

Garfunkelux Holdco 2 S.A.

FY17 Results

April 12th, 2018

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Housekeeping

- This presentation captures the consolidated trading results of Garfunkelux Holdco 2 S.A. ("GH2") – the results are based on our management accounts and where appropriate, prepared in accordance with IFRS.
- We present cash metrics within this presentation as we believe it may enhance an investor's understanding of the Group's cash-flow generation. Alongside this we provide insight in terms of how these metrics reconcile to Revenue and Operating Profit per the Statutory Accounts.

Pro forma accounts

On 20 March 2018, GH2 (the Group) acquired 100% share in the Carve-out Business from Intrum, (together, the Pro Forma Group), based upon a cash consideration of €749 million. The pro forma Statement of Financial Position and Statement of Comprehensive Income as at and for the year ending 31 December 2017 have been presented showing the impact of the Carve-out Business acquisition and the associated debt and equity financing that was raised, including the repayment of existing Carve-out Business indebtedness with the proceeds of such financing, assuming these occurred on 1 January 2017.

The unaudited pro forma Statement of Financial Position and Statement of Comprehensive Income have been compiled on the basis set out below. The unaudited pro forma report has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and therefore does not represent the Pro Forma Group's actual financial condition or results. It may not, therefore, give a true picture of the Pro Forma Group's financial condition or results nor is it indicative of the results that may be expected to be achieved in the future.

This pro forma report has been prepared in accordance with the accounting policies of the both the Group and of the Carve-out Business which are both based upon International Financial Reporting Standards as adopted by the European Union (IFRS). For the purposes of this pro forma the accounting policies between the entities have not been harmonised and actual results achieved by the Pro Forma Group may differ. The pro forma has not reflected a purchase price allocation (PPA), as is required by IFRS3, due to the proximity of the acquisition to the publication date. The full PPA will be completed and presented in the FY18 financial statements. The pro forma condensed consolidated financial information does not contain all of the information required for financial statements under IFRS, and should be read in conjunction with the historical information of the Group.

The unaudited pro forma financial information is presented in pound sterling, which is the presentation currency of the Group.

Disclosure Note: There exists no material differences if we were to consolidate the accounts at the Garfunkelux Holdco 3 S.A. level versus the consolidated accounts of Garfunkelux Holdco 2 S.A.

Agenda

- 1 | Highlights
- 2 | Extant Group FY17 Results
- 3 | The Combined Pro Forma Group
- 4 | Outlook

- Appendix A | Extant Group Results

- Appendix B | Pro Forma Results

*Hosting today:
James Cornell, Group CEO and Colin Storrar, Group CFO*

1. Highlights

A Successful Year In Keeping With Strategic Focus

- > Transformational acquisition of a highly regarded platform
- > Creates the #2 European CMS player and makes Lowell a market leader across the Nordic region
- > The wellbeing of our consumers is fundamental to what we do
- > Low level of complaints provides confidence in our consumer centric approach

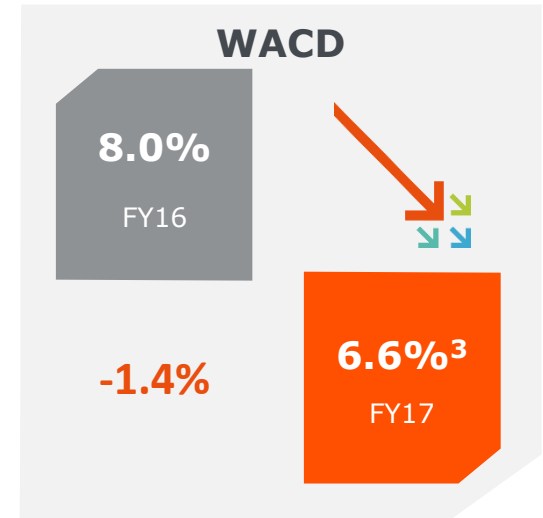
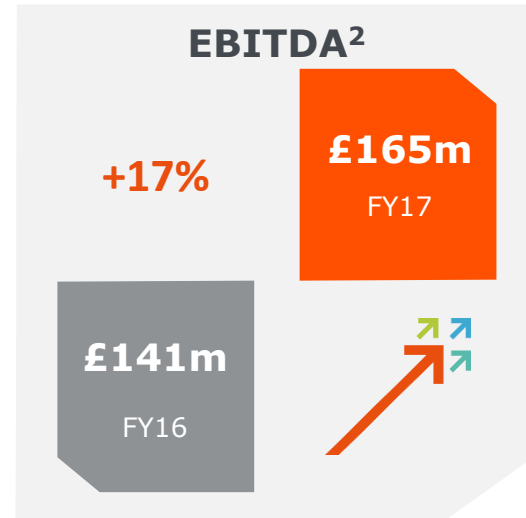
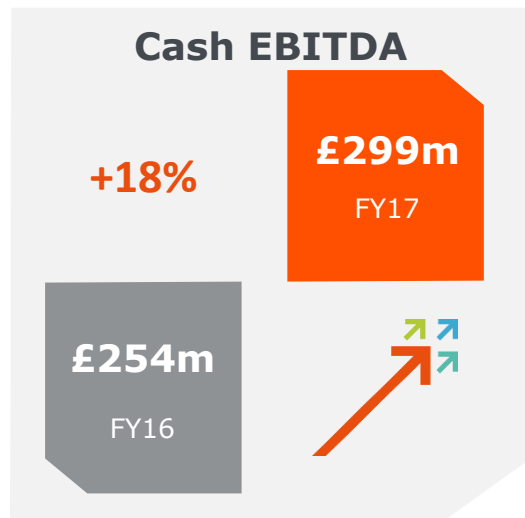
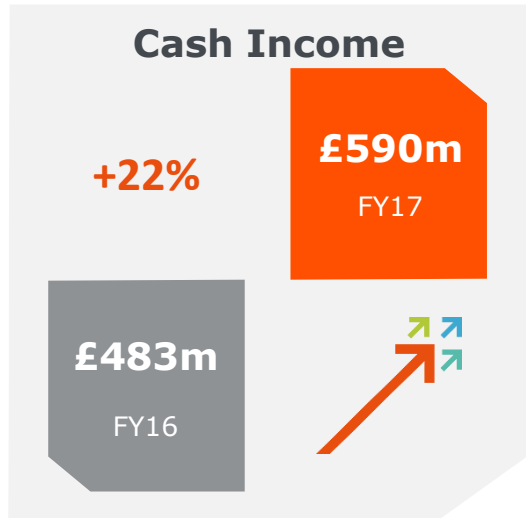
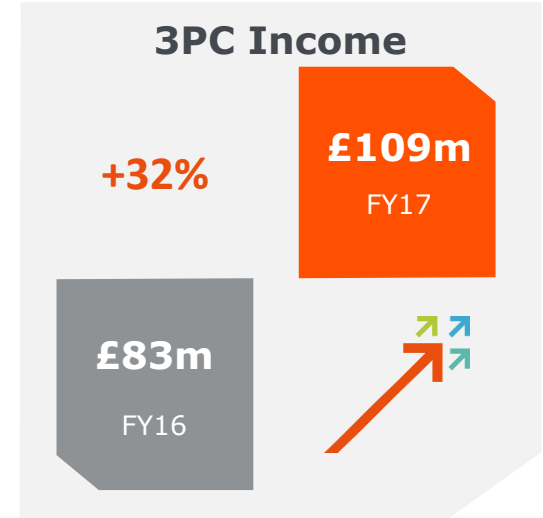
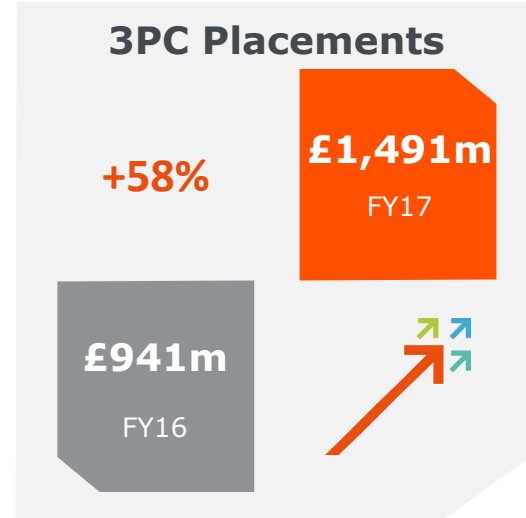
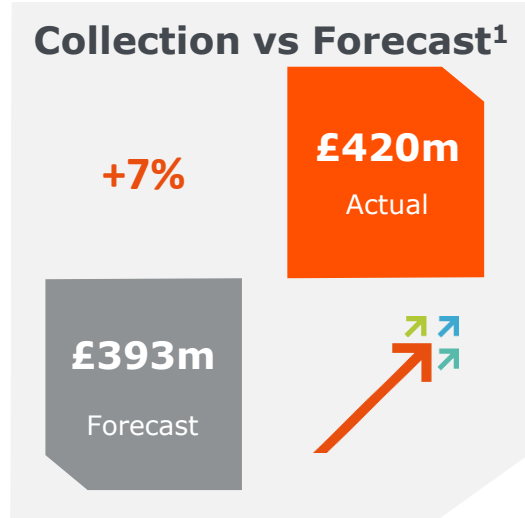
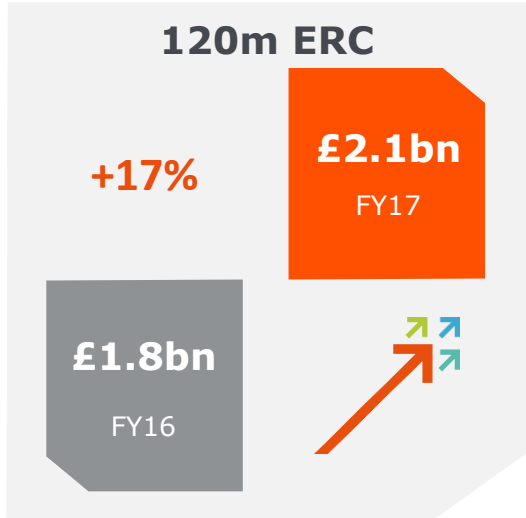


