

PRESS RELEASE

The Prelios Group presents BlinkS: the first digital marketplace for NPLs

Linking Buyers and Sellers like never before

Milan, December 13, 2018 – The Prelios Group has presented the **BlinkS** platform, the **first digital marketplace for loan portfolio trading**.

The advance announcement was made today in Milan, at Borsa Italiana, during the **ABI Conference "Funding & Capital Markets Forum 2018"**, where speakers included the CEO of the Prelios Group, **Riccardo Serrini**, together with Deloitte Consulting partner **Alessandra Ceriani**, and **Manuel Pincetti**, a senior executive with Monitor Deloitte.

Coinciding with the meeting, the website **blinks.prelios.com** was launched, illustrating in detail the objectives, advantages and operating procedures of the trading platform.

"BlinkS is a completely innovative project that will change the approach of banks, servicers and investors to the world of impaired loans," said Riccardo Serrini. "Despite record volumes of NPL transactions for more than 70 billion Euro this year, Italy's impaired loan stock levels are still very high, accounting for around 20% of the European market. The gross value of NPEs at June 2018 was 222 billion Euro, and regulators are pressing for a swift reduction and effective management. There is an obvious need in Italy for a market, both primary and secondary, that is fluid and effective, where banks can transfer newly-generated NPL flows on a regular basis, and the BlinkS trading platform is the most transparent, liquid and efficient response to this."

The BlinkS platform – which the Prelios Group said would be ready to go into operation by the end of the first quarter of 2019 – will not only be a **completely new instrument**, it will also constitute the **state of the art as regards security, transparency and ease of use**. Initially, BlinkS will accept only **NPL portfolios**; subsequently it will expand its activities to include UTPs as well as trade receivables. BlinkS's primary target is management of **portfolios of different sizes** – including small and medium portfolios – aggregated by asset class, with a view to making the market more fluid and more closely aligned with the specializations of individual investors.

"Working with the Prelios Group on the development of this initiative has been exciting because of the innovative nature of the platform and the expertise we had the opportunity to experience," said Manuel Pincetti. "By making a fully digital platform available, we expect to see the market open up and achieve the objective of faster times and lower transfer costs. The platform will be an incentive for transacting portfolios to meet the appetite of the market, with obvious economic benefits for all stakeholders, starting with a reduction in the still widespread pricing gap, where purchase prices are heavily discounted with respect to bank expectations."

The BlinkS platform will provide the **Italian banking system** and **investors** with access to a transparent, liquid and efficient market, governed by clear rules. BlinkS will enable banks to focus on their core business – savings and loans – which is of fundamental importance for the Italian economy. Banks operating on the BlinkS platform will be able to maximize the price of their loan portfolios and, at the same time, minimize the effort and use of their internal resources, in the certain knowledge of maximum buyer engagement. For investors, BlinkS offers entry into a broad and transparent market with international information standards. A market where the investor can be sure that the only variable is the price offered.



BlinkS: by Prelios Group, a unique independent platform.

The creation of the first digital marketplace for NPE trading is consistent with the mission and thirty-year experience of the Prelios Group, headed by chair Fabrizio Palenzona and CEO Riccardo Serrini.

Headquartered in Milan, with about 400 employees in Italy, and assets under management for more than 30 billion Euro, Prelios is a unique integrated platform, a gateway to Italy's asset management, credit servicing and integrated real estate services market. It stands out among all other competitors for a business model covering every phase in the real estate cycle.

BlinkS continues Prelios' leadership in innovation: as an institutional servicer pursuant to art.106 in constant contact with Italy's banks and with international and Italian investors active in Europe, over the years the Group has developed new solutions for structuring loan deconsolidation transactions, from multiseller transactions to securitizations with the Italian State's GACS guarantee, a field where it is the outright leader.

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