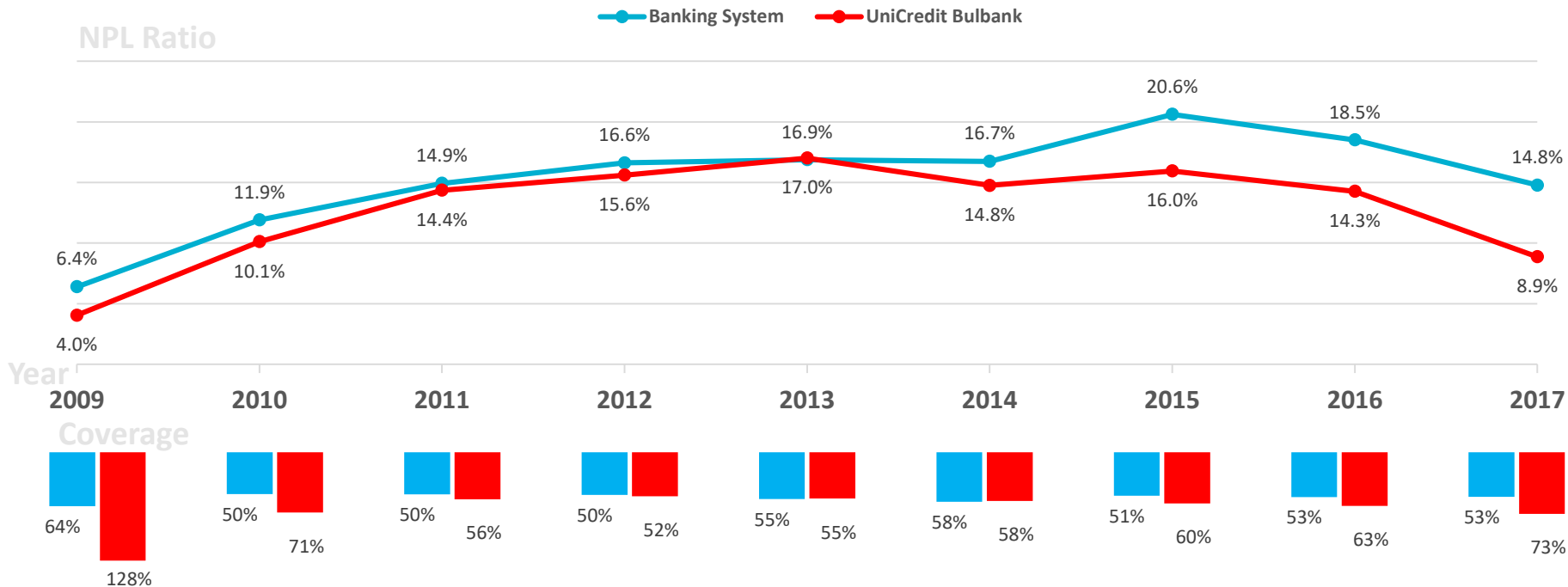
Teodora Petkova

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Banking that matters. |  **UniCredit Bulbank**

Historic NPE

NPL Ratio / Coverage



For comparison reasons NPL coverage is calculated according the following expression: $(IBNR + \text{Specific}) / \text{Impaired loans}$