- > Business more diversified than ever post acquisition
- > Diversified business model in terms of geography, DP vs 3PC, originating sectors and clients
- > Innovation through unrivalled data advantages and intellectual capital – over 3,100 portfolios owned and over £13bn of 3PC AuM¹

“To Be The Best In Our Field. For Clients. For Consumers. Europe-wide.”

¹ Pro Forma Group at December 2017.

A Successful Year In Terms of Financial Metrics



¹ Collection performance vs Dec-16 static pool. ² As defined in the Glossary. ³ Pro Forma for January 2018 bond issuance.

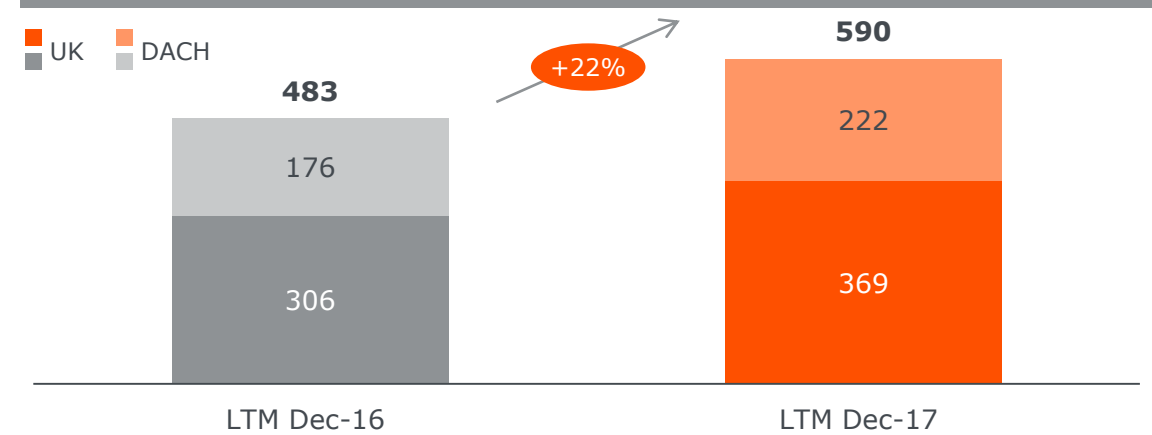
2. Extant Group FY17 Results

Continued, Impressive Income Growth

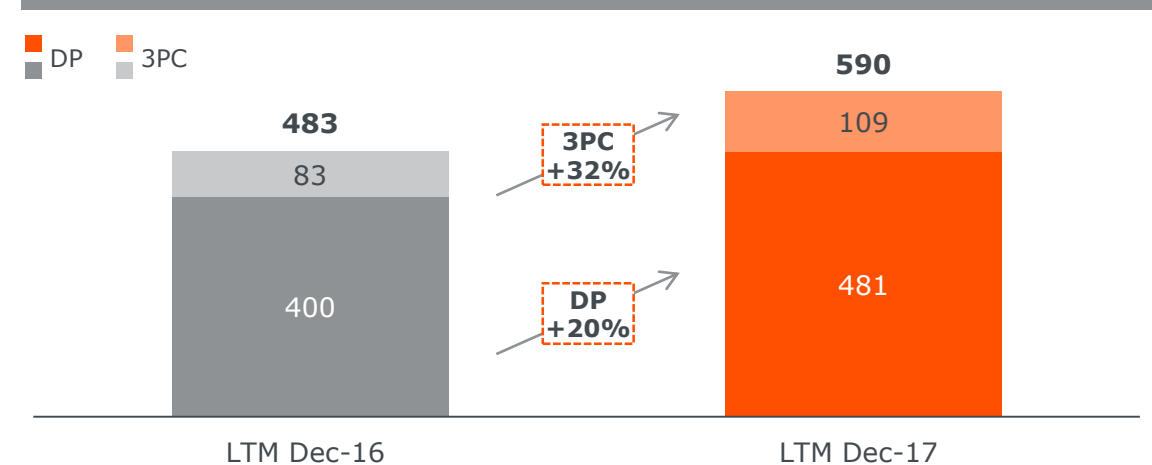
Reported Revenue to Cash Income Bridge (£m)

	LTM Dec-16	LTM Dec-17	Var %
Reported Revenue	454	517	14%
Other Revenue	(3)	(3)	
Lawyer Service Revenue ¹	(77)	(56)	
Portfolio Fair Value Release	3	3	
Portfolio Write Up	(95)	(106)	
Portfolio Amortisation	200	236	
Cash Income	483	590	22%
3PC Income	83	109	32%
DP Collections	400	481	20%

Cash Income by Geography (£m)



Cash Income by Service Line (£m)



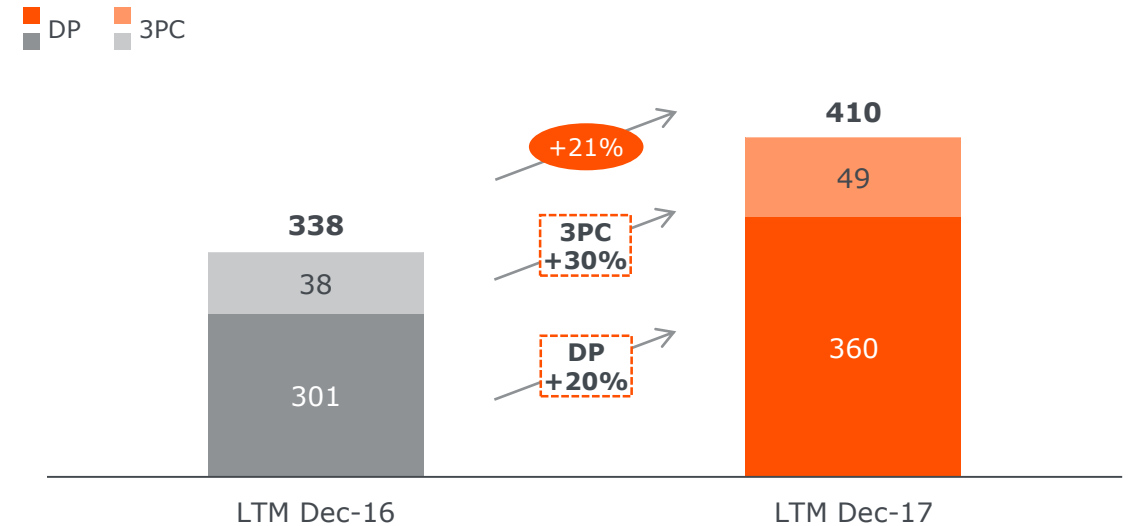
¹ Included within 'Service Revenue' as reported in the Consolidated Financial Statements

Continued, Impressive Gross Profit Growth

Cash Income to Gross Profit to Cash EBITDA Bridge (£m)

