

NPL&UTP® | XII EDIZIONE

# SINPE - STUDIO ITALIANO SULLE NON-PERFORMING EXPOSURES

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iura**  
A VIA PER VIA

COLLABORAZIONE TECNICA

**EY** Parthenon  
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The data collected for the first edition of SINPE represent approximately 90% of the market in terms of managed GBV

KEY TAKEAWAYS

OPERATING MARGIN

- ▶ Over the 2022–2024 period, the **credit servicers’ operating margin** (measured as cost-to-income) has come under increasing pressure; however, the decline has remained modest, averaging around **-3%**
- ▶ This trend is driving the market toward **greater operational efficiency**, leveraging on more industrialized approaches in borrower management (especially granular portfolios), with players with weaker margins decreasing in favor of the **«mid-performers»**

RECOVERY PERFORMANCE

- ▶ **Corporate Segment:** UTP recovery is slowing, mainly affected by interest rate dynamics and inflation, while NPL inflows remain stable/ slightly growing. **Exposures backed by public guarantees** (MCC/SACE) show a particularly positive trend
- ▶ **Retail Segment:** UTP performance is showing signs of recovery, although still below NPL levels in the secured segment (stable); in this regard, **judicial strategies** prove to be more ‘effective’ for individuals compared to potential forbearance measures

MARKET OUTLOOK VIEW

- ▶ **~75% of the market expects stable or negative trends** in terms of new inflows and believes that new technologies, players consolidation, and margin contraction will have a significant impact on the sector
- ▶ In addition to the investments required for AI / tech automation, players will need to address pressure on margins through two approaches: pursuing **operational efficiency** and identifying **new sources of «revenue»** ((e.g., tax credits?))

GBV  
COVERAGE

~90

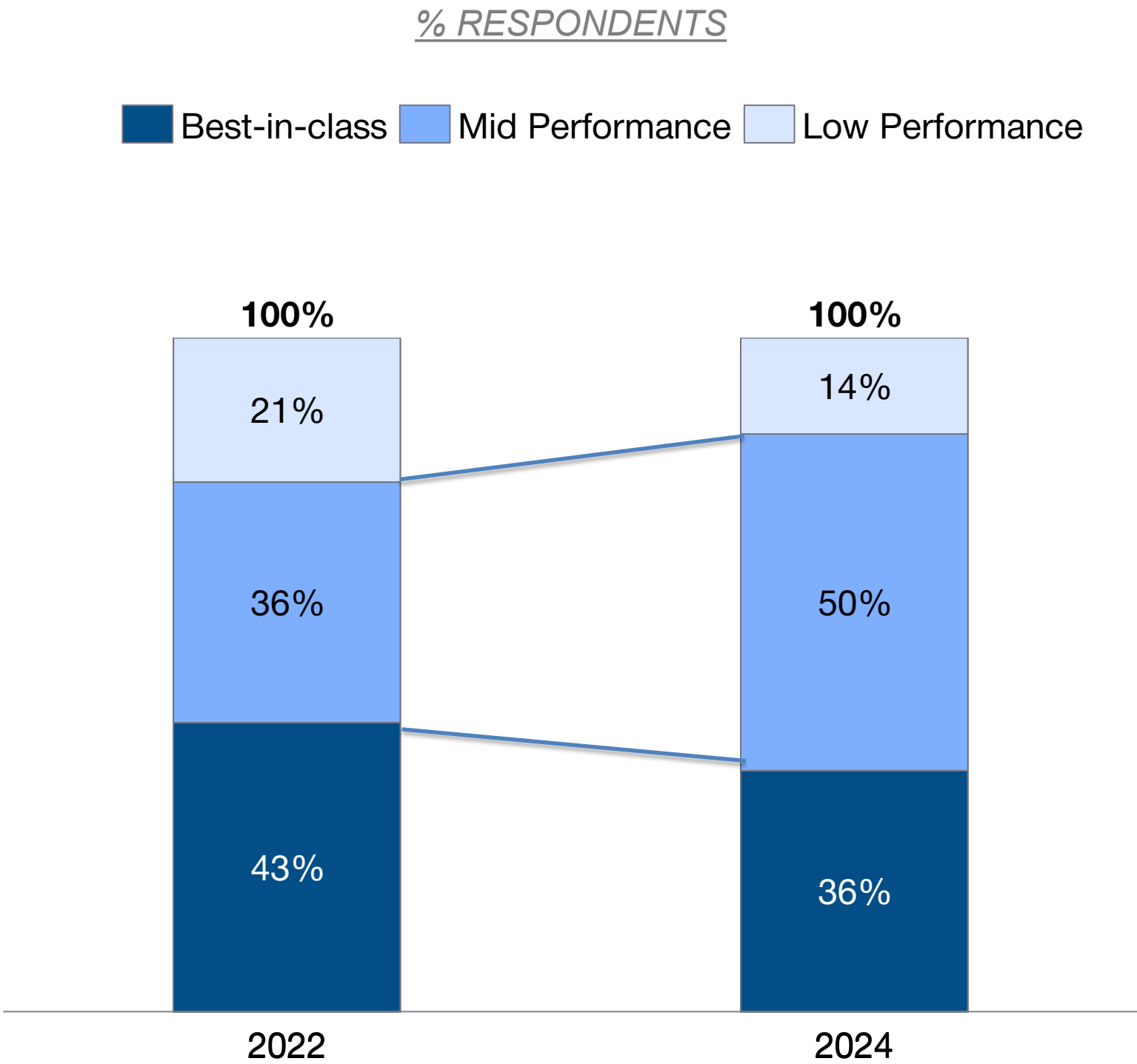
%

Italian servicing  
market size  
covered by the  
survey

Over the past three years, there has been a gradual shift in credit servicers’ margins toward the market’s mid-range

OPERATING MARGIN

CREDIT SERVICER EBITDA MARGIN EVOLUTION



SELECTED PERFORMANCE KPI | 2024 (%)

KPI	Δ '22 vs. '24	TREND
Total revenues / Overall collections	- 1.5 pp	
COST TO INCOME Operating costs / Total revenues	+ 2.7 pp	
COST TO SERVE Operating costs / Overall collections	+ 0.0 pp	
Operating costs / GBV	- 0.1 pp	

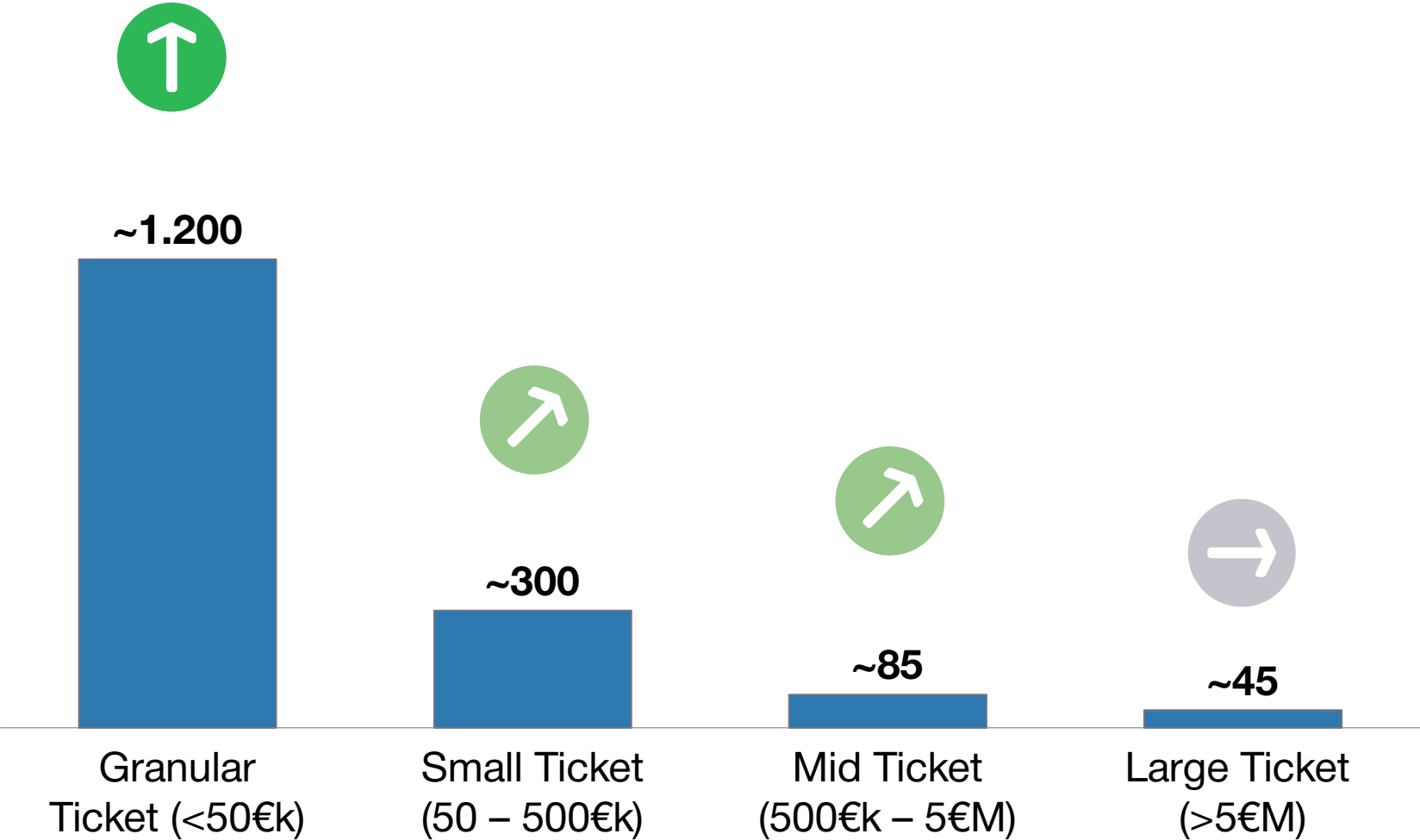
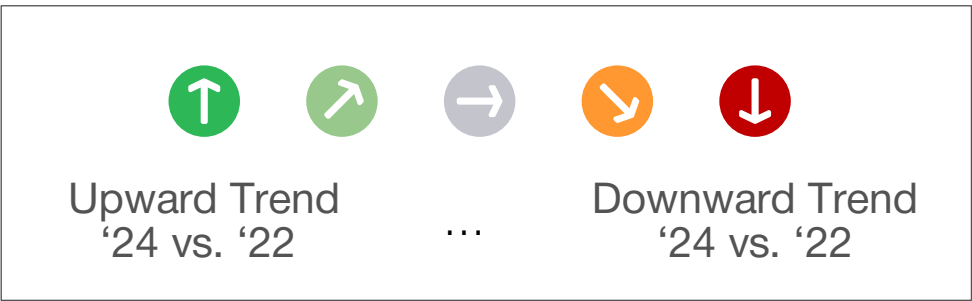
Source: EY analysis based on SINPE survey data

