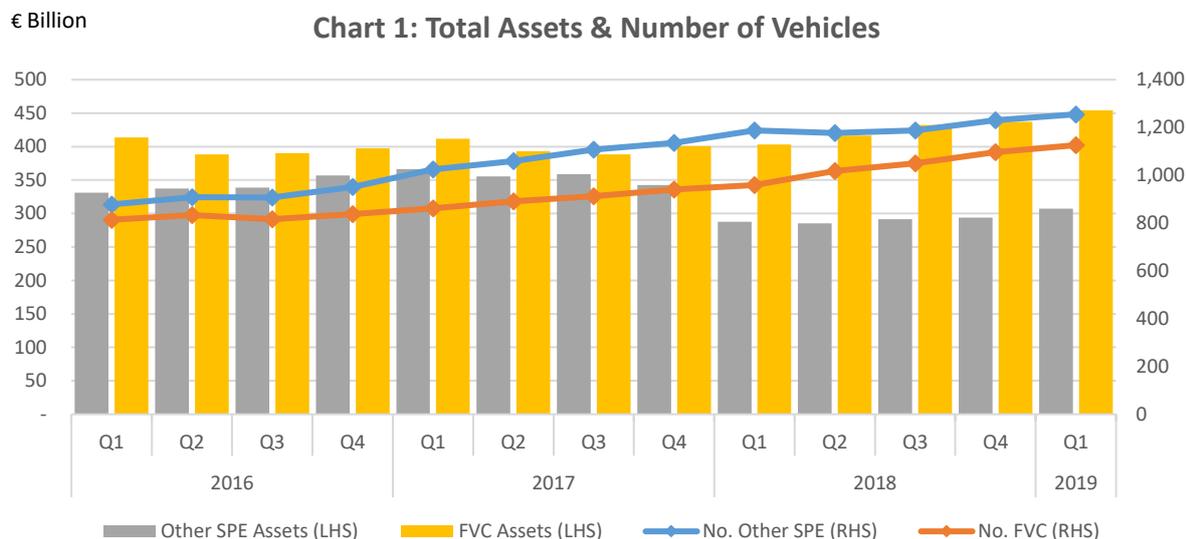




Special Purpose Entities (SPEs)¹ Statistics Q1 2019

- **Total assets of Irish-resident SPEs increased by €30bn to €761.2bn in Q1 2019.** This growth is being driven by an increase in the number of vehicles (over 50 new vehicles reporting in Q1 2019) and asset purchases by existing vehicles.
- **Within Irish-resident Securitisation SPEs, or Financial Vehicle Corporations (FVCs), total assets increased by €17.2bn (3.8 percent), to €454bn in Q1 2019.** A revision of vehicle type categories has highlighted the rapid growth in the new Collateralised Loan Obligation (CLO) category, which increased by €8.2bn (10.81%) to €76.0bn in the past quarter.
- **Within Non-Securitisation Irish-resident SPEs, or Other SPEs, total assets increased by €13.2bn to €307.2bn in Q1 2019.** Along with continued growth in investment fund linked entities, Q1 2019 has seen the first increase in total assets of external financing vehicles in almost 2 years.

¹ Definition of a SPE, a FVC, other SPEs and a sponsor can be found on page 5, in Notes.