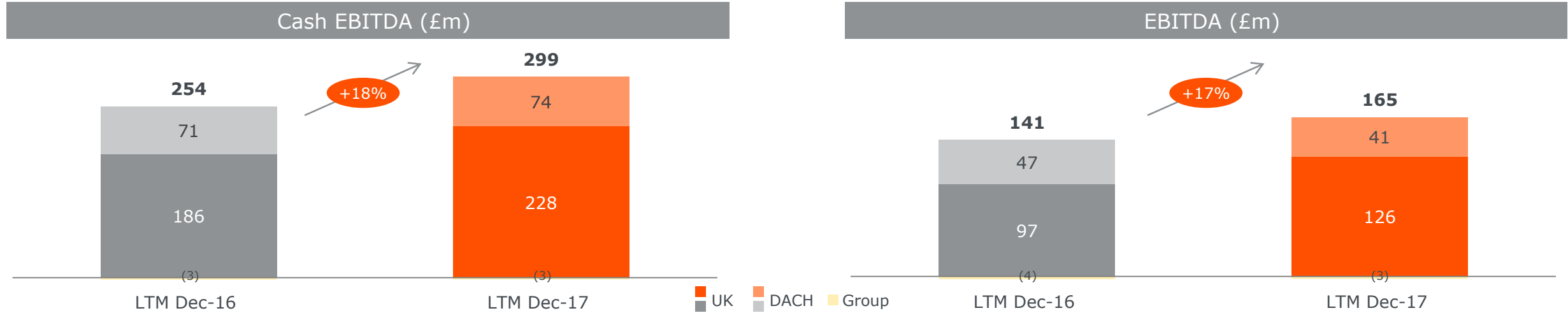
	LTM Dec-16	LTM Dec-17	Var %
3PC Cash Income	83	109	+32%
DP Cash Income	400	481	+20%
Cash Income	483	590	+22%
DP Gross Profit	301	360	+20%
DP Gross Profit Margin	75%	75%	
3PC Gross Profit	38	49	+30%
3PC Gross Profit Margin	46%	45%	
Gross Profit¹	338	410	+21%
Other ²	6	7	
Other Expenses ³	(90)	(117)	
Cash EBITDA	254	299	+18%

Gross Profit¹ (£m)

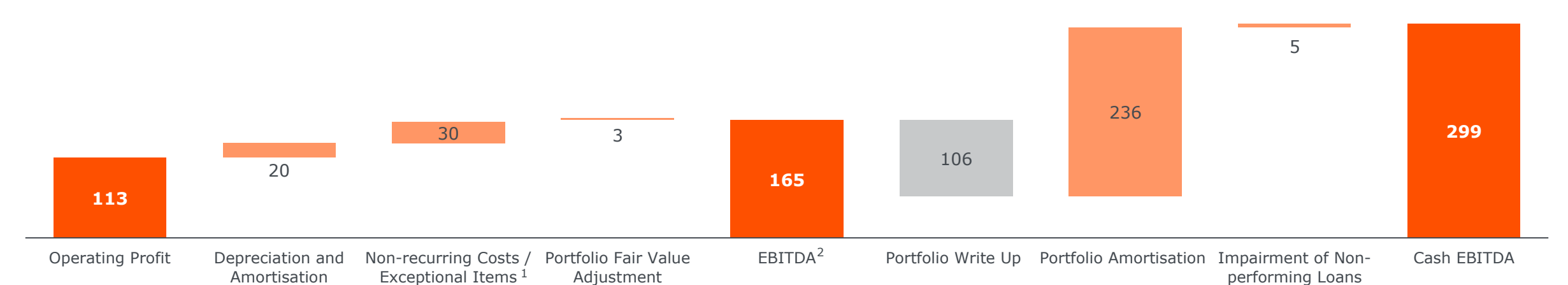


¹ Gross Profit calculated as Cash Income less Collection Activity Costs excluding Lawyer Service activity, less the amounts captured within Collection Activity Costs relating to Impairment of Non-performing loans and Non-recurring Costs / Exceptional Items (net of exceptional income). ² Other reflects Other Revenue, Other Income and the net of Lawyer Service Revenue and Lawyer Service Cost. ³ Other Expenses adjusted for the amounts captured within Other Expenses relating to Impairment of Non-performing loans, Non-recurring Costs / Exceptional Items (net of exceptional income), and Depreciation & Amortisation.

Continued, Impressive Earnings Growth



FY17 Reported Operating Profit to Cash EBITDA Bridge (£m)

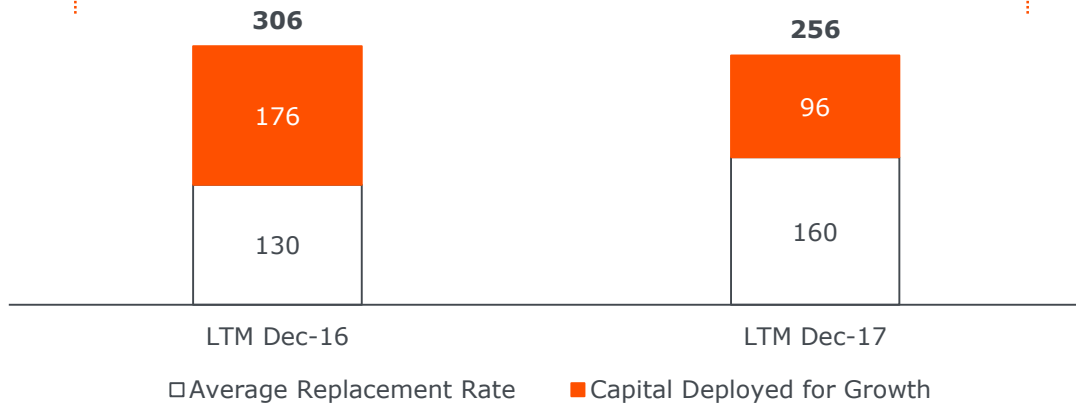


¹ Net of exceptional income. ² Defined as Operating Profit plus Depreciation & Amortisation, Non-recurring Costs and Exceptional Items (net of exceptional income) and Portfolio Fair Value Adjustment.

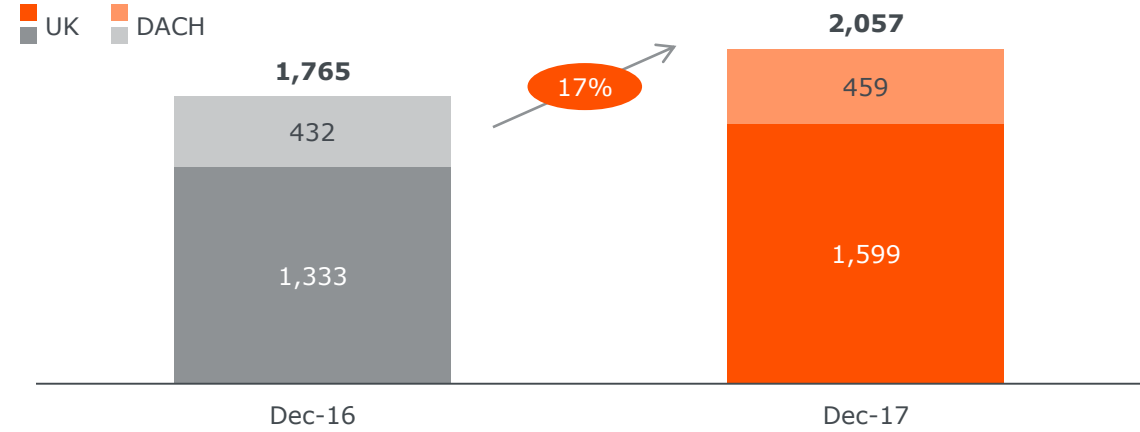
Purchases in Excess of Replacement Rate Driving ERC & Business Growth

Purchases in Excess of Average Replacement Rate (£m)

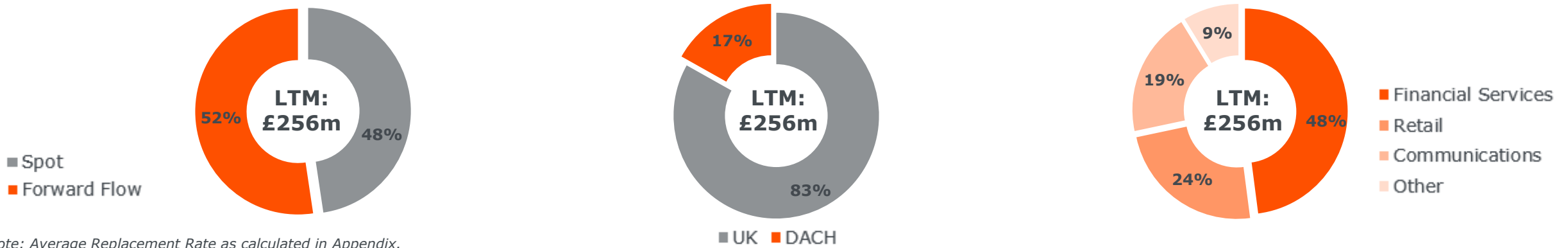
Significant Capital Invested for Growth



120m ERC (£m)