Operationally, workloads are becoming more efficient, especially for medium-small tickets that are easier to industrialize

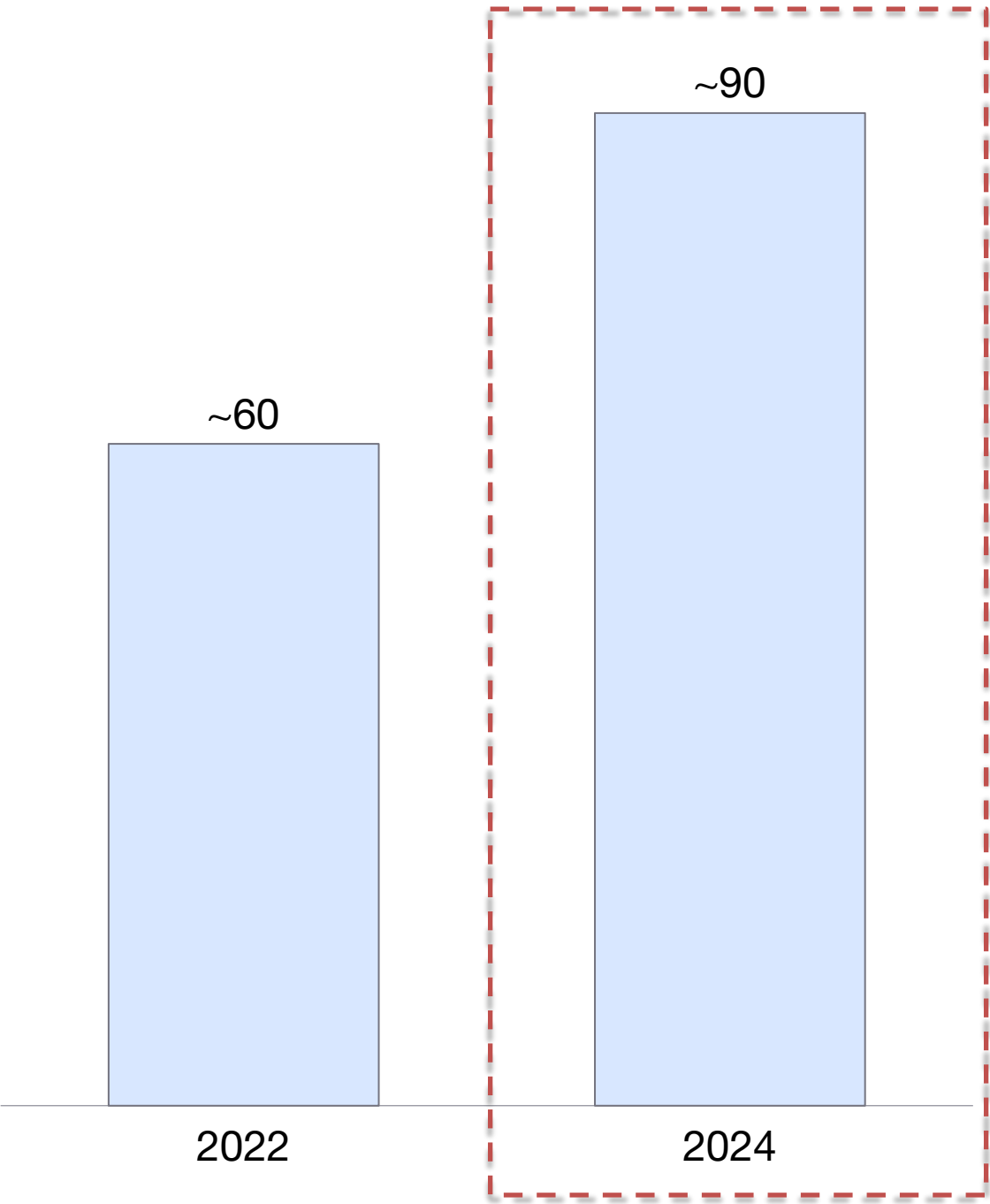
OPERATING MARGIN

WORKLOAD EVOLUTION PER LOAN MANAGER

#BORROWER / FILE UNDER MANAGEMENT



EBITDA EVOLUTION PER LOAN MANAGER | (€K)



Source: EY analysis based on SINPE survey data

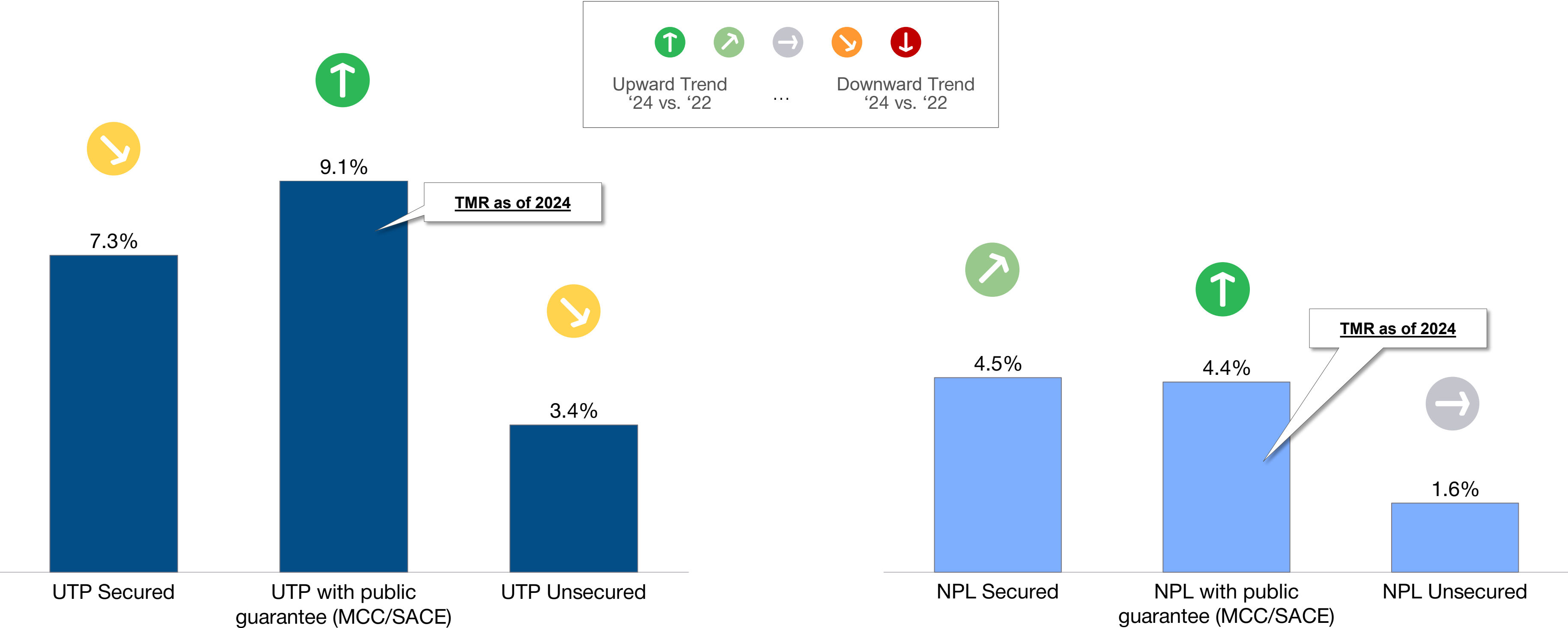
# Corporate Segment: UTP recovery performance has been affected by interest rate dynamics and inflation, while NPL performance remains stable or shows slight growth