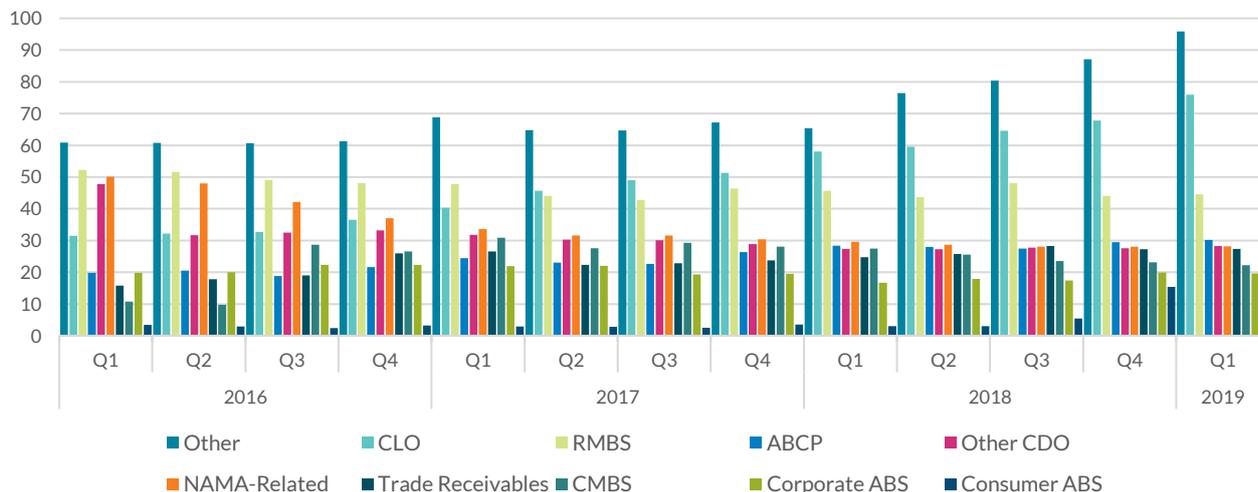


There has been a review of SPE's leading to the movement of a number of entities from the FVC population to the Other SPE population and vice versa (back to Q4 2018). Total assets of Irish-resident SPEs increased 4 percent from €731bn to €761bn in Q1 2019, with new vehicles engaging in a wide range of activities driving this longer-term growth trend. The number of SPEs reporting reached a record high of 2,377 vehicles, a net increase of 50 vehicles.

There has been a revision to FVC vehicle categorisation in Q1 2019 which has led to the breakout of additional vehicle types and the revision of historical data. Within the FVC reporting population, 27 net new vehicles supported a 4 percent increase in total assets from €437bn to €454bn. Within the Other SPE reporting population, 23 net new vehicles supported a 5 percent increase in total assets from €294bn to €307bn.



Chart 2: Top 10 FVC Activity Types (Total Assets €bn)



Regarding the top 10 FVC activity types, there was a notable increase in the CLO and Other category over the quarter, rising 10 percent to €76bn and 9 percent to €96bn respectively, indicating increased securitisation activity in these areas.

Banks, financial auxiliaries, and other financial intermediaries, predominantly based in the UK and US make up almost 75 percent of sponsors involved in the setup of these entities.

Chart 3: FVC Sponsor by Sector

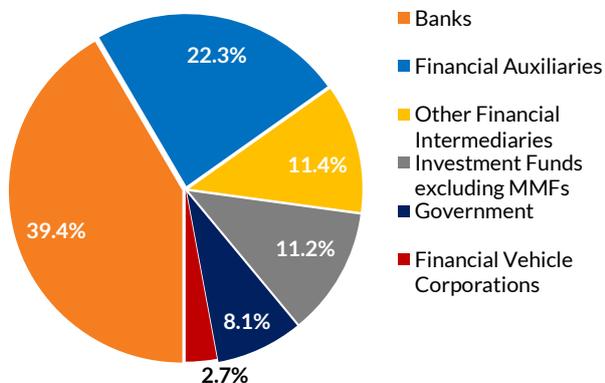
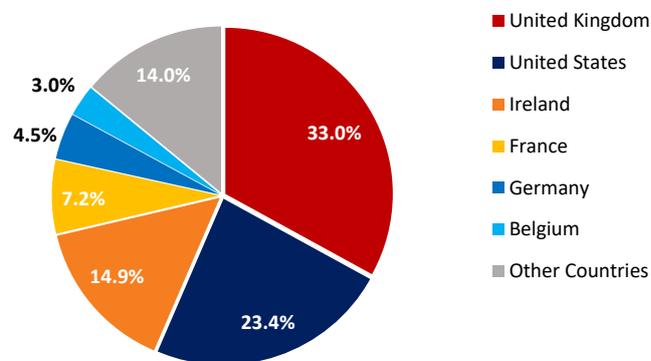


Chart 4: FVC Sponsor by Country





FVC CLO Activity

Within the FVC population, total assets of entities categorised as “CLO” vehicles have increased by €8bn or 10 percent in the last quarter to €76bn in Q1 2019. This represents overall growth of 141% in the last three years. Asset growth in these vehicles has predominantly consisted of non-Irish European debt securities.

Chart 5: CLO's by Sponsor Country

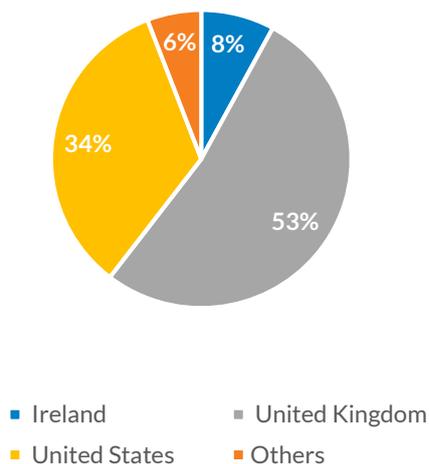


Chart 6: CLO Debt Securities, Loans and Deposits by Geography (€bn)

