

Overview European Securitisation Markets (EU27 and UK)

Market segment	<u>True Sale</u> Public ABS	<u>True Sale</u> CLOs	<u>Synthetic</u> On-Balance-Sheet Transactions	<u>True Sale</u> ABCP / Private non-ABCP
Description	Public market; Broad investor base	Public by nature/ Private by regulation; Broad investor base	Private market Non-bank investors	Private market Financing through banks
Estimated Volume	€ 100-175 bn (UK: 30%) New issue p.a	€ 50-75 bn (UK: n.a.) New issue p.a	€ 100-120 bn (UK: n.a.) New issue p.a	€ 180-200 bn (UK: 15%) Financing volume
Asset Classes	55 % Real estate loans 40 % Auto/Leasing 5 % Other	80% Corporate Loans 20% SMEs	55 % Corporate loans 25 % SME loans 20 % Other	60 % Trade receivables 25 % Auto/Leasing 15 % Other
Investors	Broad investor base (incl. ECB) Typically 30-50 investors involved	Broad investor base Typically 10-25 investors involved	Non-bank investors Typically 1-3 investors involved	Financing through banks Typically 1-3 (sponsor) banks involved
Real economy funding	<u>Direct (liquidity)</u>	<u>Direct (liquidity)</u>	Indirect (bank capital)	<u>Direct (liquidity)</u>
Performance	<u>Study S&P:</u> Defaults of European securitisation consistently low before, during and after the great financial crisis	<u>Study S&P:</u> Defaults of European securitisation consistently low before, during and after the great financial crisis	<u>Study EBA:</u> Defaults of synthetic securitisations in Europe slightly lower than of public true sale securitisations	<u>Study AFME/EDW/TSI:</u> Market segment significantly larger than expected with robust rating levels
Market transparency & Disclosure	Disclosure to involved parties: high Market transparency: high	Disclosure to involved parties: high Market transparency: high	Disclosure to involved parties: high Market transparency: low	Disclosure to involved parties: high Market transparency: medium
Data sources	<i>Bloomberg, ConceptABS, Rating Agencies, Other</i>	<i>Bloomberg, ConceptABS, Rating Agencies, Other</i>	<i>EBA</i>	<i>EBE European Benchmark Exercise AFME/EDW/TSI</i>