Source: BNB Statistics

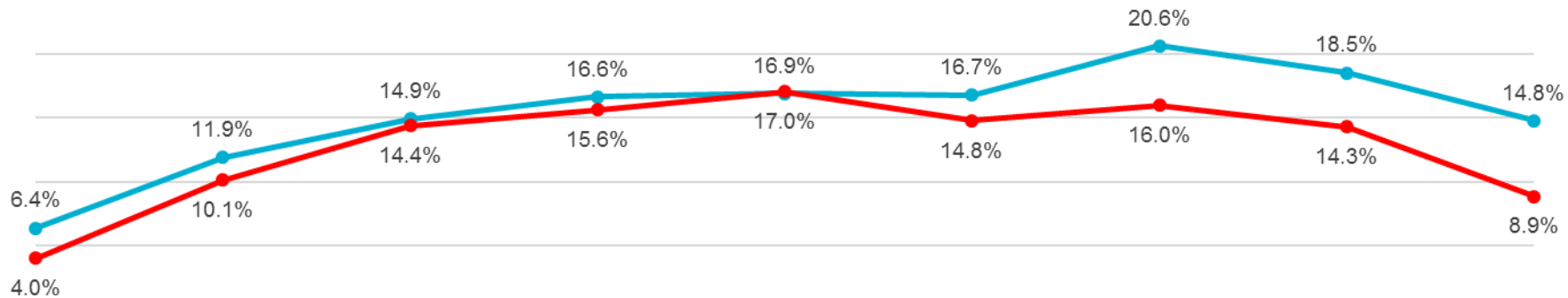


Historic NPE

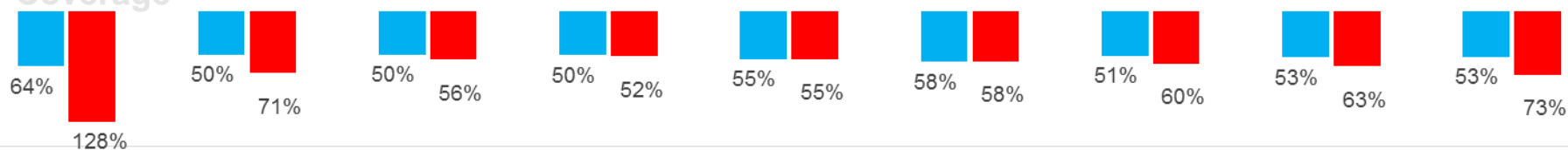
NPL Ratio / Coverage

— Banking System — UniCredit Bulbank

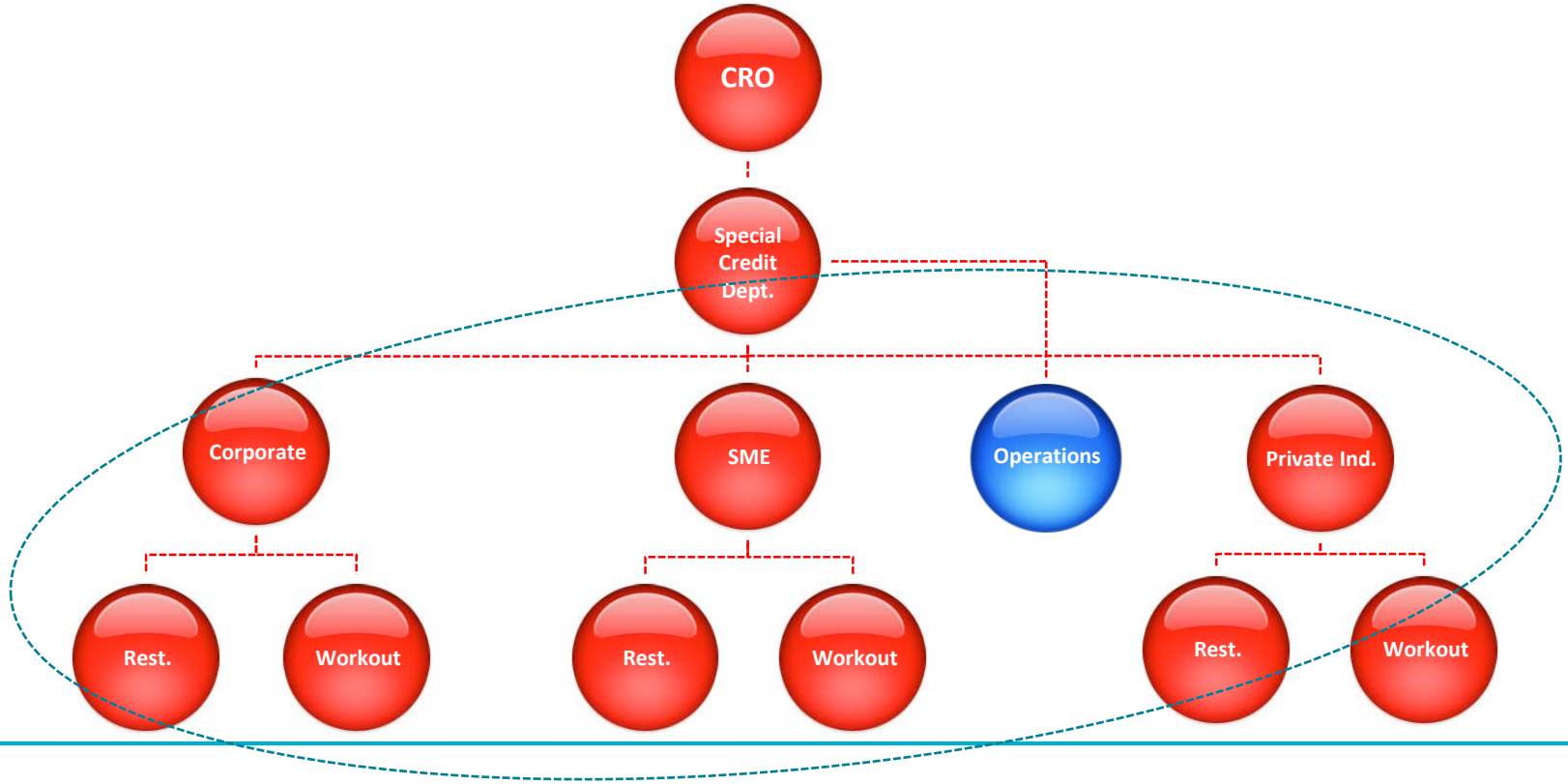
NPL Ratio



Year
Coverage



Organization



LEVERS



Outsourced Workout process



Monthly screening of external partners



Team and individual quantitative KPIs



Group support for **Portfolio NPE disposals**



Processes for external appraisal and insurance renewal



Implementation of automated WO end-to-end tool



Enhanced Write-off policy



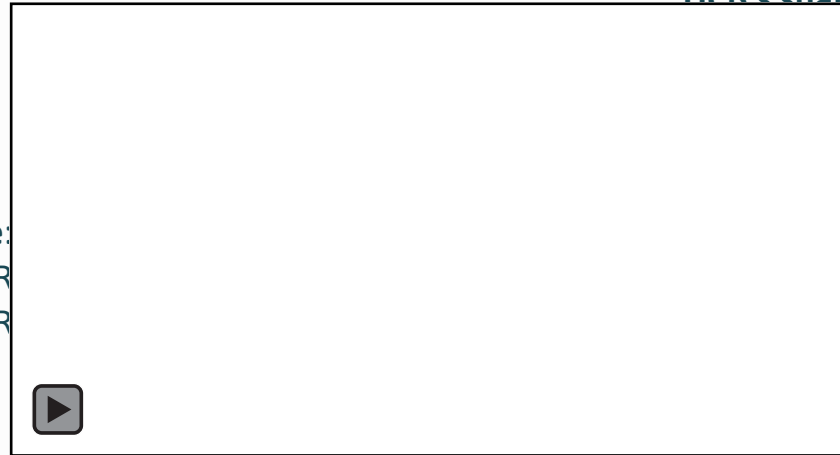
Portfolio NPE disposals

TAURUS 1 (2016) & TAURUS 2 (2017)

and

Small uncollateralized portfolios

UCB's share:



Volume:

2016 - 88 mlnEUR

2017 - 106 mlnEUR

Portfolio NPE disposals

BG NPL market volumes:

2016 - 460 mlnEUR

2017 - 395 mlnEUR

- ✓ TAURUS 1 and TAURUS 2 are the first deals on the BG NPL market where Bank sell collateralized portfolio to 3rd party;
- ✓ UC Bulbank is identified as market maker on the BG NPL market following the best market practices in EU.



From a practitioner's perspective the message for Workout is:
It's not about strategy translated into a presentation...
but strategy put into action that drives results!

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