## RECOVERY PERFORMANCE

## CORPORATE BORROWERS

UTP TMR FILES | AVERAGE 2022-24 (%)

NPL TMR FILES | AVERAGE 2022-24 (%)



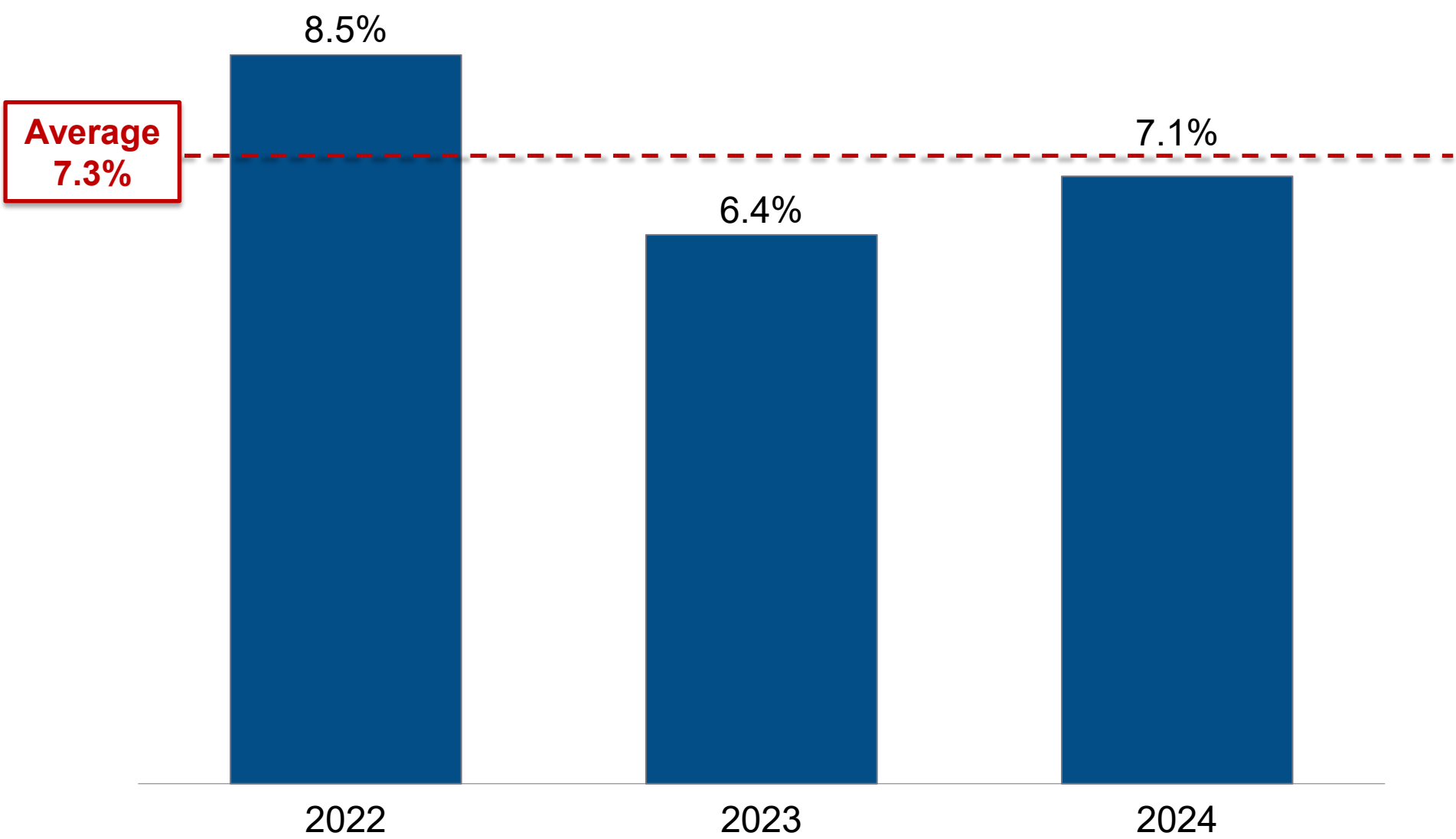
Note: TMR represents the ratio between total collections during the reference period and the GBV measured at the beginning of the period  
Source: EY analysis based on SINPE survey data

# TMR UTP Corporate Overview

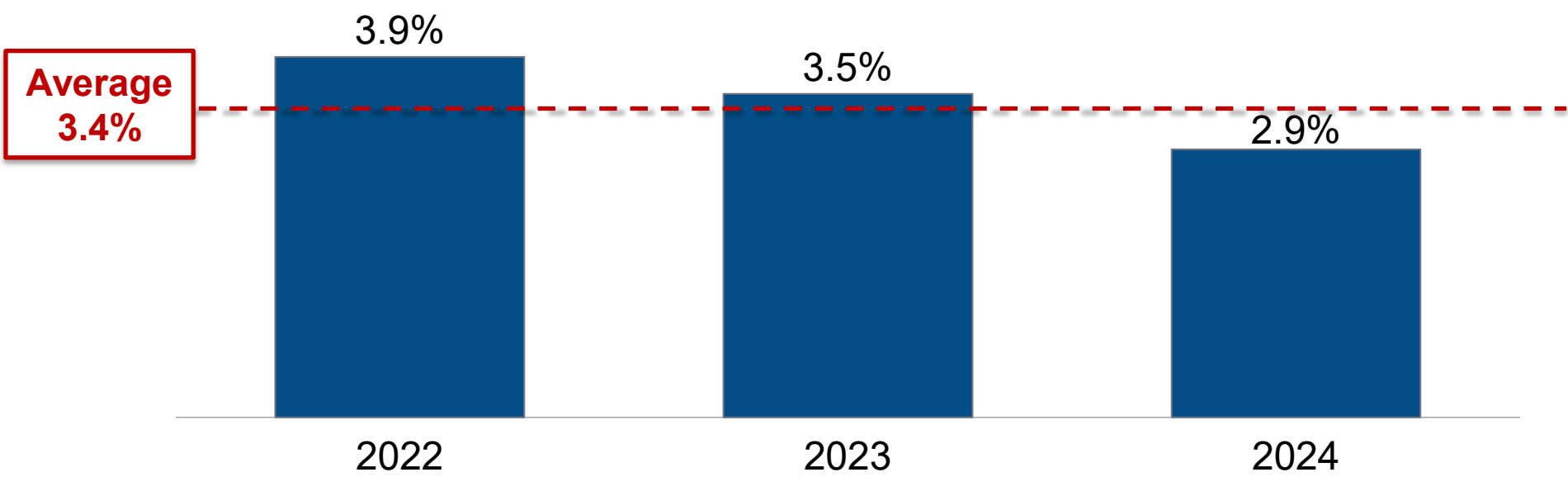
## RECOVERY PERFORMANCE

## CORPORATE BORROWERS

TMR UTP SECURED FILES | 2022-24 (%)



TMR UTP UNSECURED FILES | 2022-24 (%)



Note: TMR represents the ratio between total collections during the reference period and the GBV measured at the beginning of the period  
Source: EY analysis based on SINPE survey data