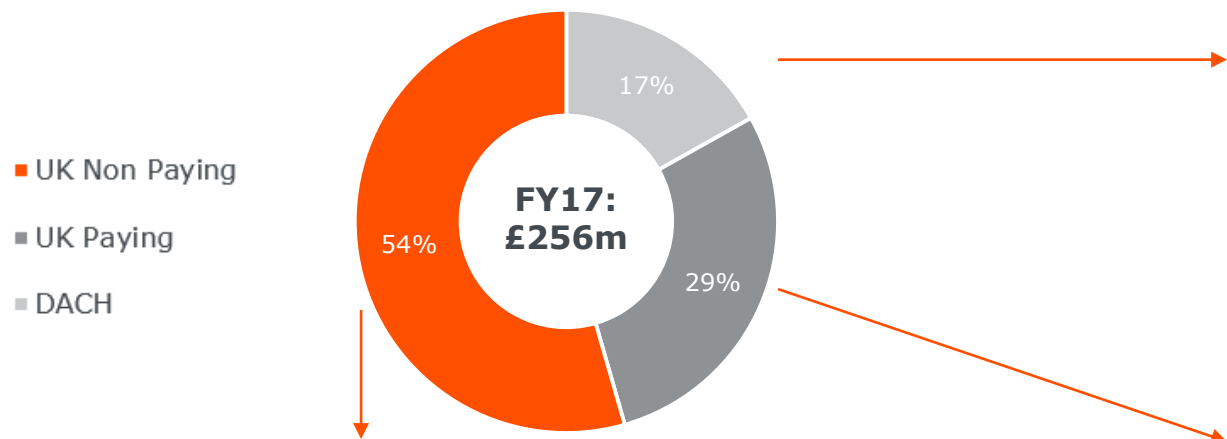
Acquisition Mix



Note: Average Replacement Rate as calculated in Appendix.

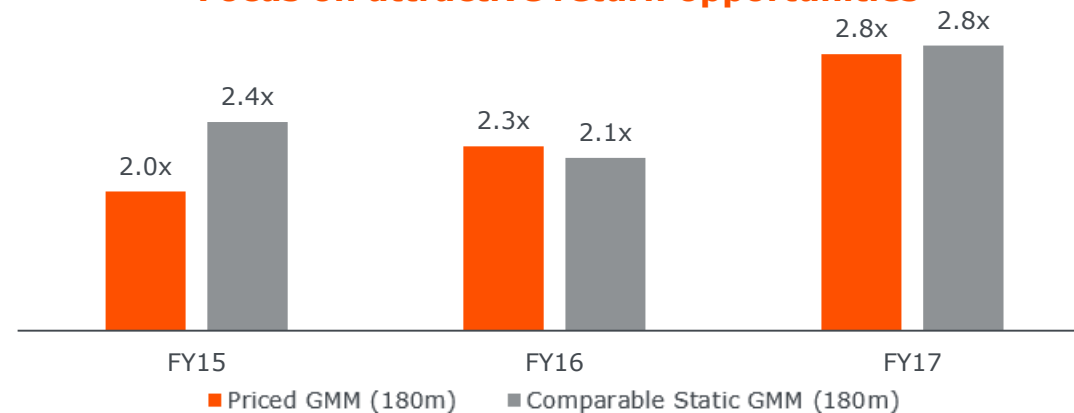
Capital Deployed at Attractive Returns with GMM Upside to Pricing

