

# IFRS 9

## Why IFRS 9?

It allows you to adapt lending policies according to data-supported forecasts and changing market conditions.

## IFRS 9 The Expected Credit Loss Model

- IFRS 9 combines the credit impairment model and hedging accounting phases.
- It is a classification and measurement approach that reflects the adopted models and cash flow features for the financial assets of your organization.
- It provides options for optimum use of financial assets.
- It provides results that can be used as a decision-making criterion.

## The Expected Credit Loss

The calculation of impairment losses of financial assets changes with IFRS 9. The Expected Credit Losses (ECL) have started to be calculated by estimating future losses instead of realized losses through this change.

These results enable you to make forward-looking predictions and take new decisions.

“ **Loss prediction methodology allows you to make strategic decisions with your financial information!** ”

## Create Own IFRS 9 Model For Your Organization

Classify your financial assets and collateral according to the model. Integrate into the modeling package. With the perspective of the modeling package of the expected value loss calculations;

- Raw data is collected.
- Business rules are applied.
- Parameter templates are applied to the data.
- The modeling environment works.
- The Expected Credit Loss (ECL) process is calculated.

## What We Offer?

- Expected credit loss is presented to the users in 3 ways: 12 months, lifetime of credit and follow-up.
  - Estimated Loan Loss (ECL) for 12 months
  - Expected Loan Loss (ECL) for Lifetime of Credit
  - Estimated Expected Credit Loss (ECL) Follow-up
- It reduces the credit loss balance by choosing the most profitable distribution from the optimum collateral distribution perspective.
- The credit loss calculation process takes 8 – 10 minutes for a medium-sized portfolio. The support and maintenance costs are low since it is native software.