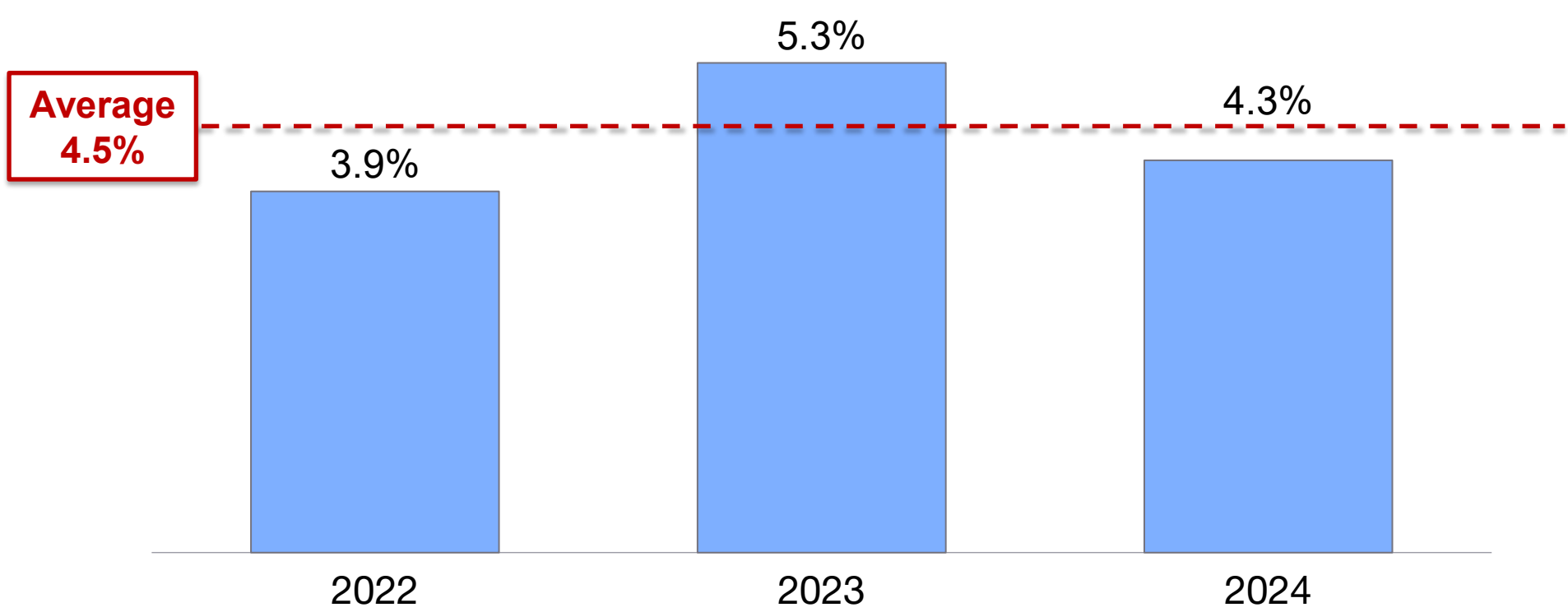


# TMR NPL Corporate Overview

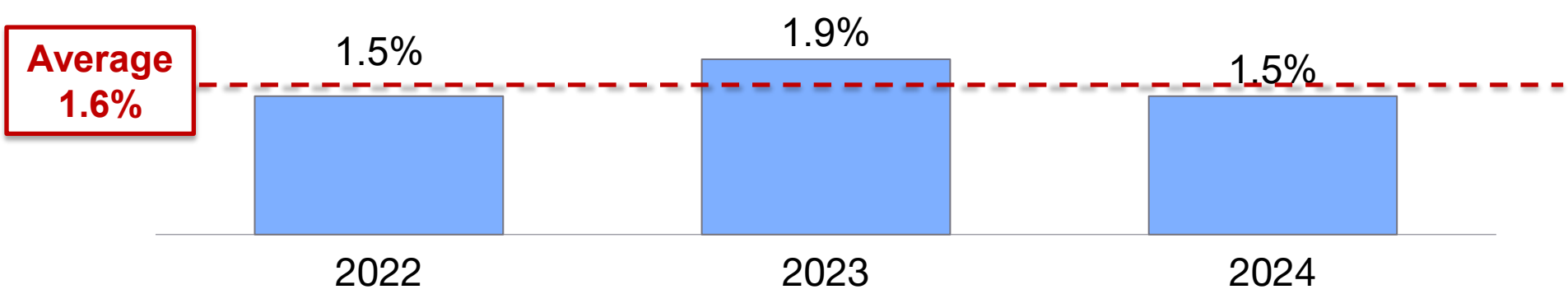
## RECOVERY PERFORMANCE

## CORPORATE BORROWERS

TMR NPL SECURED FILES | 2022-24 (%)



TMR NPL UNSECURED FILES | 2022-24 (%)



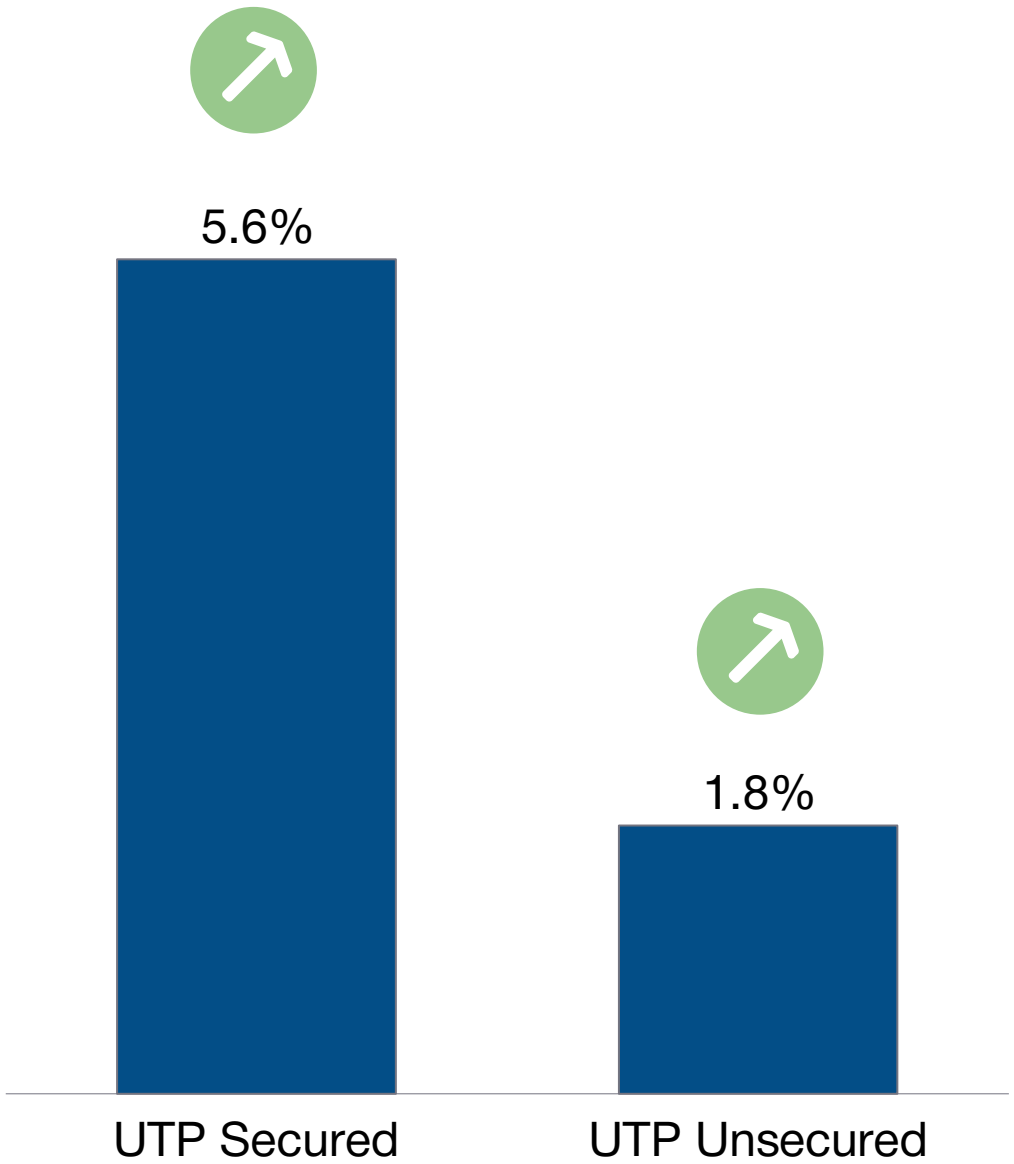
Note: TMR represents the ratio between total collections during the reference period and the GBV measured at the beginning of the period  
Source: EY analysis based on SINPE survey data

# Retail Segment: recovery performance for UTP borrowers has improved, although it remains structurally aligned with NPL performance