Portfolio Acquisition Mix



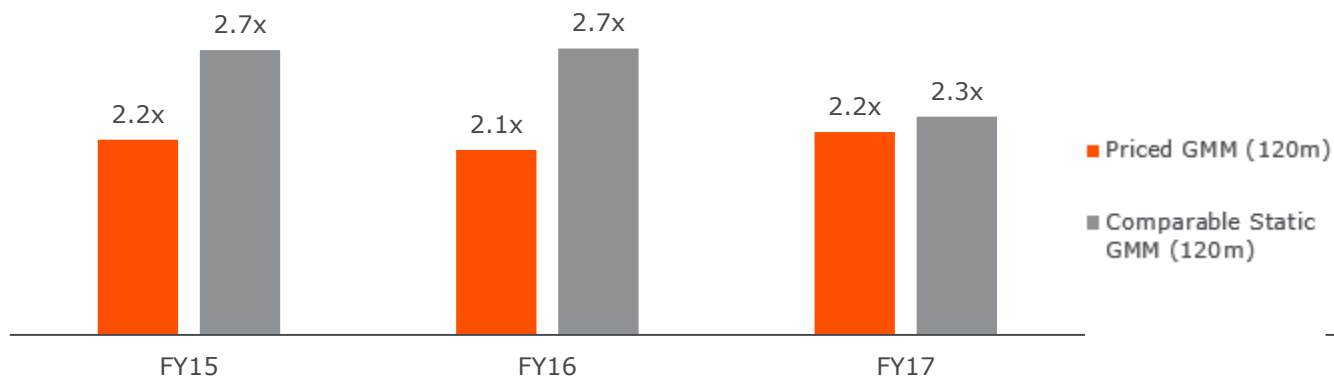
DACH

Focus on attractive return opportunities



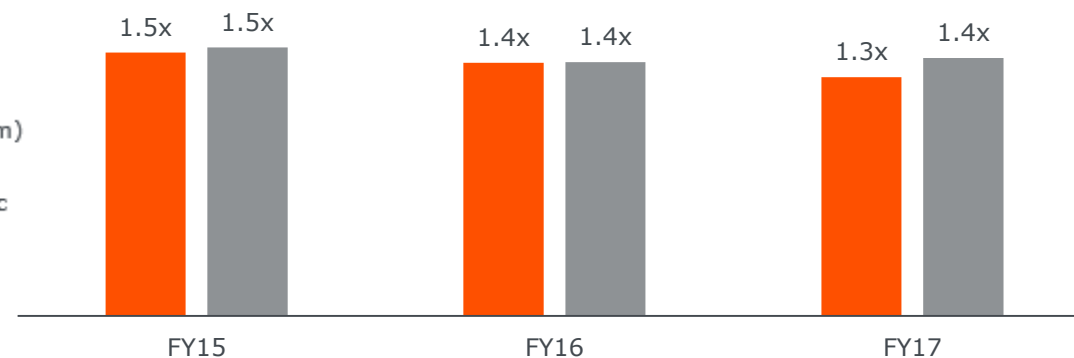
UK Non Paying

Strong growth where data analytics provide competitive edge



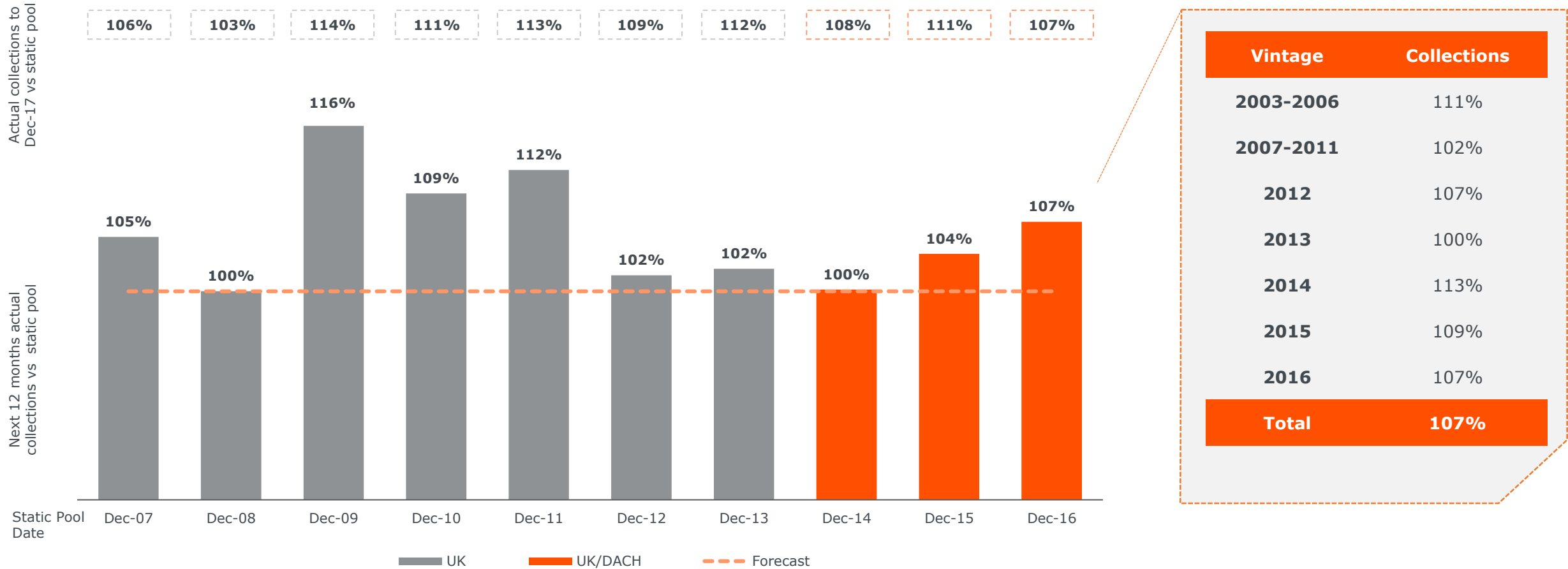
UK Paying

Low risk returns supported by very low cost to collect

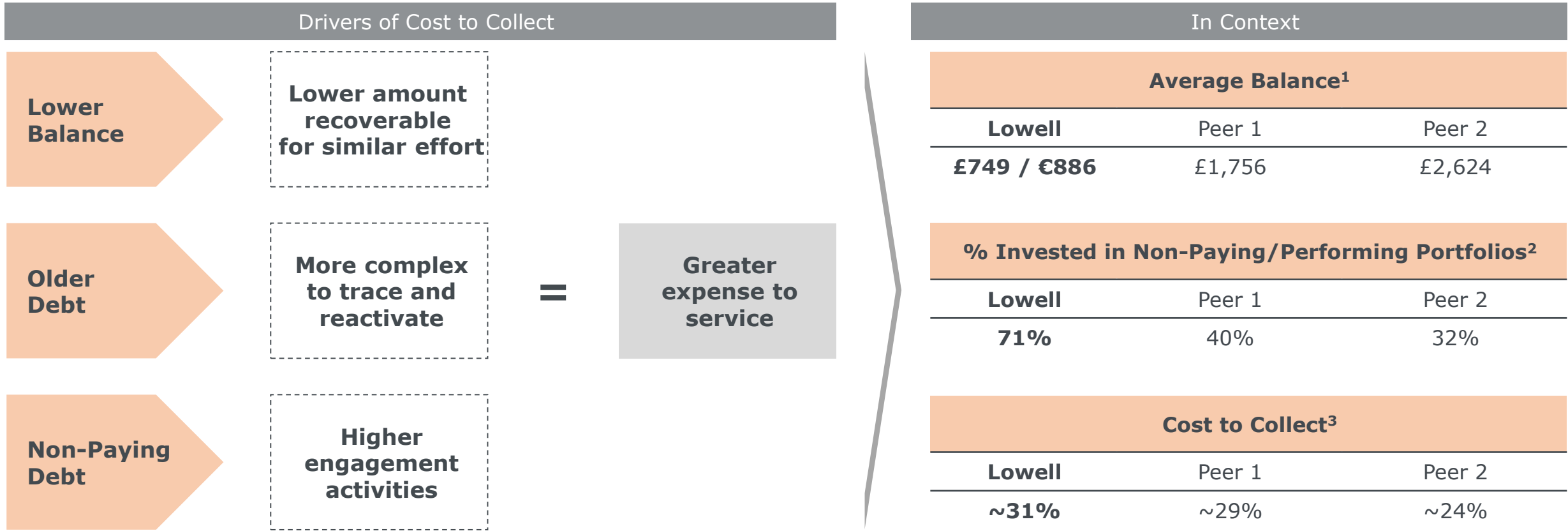


Through The Cycle Forecasting Accuracy

- Disciplined and prudent forecasting with collections exceeding forecast by an average of 6% over the last 10 years



Understanding Our Cost to Collect Advantage



Unique ability to deliver strong returns on more complex portfolios

¹ For Lowell, average balance of a consumer account for our UK & DACH Divisions, as of September 30, 2017 (as per disclosure within OM dated January 19, 2018). Peer 1 & Peer 2 per publicly available information. ² For Lowell, proportion of spend on UK Non-Paying & DACH portfolios for the 12 months to December 2017. Peer 1 & Peer 2 per publicly available information. ³ For Lowell, Extant Group Collection Activity Costs excluding Lawyer Service activity, less the amounts captured within Collection Activity Costs relating to Impairment of Non-performing loans and Non-recurring Costs / Exceptional Items (net of exceptional income), divided by Cash Income for the 12 months to December 2017. Peer 1 & Peer 2 per publicly available information.

Understanding Our Lifetime Cost to Collect

Variable Cost to Collect

Debt Purchase	Lifetime Cost Ratios ¹	Proportion of 120m ERC (Dec-17)
UK Non-Paying	~17% to 20%	60%
UK Paying	<10%	18%
DACH ²	~25% to 30%	22%

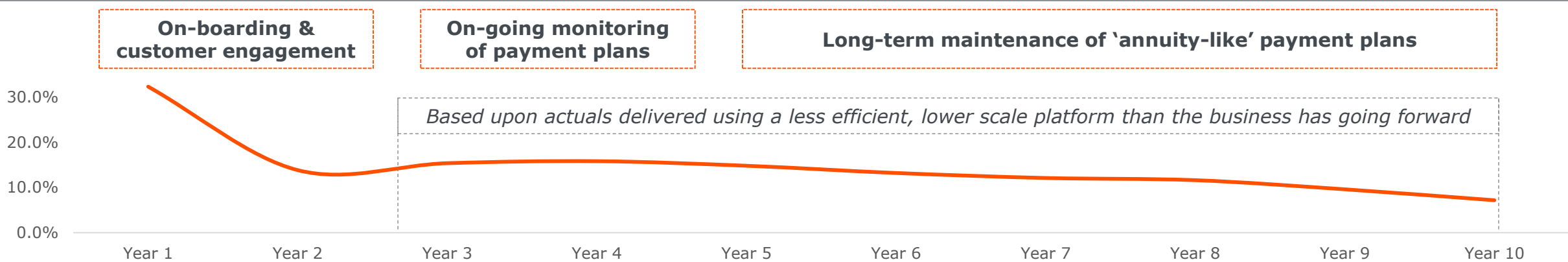
The View Forward

- Numerous potential drivers to leverage to reduce future cost to collect;
 - Data insight
 - Channel migration
 - Use of Robotics / AI / Innovation
 - Benefits of Group scale

A Run-off World

- Significantly reduced costs under such a scenario;
 - Overheads to swiftly run-down e.g. rationalisation of back-office & support functions
 - Absence of new portfolios to on-board

UK Non-Paying Portfolios – Illustrative Variable Cost to Collect³



¹ Lifetime defined as 120m. Based on historic actual performance. Shown as a percentage of gross DP collections. ² Lawyer Service activity included on a net basis. ³ Illustrative variable cost to collect by age of asset for UK non-paying portfolios. As assets age, the variable cost to collect declines as portfolios move from on-boarding and customer engagement activity through to long-term maintenance. The cost to collect ratio for each year is based upon historic actuals from the most recent two vintages e.g. the Year 1 data-point is made up of the Year 1 blended cost to collect from the 2016 and 2017 vintage on a weighted basis.

3. The Combined Pro Forma Group

Leverage

£m	Pro Forma as at Sep-17 ¹	Pro Forma as at Dec-17
Gross Debt	2,106	2,153
Senior Secured Net Debt	1,776	1,832 ²
Net Debt	2,046	2,102 ²
LTM Cash EBITDA	394	402³
Gross Debt / LTM Cash EBITDA	5.3x	5.4x
Senior Secured Net Debt / LTM Cash EBITDA	4.5x	4.6x
Net Debt / LTM Cash EBITDA	5.2x	5.2x

- Successful reduction in WACD in line with funding strategy;
 - Refinance of FRN in Sep-17 at EURIBOR +3.5%
 - Jan-18 Bond issuance priced 100bps inside previous acquisition related financing
- Pro forma WACD stands at 6.6%
- Medium term net debt leverage guidance of 4.5x
 - Expecting minimal change in leverage during H1-18 reflecting recent purchasing success

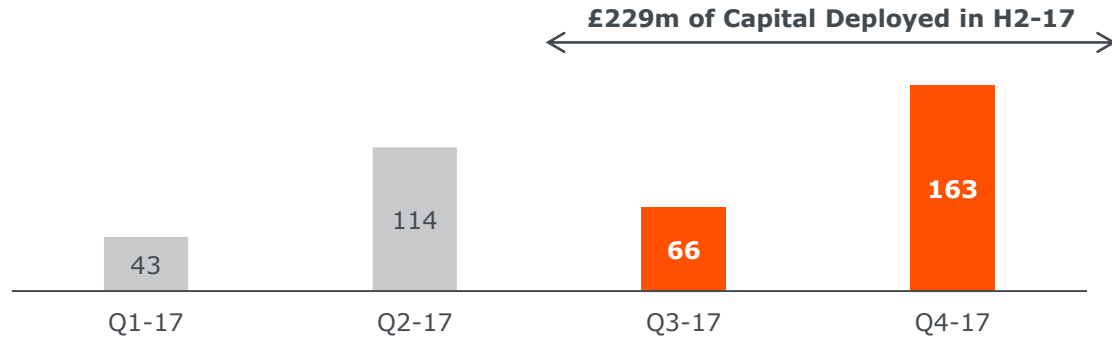
¹ As presented in January 2018 Offering Memorandum.