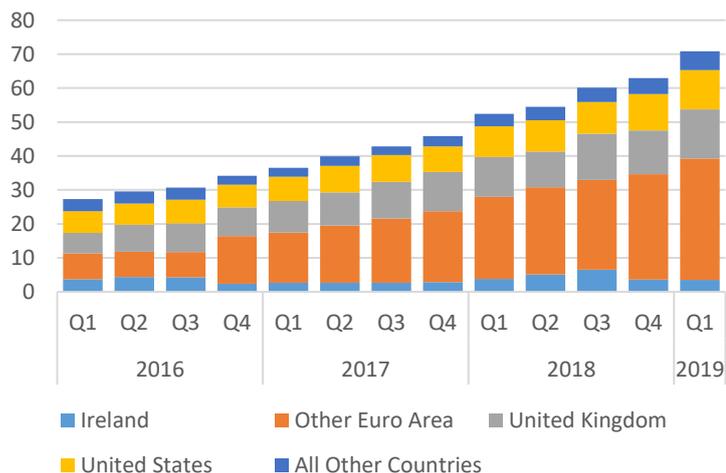
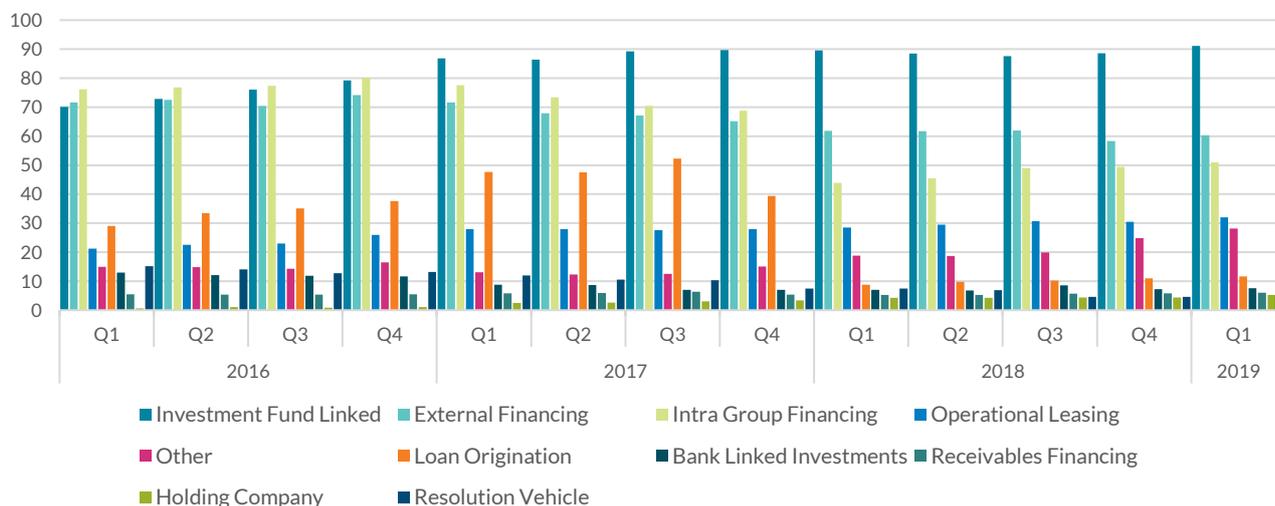




Chart 7: Top 10 Other SPE Activity Types (Total Assets €bn)



Within Other SPEs, the four biggest activities represent 76 percent of the sector, namely investment fund linked, external financing, intergroup financing, and operational leasing.

Growth in this population was led by the “Other” category, a diverse range of activities, which rose by €3bn to €29bn. Investment fund linked vehicles saw an uptick of €2.5bn to €91bn. The “External Financing” category has increased by €2bn to €60bn.

Chart 8: Other SPE by Country of Sponsor (Total Assets)

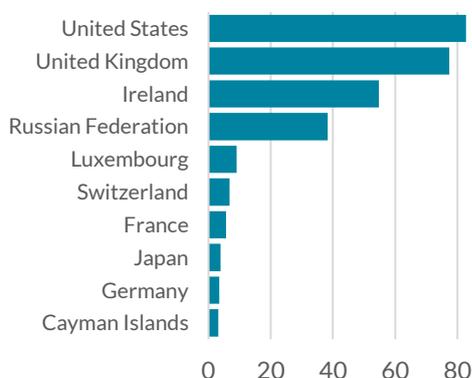
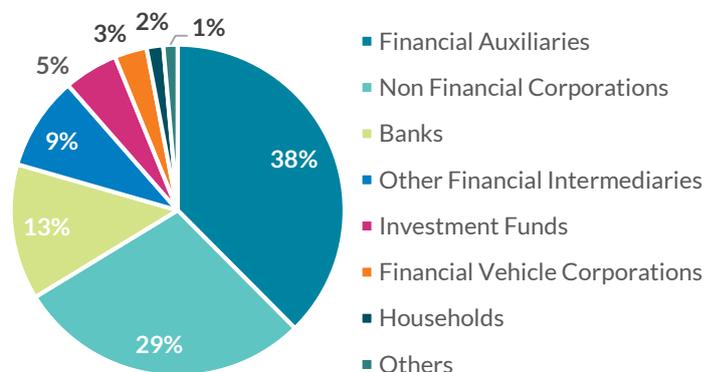