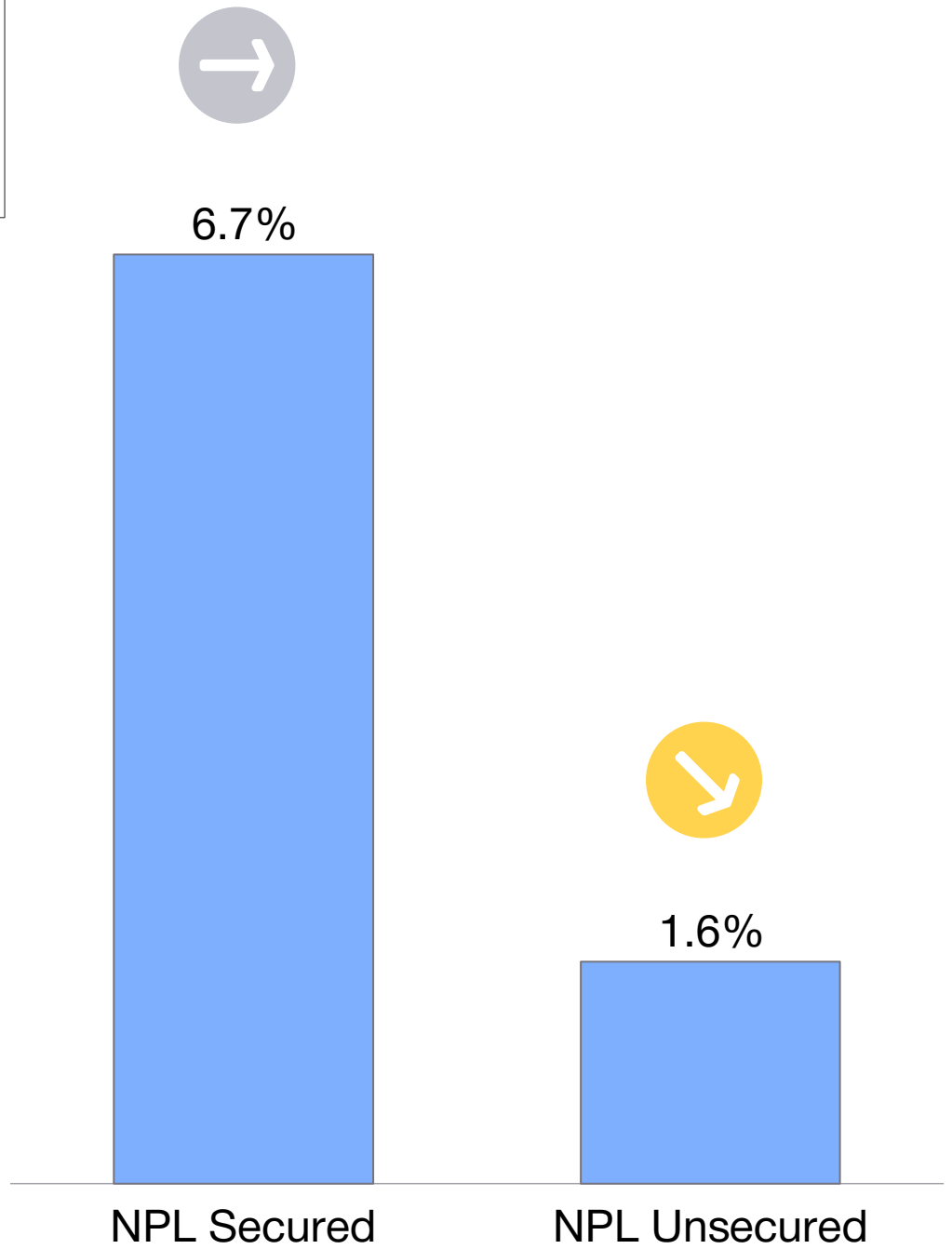
## RECOVERY PERFORMANCE



## RETAIL BORROWERS

TMR UTP FILES | AVERAGE 2022-24 (%)




TMR NPL FILES | AVERAGE 2022-24 (%)







Upward Trend  
'24 vs. '22



...



Downward Trend  
'24 vs. '22

Note: TMR represents the ratio between total collections during the reference period and the GBV measured at the beginning of the period  
Source: EY analysis based on SINPE survey data

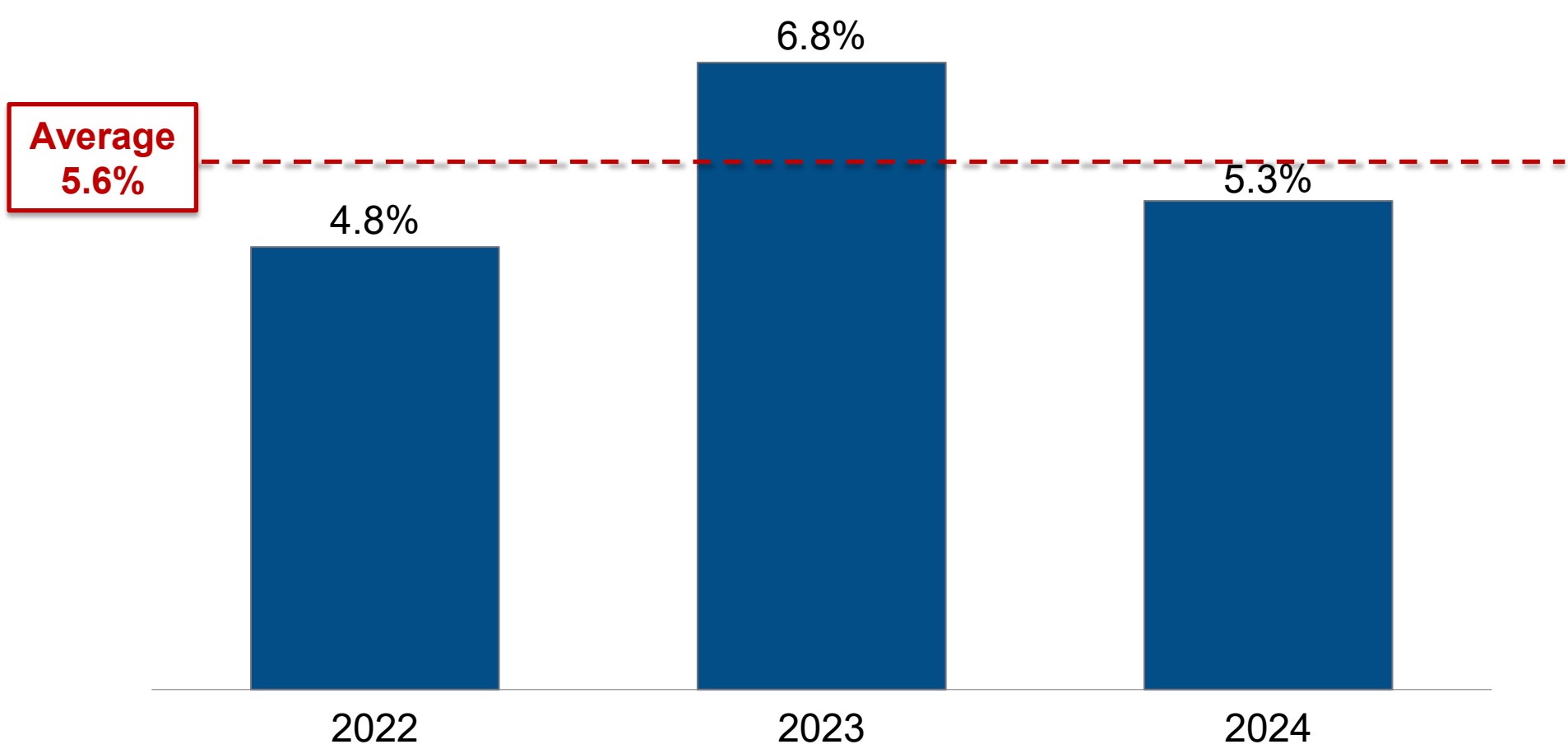


# TMR UTP Retail Overview

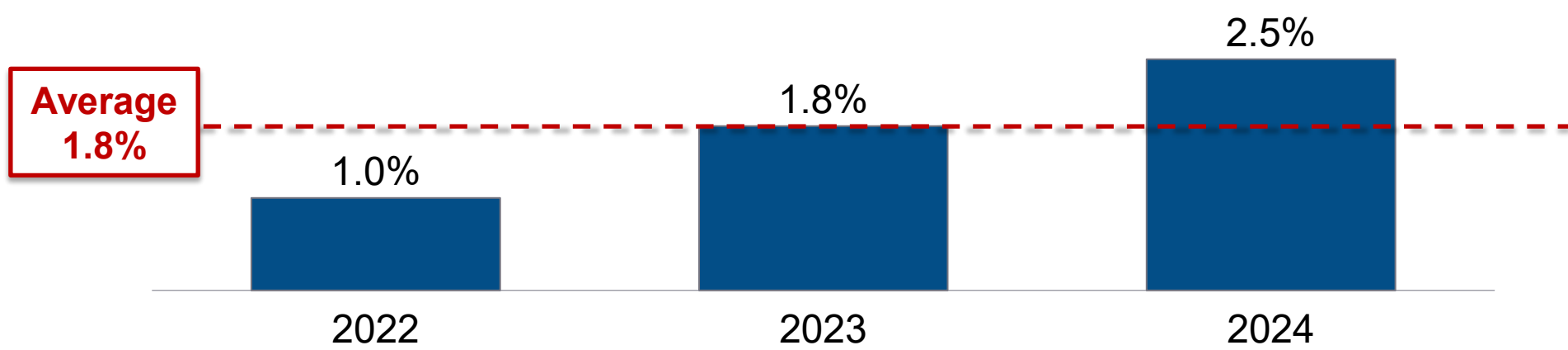
## RECOVERY PERFORMANCE

## RETAIL BORROWERS

TMR UTP SECURED FILES | 2022-24 (%)