² Includes £(16)m adjustment to cash position to reflect on a like-for-like basis the 'Use of cash on balance sheet' per the 'Use of Proceeds' disclosure in the OM dated January 19, 2017.

³ Pro Forma LTM Cash EBITDA comprises Extant Group (£299m), Carve-out Business from Intrum (£97m), Carve-out Business management fee adjustment (£2m), Carve-out Business depreciation charge adjustment (£1m), SRG contract adjustment (£1m) and DACH division reorganisation cost adjustment (£1m).

Free Cashflow Generation of the Pro Forma Group

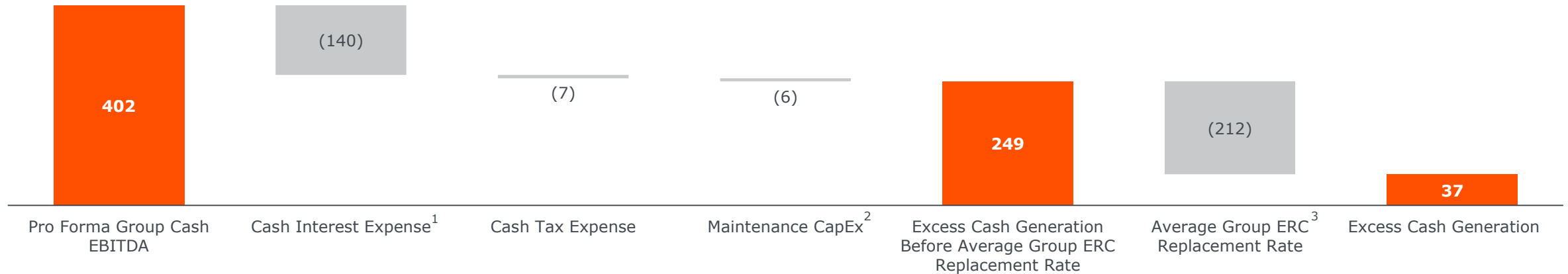
Pro Forma FY17 Phasing of Purchases (£m)



Pro Forma 120m ERC Growth (£m)



Pro Forma LTM Cash EBITDA Walk to Excess Cash Generation (£m)

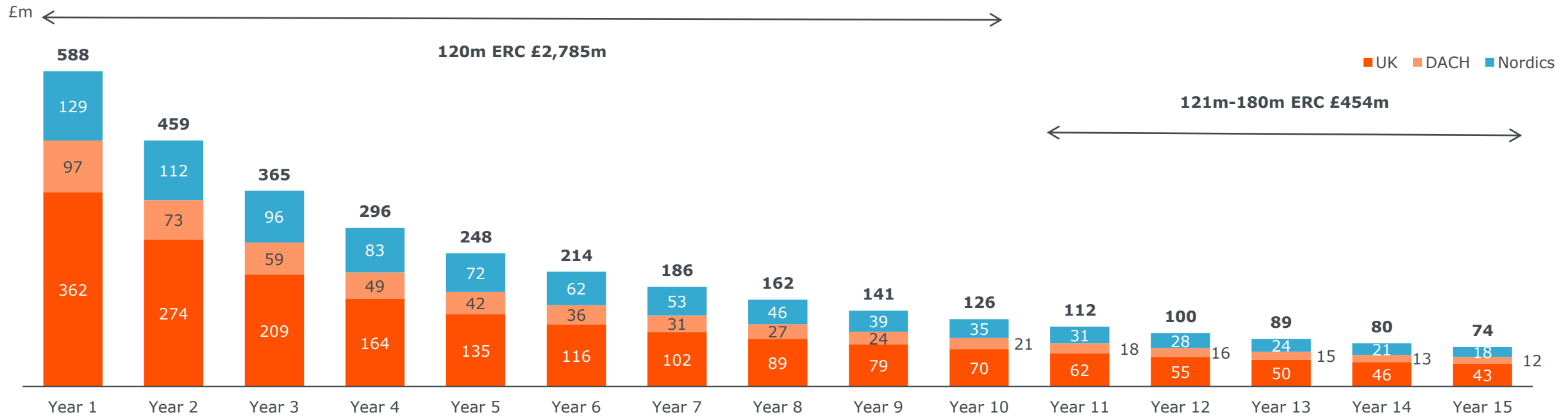


¹ Cash Interest calculated as 12 months interest on debt instruments and drawings as at 31 Dec-17. ² Managements Pro Forma Group estimate for Maintenance CapEx. ³ Average Replacement Rate as calculated in Appendix.

Pro Forma Group ERC Profile

- Outperformance of ERC static pool forecasts has averaged 6% over the last 10 years
- In excess of £1 billion** forecast to be collected in the next 24 months representing 38% of 120m ERC

ERC Development



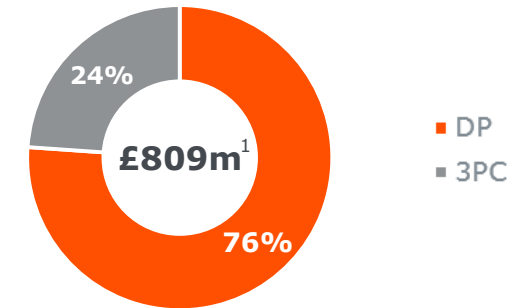
Regional Positions of Scale and Diversification Key to Group Growth

Leveraging Market Leading Positions Across Regions

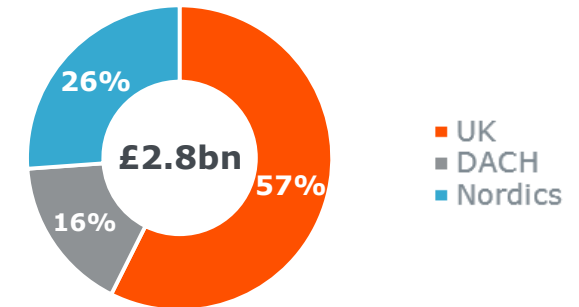
Geographies	£m	FY16	FY17	Var%
UK	Cash Income	306	369	+20%
	Cash EBITDA	186	228	+22%
	120m ERC	1,333	1,599	+20%
DACH	Cash Income	176	222	+26%
	Cash EBITDA	71	74	+4%
	120m ERC	432	459	+6%
Nordics	Cash Income	199	218	+10%
	Cash EBITDA	91	97	+7%
	120m ERC	614	728	+19%

Benefit of Meaningful Diversification

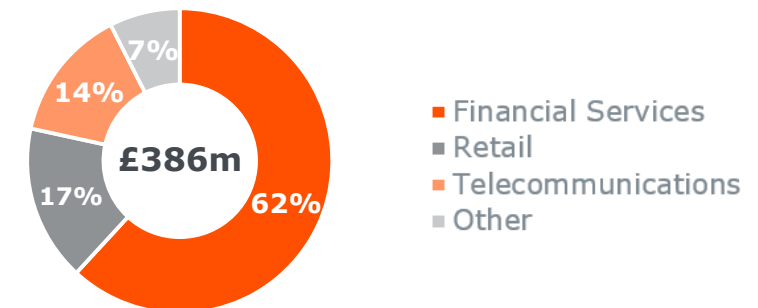
Cash Income



120m ERC



NPL Acquisitions



¹ Includes value added services

Acquisition of Carve-out Business from Intrum

Combination Creates A European Leader

Uniquely placed, highly regarded business

- A **Pan-European leading position** in the three largest, **most sophisticated** and **best regulated credit markets**
- Acquisition adds **significant scale**, with market leading position in 8 countries and **further diversifies** the Pro Forma Group
- **Carve-out holds a strong position within core FS sector**, together with deep expertise across other unsecured credit sectors
- Exposure to **innovative Nordic client and consumer-centric environment**
- Shared approach towards consumer focus and data insight

