## **Risk Provisioning**



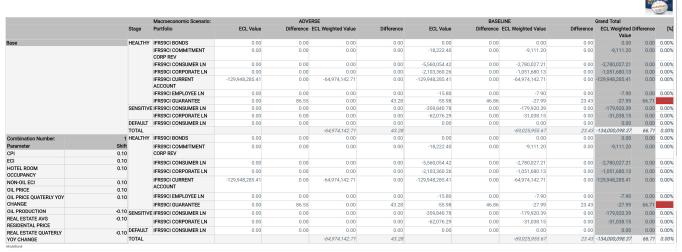
FlexFinance provides data marts with values that entirely cover the calculation of risk provisions. For more information on the calculation options, please have a look at the section Workbenches for risk provisioning.

The data marts include:

- Calculated results
  - PD (Probability of Default)
  - LGD (Loss Given Default)
  - EAD (Exposure at Default)
  - ECL (Expected Credit Loss)
- · Accounting-specific results based on the financial year
  - Risk provisions
  - Impairment expense
  - Write-off expense
  - Impairment income
- Detailed information regarding calculations
  - Recovery cash flow plan for deals in default
  - Drilldown to ECL calculations for each set date LGD (PIT) (= point in time)
  - · Sensitivity analysis: difference compared to current ECL due to changes in macroeconomic parameters

Below are some examples of reports on risk provisioning in FlexFinance based on these data marts:

Results of the Sensitivity Analysis



## Risk Provisioning



			Risk Provisioning
			010
Individual Assessment: Specific provision and Portfolio Allowance		010	4,536,751.65
	Corporate Customer	020	492,498.80
	Private Customer	030	3,797,673.68
	Staff Loans, Employee Loans, BMR-Loans	040	1,004,901.54
	Financial Customer	050	0.00
	SME	060	0.00
	Investment Corporation	070	0.00
	Commercial Real Estate	080	0.00
Collective Impairment: IBNR		100	194,011,264.96

Modelbank



## **Risk Provisioning**



The following standard functions are also available for reports defined in FlexFinance:

- extensive drilldown possibilities
  possibility to compare the report for different posting dates
  proof of rule for reporting contents
- manual editing combined with consistency check