TMR UTP UNSECURED FILES | 2022-24 (%)



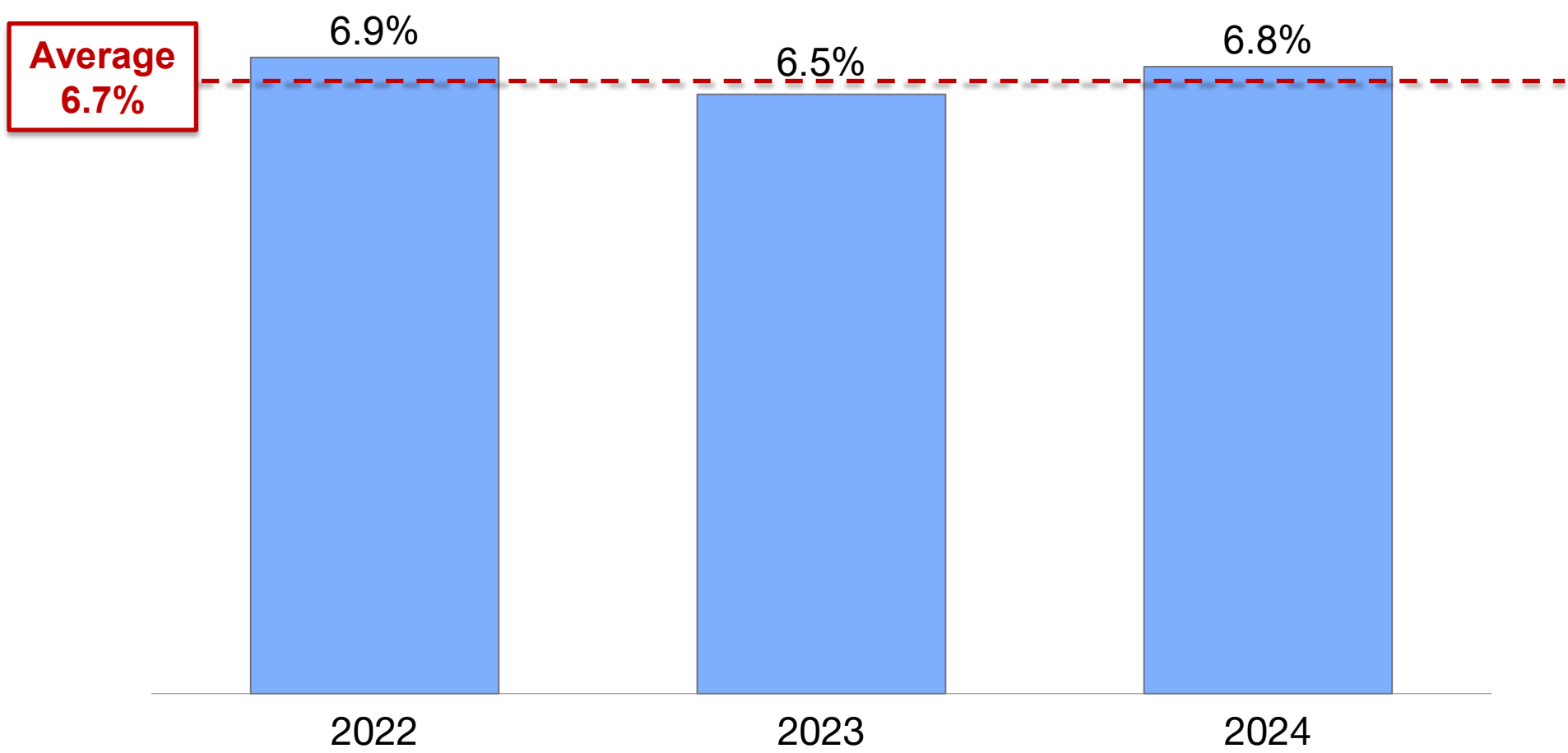
Note: TMR represents the ratio between total collections during the reference period and the GBV measured at the beginning of the period  
Source: EY analysis based on SINPE survey data

# TMR NPL Retail Overview

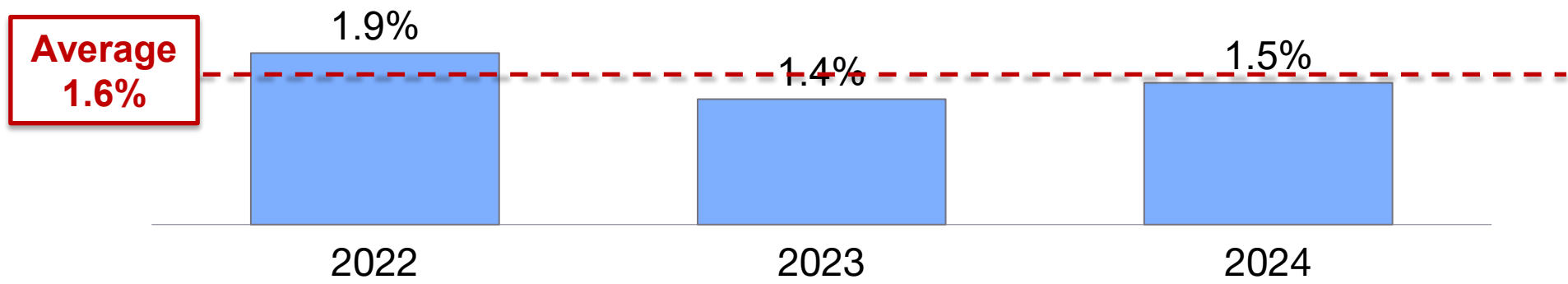
## RECOVERY PERFORMANCE

## RETAIL BORROWERS

TMR NPL SECURED FILES | 2022-24 (%)



TMR NPL UNSECURED FILES | 2022-24 (%)



Note: TMR represents the ratio between total collections during the reference period and the GBV measured at the beginning of the period  
Source: EY analysis based on SINPE survey data

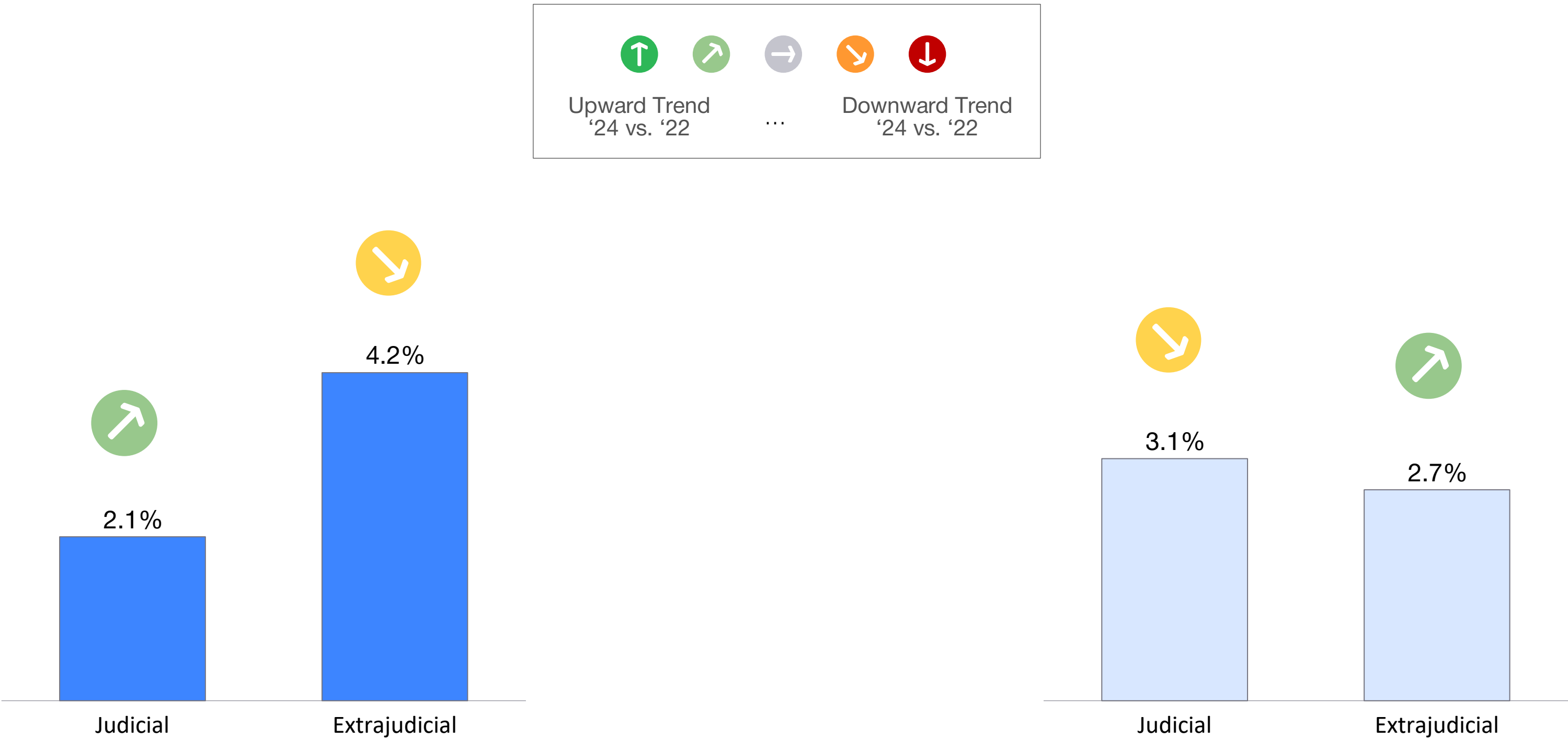
# Recovery performance by strategy is consistent with the dynamics observed in UTP segments (extrajudicial) and NPL segments (judicial) for Corporate and Retail borrowers