Group Benefits

- Leading presence across our three regions offers **significant opportunities for robust levels of profitable growth**
- **Greater ability to deploy capital** where returns are highest
- Pro forma capital-light **3PC Cash Income contribution of ~24%**
- Leverage position and expertise to build stronger and closer **Pan-European client relationships**
- **Group-wide sharing of best practices**
- Utilise **innovative approach to provide solutions** across all our platforms



Post Acquisition Integration Process

Preparing Ourselves For Success

- Integration Steering Committee in-place since Nov-17
- Target Operating Model ("TOM") established
- First set of levers for Value Creation identified, with specific initiatives being rolled out since closing
- Rebranding roadmap defined

Delivering Value Creation

Grow Our Combined Business

- Leverage cross-regional client opportunities across 3PC and DP
- Best practice and knowledge sharing on DP pricing methodologies

Improve Net Collections

- Identified areas for best practice sharing to increase operational efficiency (e.g. Digitalization, Automation, Decision Science)
- Leverage scale to deliver group wide cost synergies

Governance & TSA Separation

- Roll-out and implement group-wide governance framework
- Commence TSA separation activities

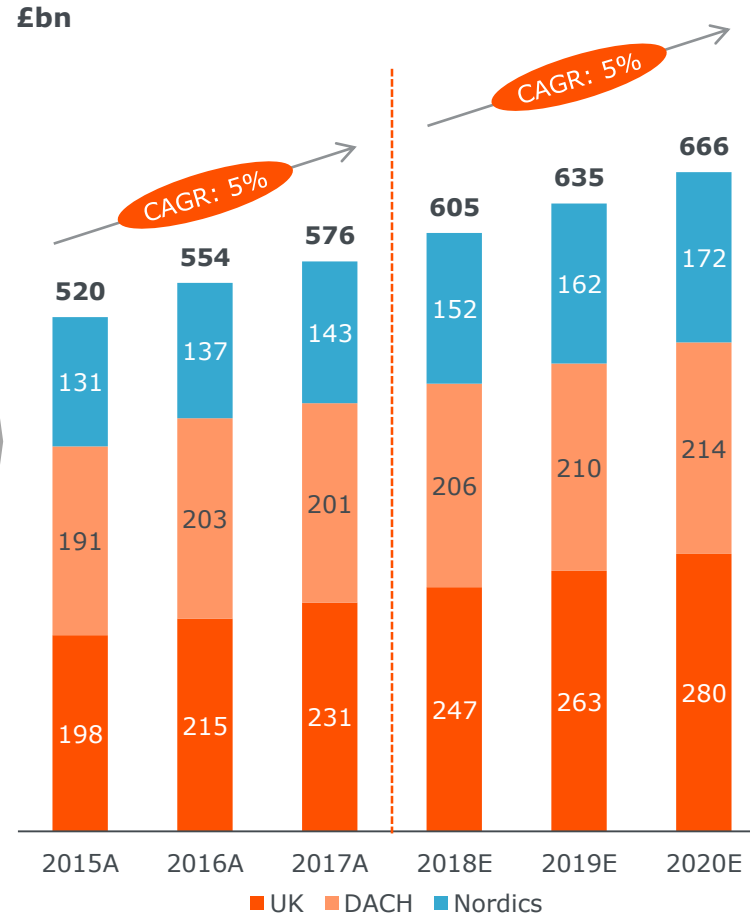
4. Outlook

Market Outlook

Supportive Macro & Regulatory Conditions

- Recent on-going growth in unsecured consumer credit across all geographies bodes well for our business
- Flow of debt expected to remain strong, supplemented by;
 - Implementation and impact of IFRS9
 - ECB and EC guidance on NPLs
 - Growth of non-traditional financial service providers

Growing Consumer Credit Across All Markets



An Encouraging Market Outlook

- Market outlook supports our continued focus upon unsecured consumer debt
- Such focus underpinned by our unique capabilities;
 - Unrivalled repository of data & insight
 - Disciplined and accurate forecasting
 - Consumer & client centricity
- Leverage key competitive advantages to benefit from future market growth opportunities

Source: Euromonitor. Nordics includes consumer credit amounts for Sweden, Denmark, Norway and Finland (excludes Estonia). DACH includes consumer credit amounts for Germany only.

Outlook

2018 and beyond...

- Strong momentum from last year has continued into 2018
- Trading of the Carve-out Business in line with underwriting, although pleasingly 2017 purchasing activity ahead of expectations
- Underlying business resilience as evidenced by IFRS9 preparatory work
- Recent record unsecured consumer lending in the UK creates sizeable opportunities for future growth
- Committed purchasing pipeline in place of ~£200m for 2018
- Enhanced European scale and reach gives further opportunities for future debt management and debt purchase opportunities



Appendix A. Extant Group Results

Backbook Performance

Portfolio Performance By Vintage (£m)

Portfolio Acquisitions¹

Vintage	UK	DACH
2004	16	7
2005	32	2
2006	41	12
2007	57	49
2008	62	7
2009	63	64
2010	61	14
2011	74	10
2012	111	22
2013	111	26
2014	154	41
2015	205	37
2016	229	78
2017	213	43
Total	1,428	412

Portfolio Maturity

13 years
12 years
11 years
10 years
9 years
8 years
7 years
6 years
5 years
4 years
3 years
2 years
1 year
< 1 year

¹ 2004-2015 portfolio acquisitions as reported in the September 2016 Offering Memorandum, 2016-2017 based on disclosed purchases in calendar year

² UK based on 120m ERC. GMM at pricing based on initial 120m only priced collection expectation

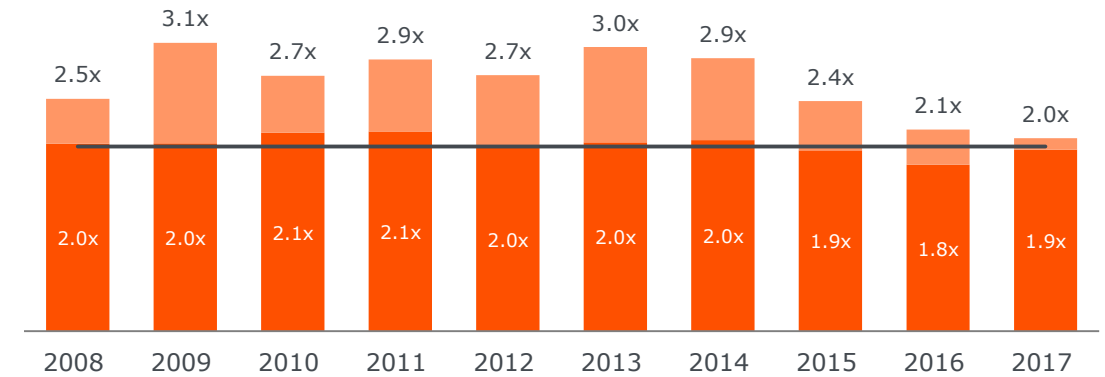
³ DACH based on 180m ERC. GMM at pricing based on initial 180m only priced collection expectation

⁴ Current GMM is calculated using actual collections to Dec-17, plus ERC across the next 120m (UK) and 180m (DACH)

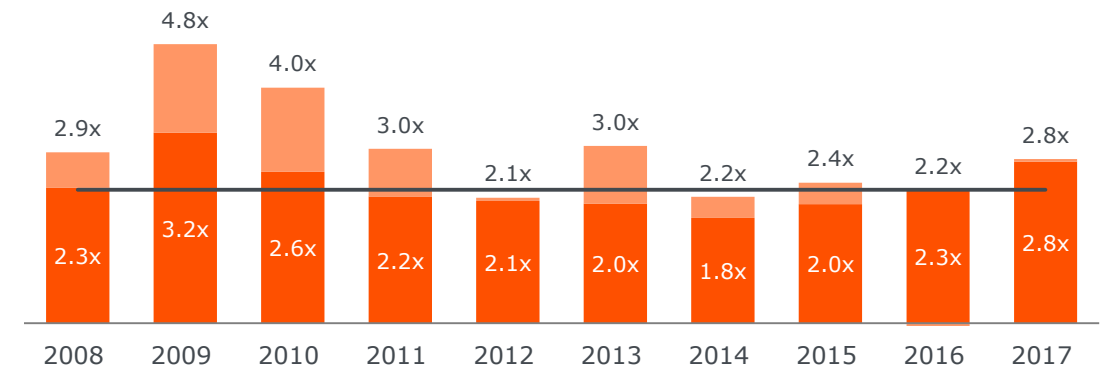
Disclosure Note: Current GMM (84m ERC basis) related to the 2017 vintage of 1.8x for UK & 2.4x for DACH