Chart 9: Other SPE Sponsors by Sector





Other SPE External Financing

Following two years of decline, Q1 2019 saw the first increase in the total assets of external financing vehicles. Russian sponsored vehicles make up the majority of these vehicles, with total assets amounting to €38bn.

Chart 10: External Financing Sponsor Country (Total Assets €bn)

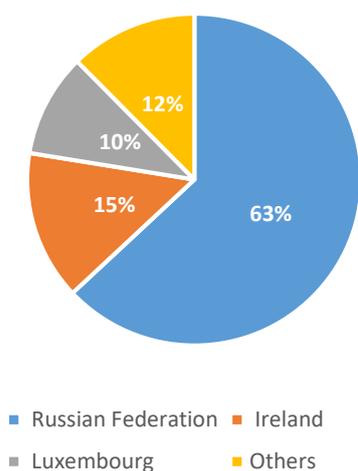
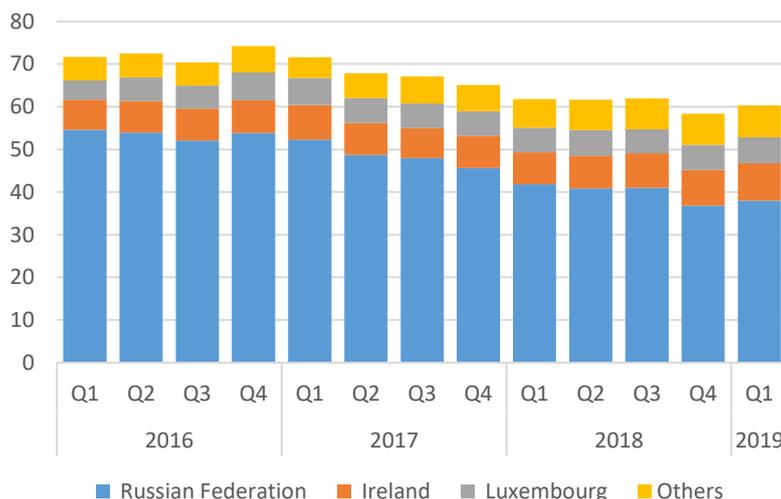


Chart 11: External Financing (Total Assets €bn)



Statistical Release – Special Purpose Entities Statistics

Appendix Notes

These data was collected under the requirements of Regulation (EC) No. 24/2009 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions (ECB/2008/30), which was passed on 19 December 2008, obliging financial vehicle corporations to report quarterly balance sheets. Reporting is obligatory for all financial vehicle corporations resident in Ireland.

The full data series for Ireland is available on the Central Bank of Ireland website [here](#) and euro area statistics are available from the ECB website [here](#).

A Special Purpose Entity (SPE) is a legal entity created to fulfil narrow, specific or temporary objectives.

Financial vehicle corporations (FVCs) are undertakings which are constituted pursuant to National or Community Law and whose principal activity meets both of the following criteria:

- to carry out securitisation transactions which are insulated from the risk of bankruptcy or any other default of the originator;
- to issue securities, securitisation fund units, other debt instruments and/or financial derivatives, and/or to legally or economically own assets underlying the issue of securities, securitisation fund units, other debt instruments and/or financial derivatives that are offered for sale to the public or sold on the basis of private placements.

Securitisation refers to a transaction or scheme whereby: (i) an asset or pool of assets is transferred to an entity that is separate from the

originator and is created for or serves the purpose of the securitisation; and/or (ii) the credit risk of an asset or pool of assets, or part thereof, is transferred to the investors in the securities, securitisation fund units, other debt instruments and/or financial derivatives issued by an entity that is separate from the originator and is created for or serves the purpose of the securitisation.

Other Special Purpose Entities (Other SPEs) are vehicles not engaged in securitisation.

The Sponsor refers to the entity on whose behalf the SPE was established. This usually the ultimate beneficial owner. However, where an investment fund sets up a vehicle to hold assets, the investment manager would be considered the sponsor. In insurance-linked securitisations, the ceding reinsurer would be considered the sponsor. The term 'Sponsor' does not refer to a charitable trust that owns shares of the SPE in an orphan vehicle structure.

Further information

Queries to: Central Bank, Press Office at media@centralbank.ie or (01) 224 6299.