## RECOVERY PERFORMANCE

## RECOVERY STRATEGY

TMR CORPORATE BORROWERS | AVERAGE 2022-24 (%)

TMR RETAIL BORROWERS | AVERAGE 2022-24 (%)



Note: TMR represents the ratio between total collections during the reference period and the GBV measured at the beginning of the period  
Source: EY analysis based on SINPE survey data

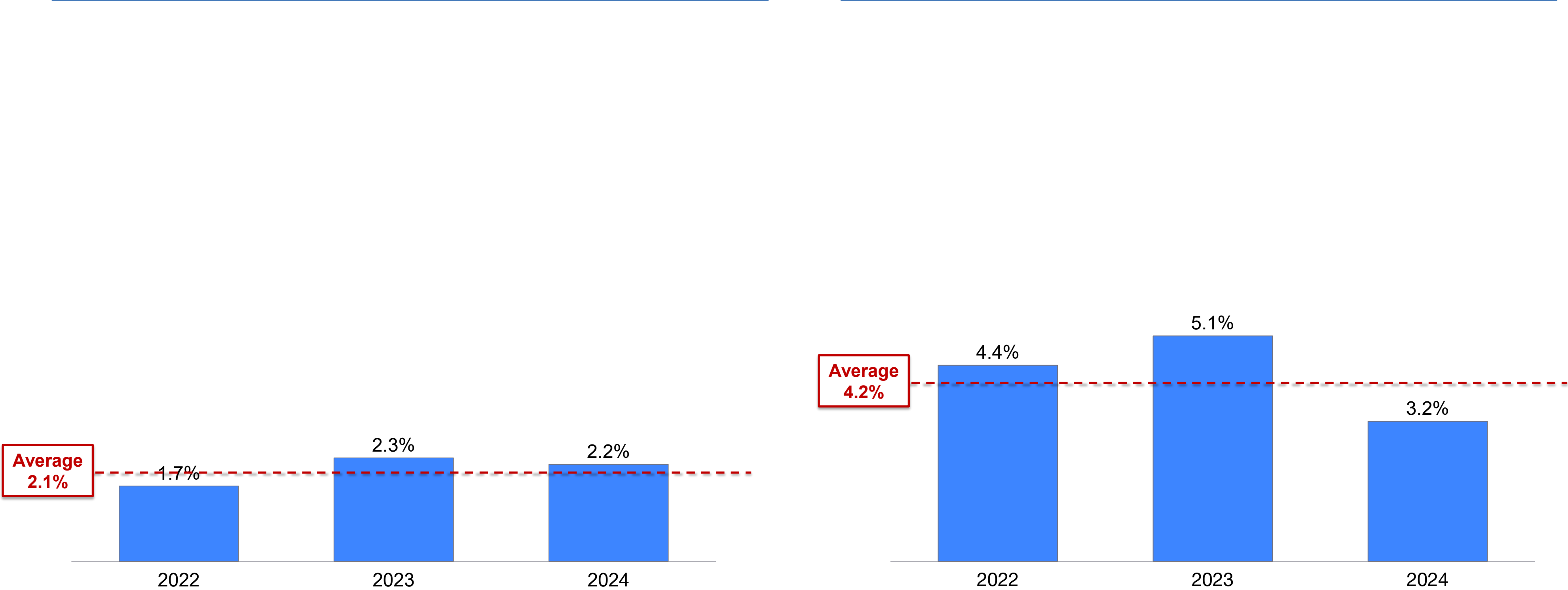
# Corporate TMR by Recovery Strategy Overview

## RECOVERY PERFORMANCE

## RECOVERY STRATEGY – CORPORATE BORROWERS

JUDICIAL TMR CORPORATE BORROWERS | 2022-24 (%)

EXTRAJUDICIAL TMR CORPORATE BORROWERS | 2022-24 (%)



Note: TMR represents the ratio between total collections during the reference period and the GBV measured at the beginning of the period  
Source: EY analysis based on SINPE survey data

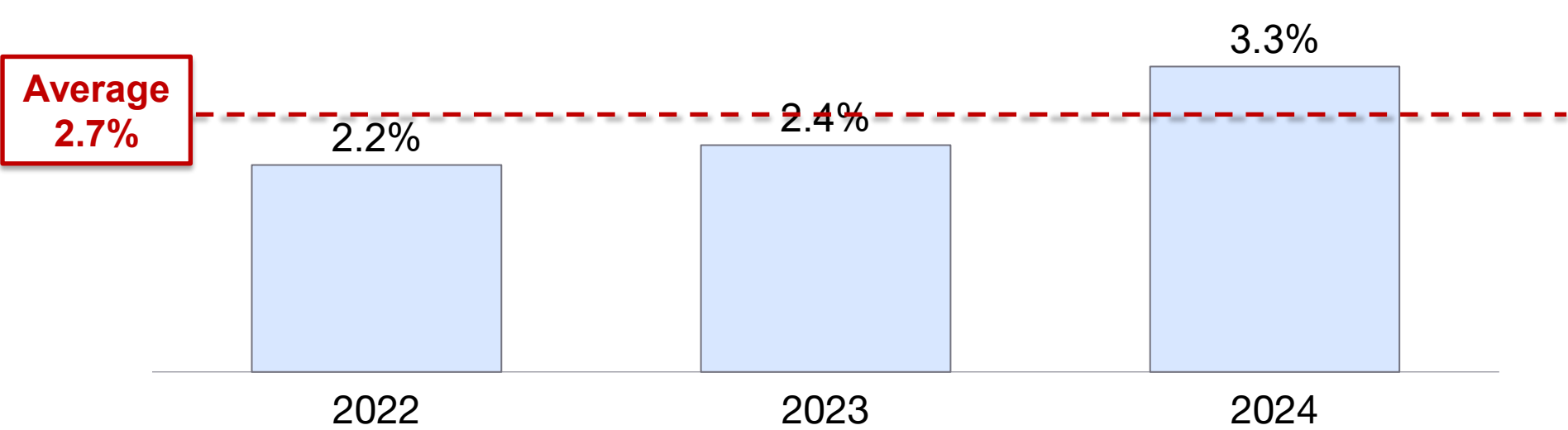
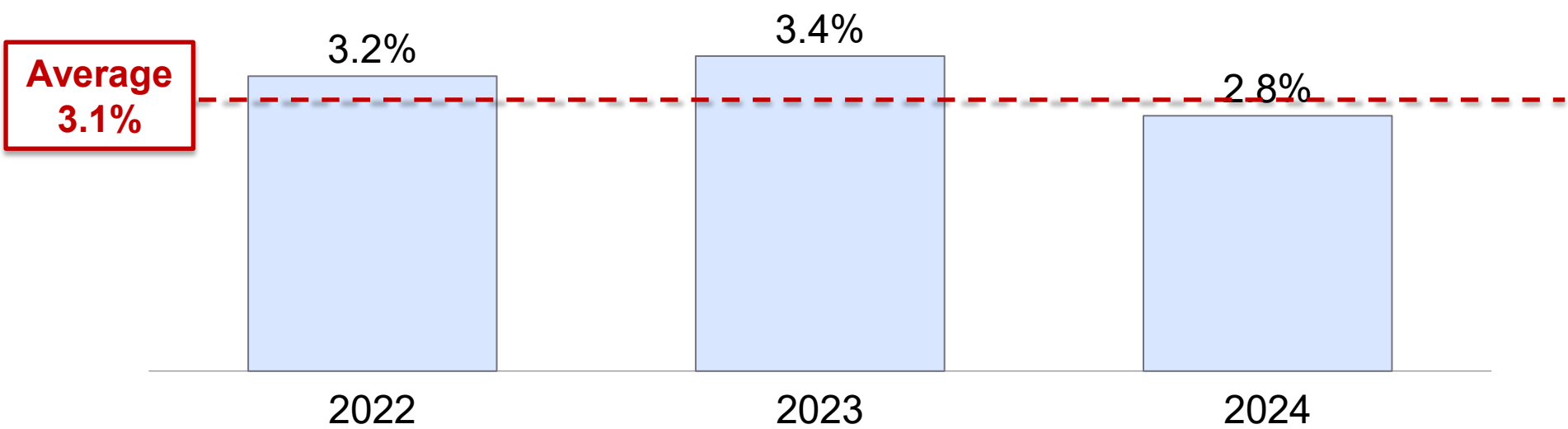
# Corporate TMR by Recovery Strategy Overview

## RECOVERY PERFORMANCE

## RECOVERY STRATEGY – RETAIL BORROWERS

JUDICIAL TMR RETAIL BORROWERS | 2022-24 (%)

EXTRAJUDICIAL TMR RETAIL BORROWERS | 2022-24 (%)

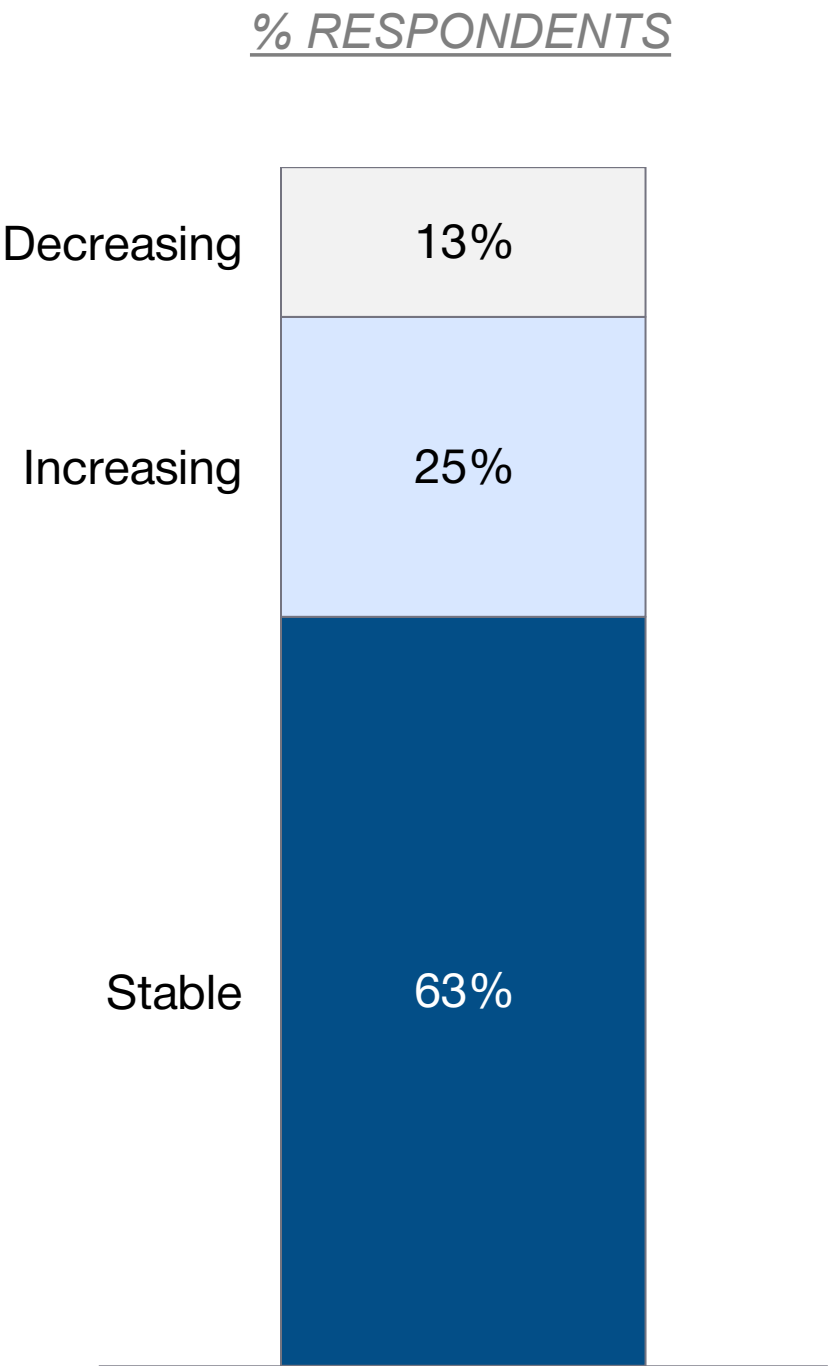


Note: TMR represents the ratio between total collections during the reference period and the GBV measured at the beginning of the period  
Source: EY analysis based on SINPE survey data

Given the expectation of predominantly stable flows, servicers foresee a sector primarily influenced by technological progress, margin contraction, and consolidation

MARKET OUTLOOK VIEW

NEXT 12 MONTHS EXPECTATIONS FOR NEW NPE INFLOWS

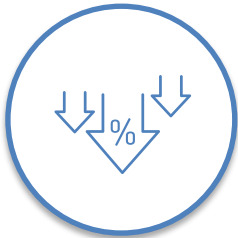


FACTORS EXPECTED TO IMPACT THE SECTOR IN THE COMING YEARS

HIGH / MEDIUM –  
HIGH IMPACT



Process automation and  
artificial intelligence

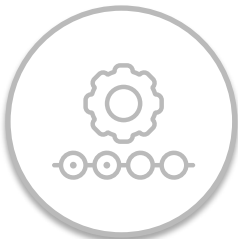


Margin contraction



Market consolidation

MEDIUM – LOW  
IMPACT



Stage 2



New asset classes  
(excl. banking positions)

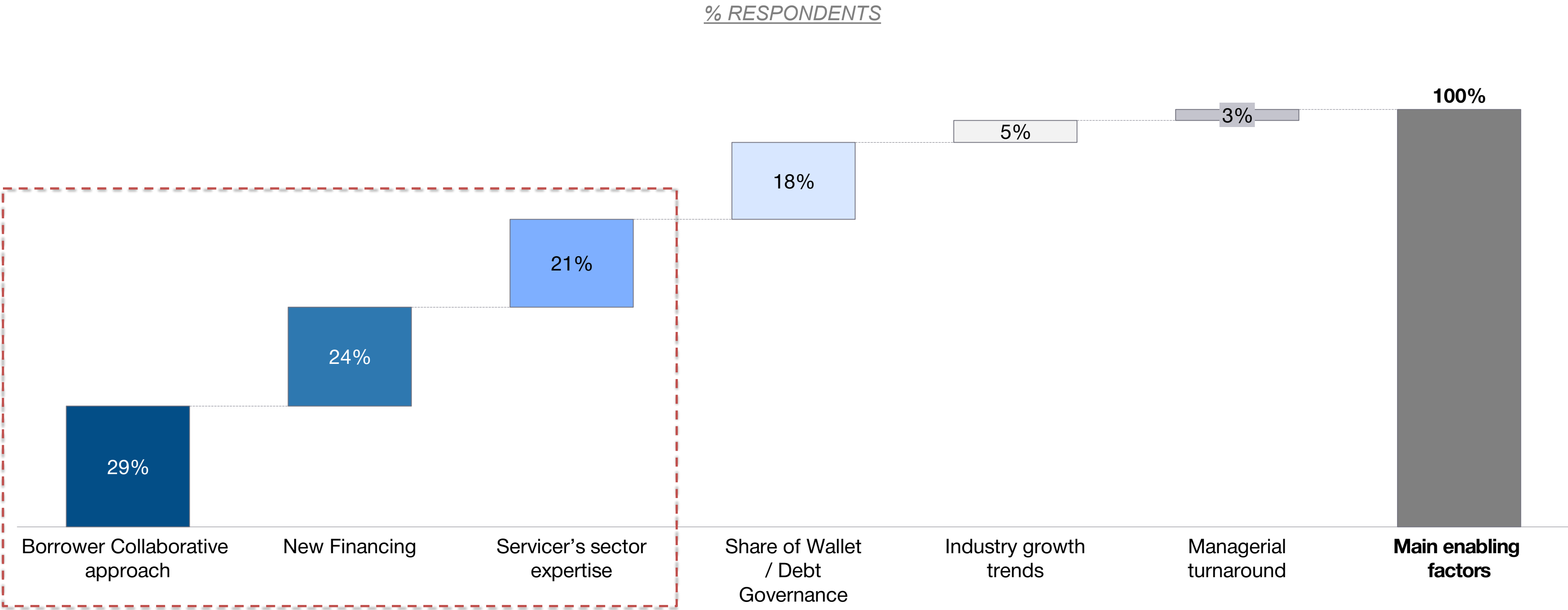
Source: EY analysis based on SINPE survey data



# Approximately 75% of operators believe that recovery performance is positively influenced by #3 key factors

## MARKET OUTLOOK VIEW

### ENABLING FACTORS THAT SUPPORT “BACK TO PERFORMING”



Source: EY analysis based on SINPE survey data



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