GMM Per Vintage – Pricing vs Current (rolling)⁴

UK²



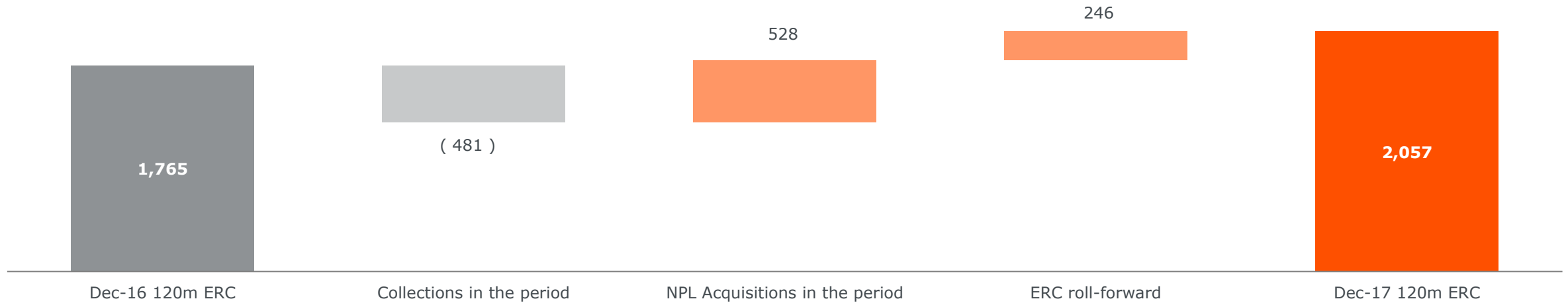
DACH³



■ GMM at pricing ■ Current GMM — Avg. GMM at pricing

120m ERC Roll-Forward

£m



- NPL Acquisitions amount based upon LTM Dec-17 purchases grossed up to 120m ERC based on respective priced GMMs
- ERC roll-forward takes into account:
 - Mechanical nature of revaluation (roll-in of value present in the tail)
 - Over-or under-performance versus collections expectations leading to an uplift or reduction in estimated cash-flows
 - Movement in FX rates (Dec-16 closing rate EUR/GBP 0.856, Dec-17 closing rate EUR/GBP 0.887)

ERC Split By Vintage By Year

£m / Month	0-12	13-24	25-36	37-48	49-60	61-72	73-84	85-96	97-108	109-120	121-180	0-120	0-180
2003 - 2006	5	4	4	4	3	3	3	3	2	2	10	33	43
2007 - 2011	53	43	36	30	26	23	20	18	16	14	50	276	326
2012	23	18	14	11	9	8	7	6	6	5	18	108	125
2013	35	26	20	16	13	12	10	9	8	7	24	156	180
2014	54	41	32	26	21	18	16	14	12	11	37	244	281
2015	74	57	45	35	29	25	22	19	17	15	53	339	392
2016	100	74	60	48	41	36	31	27	24	21	78	462	541
2017	115	83	58	44	34	28	24	21	18	16	62	439	501
Total	459	347	268	213	177	152	133	116	102	91	331	2,057	2,389
% Cum.	22%	39%	52%	63%	71%	79%	85%	91%	96%	100%	-	100%	-

Note: ERC presented across the Group on a 120m and 180m basis to provide visibility on future expected gross collections. The respective portfolio investment closing balances as disclosed in the Consolidated Financial Statements are based on a period ranging from 84 months to 120 months. Disclosure Note: 84m gross ERC related to the 2017 vintage of £385m (UK £349m, DACH £36m).



Appendix B. Pro Forma Results

Pro Forma Financial Information

Basis of preparation

The pro forma financial information is compiled based on the following historical financial information:

- Garfunkelux Holdco 2 S.A. audited consolidated financial statements as at and for the year ended 31 December 2017, prepared in accordance with IFRS; and
- The Carve-out Business from Intrum unaudited consolidated financial statements as at and for the year ended 31 December 2017, prepared in accordance with IFRS.

The acquisition

The pro forma recognises the acquisition as if it occurred on 1 January 2017. The transaction is based on consideration payable of €749 million. No purchase price allocation between goodwill, assets or liabilities has been presented in this pro forma. Together these total £191 million based upon the Carve-out Business's assets and liabilities euro carrying value as at 31 December 2017 and have been presented wholly in goodwill. Acquisition related costs have been expensed to the income statement as incurred.

Financing

Financing for the acquisition has been recognised as if the Notes had been raised on 1 January 2017. The Notes are recognised as €530 million EURO Notes that pay interest on the outstanding principal at an assumed rate of 4.50% per annum and SEK 1,280 million SEK Notes that pay interest on the outstanding principal at an assumed rate of 4.75% per annum. The associated interest has been recognised for the full pro forma period presented. Financing costs associated with the notes have been recognised as prepaid costs on Senior Secured Notes and released over the bond term.

The pro forma recognises a reduction in the debt owed by the Carve-out Business to parent entities as if the debt was settled on 1 January 2017 and any associated interest has also been assumed to cease from that date.

RCF funding totalling €29 million and shareholder loans totalling €28 million have assumed to be issued on 1 January 2017, with assumed interest rates of 3.8% and 9.7% respectively. The associated interest has been recognised for the full pro forma period presented. Equity totalling €55 million has been assumed to be injected on 1 January.

Taxation

Taxation has been recognised in line with the applicable rates and rules in the relevant jurisdictions.

Translation

Euro and SEK denominated transactions that occurred on 1 January 2017 were translated into pound sterling at a rate of 0.856 and 0.094 respectively, which would have been the exchange rate as at 1 January 2017. Euro and SEK denominated assets and liabilities on 31 December 2017 were translated into pound sterling at a rate of 0.887 and 0.090 respectively, which would have been the exchange rate as at 31 December 2017. Euro and SEK denominated transactions that occurred during the period were translated into pound sterling at a rate of 0.876 and 0.094 respectively, which is the applicable average exchange rate as from 1 January 2017 to 31 December 2017.

Pro Forma Income Statement

Continuing operations (£m)	LTM Dec-17
Revenue	
Income from portfolio investments	317
Portfolio write up	120
Portfolio fair value release	(3)
Service revenue	235
Other revenue	18
Total revenue	686
Other income	5
Operating expenses	
Collection activity costs	(303)
Other expenses	(235)
Total operating expenses	(537)
Operating profit	153
Interest income	3
Finance costs	(211)
(Loss)/Profit for the period, before tax	(54)
Tax expense	(3)
(Loss)/Profit for the period	(58)

Pro Forma Statement of Financial Position

Assets (£m)	Dec-17	Equity (£m)	Dec-17
Non-current assets			
Goodwill	1,213	Share capital	4
Intangible assets	128	Share premium and similar premiums	448
Property, plant and equipment	12	Reserves	(37)
Portfolio investments	809	Retained deficit	(179)
Other financial assets	8	Total equity attributable to equity holders of the Parent	235
Deferred tax asset	10	Liabilities	
Total Non-current assets	2,181	Non-current liabilities	
		Borrowings	2,375
Current assets		Provisions for pensions	8
Portfolio investments	565	Provisions	2
Inventories	0	Other financial liabilities	0
Trade and other receivables	95	Deferred tax liabilities	41
Other financial assets	19	Total non-current liabilities	2,427
Assets for current tax	2	Current liabilities	
Cash and cash equivalents	88	Trade and other payables	135
Total current assets	768	Provisions	17
		Borrowings	98
Total assets	2,950	Other financial liabilities	7
		Derivatives	1
		Current tax liabilities	30
		Total current liabilities	287
		Total liabilities	2,714
		Total equity and liabilities	2,950

Pro Forma Net Debt and Borrowings as at 31 December 2017

Net Debt (£m)

Bond Principal

£565m Senior Secured Notes 8.5%	565
€365m Senior Secured Notes 7.5%	324
€415m Senior Secured Notes EURIBOR +3.5%	368
€530m Senior Secured Notes EURIBOR +4.5%	470
SEK1,280m Senior Secured Notes STIBOR +4.75%	115
£230m Senior Notes 11%	230

RCF Drawings and Other

GBP Drawn RCF	41
EUR Other ¹	40

Cash²

Cash in Pro Forma Group	51
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Senior Secured Net Debt	1,832
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Net Debt	2,102
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Gross Debt	2,153
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Bonds

Currency	Issue	Security	Maturity	Coupon	Issuer
GBP m	565	Senior secured notes	Nov-22	8.50%	GH3
EUR m	365	Senior secured notes	Aug-22	7.50%	GH3
EUR m	415	Senior secured notes	Sep-23	EURIBOR +3.50%	GH3
EUR m	530	Senior secured notes	Sep-23	EURIBOR +4.50%	GH3
SEK m	1,280	Senior secured notes	Sep-23	STIBOR +4.75%	GH3
GBP m	230	Senior notes	Nov-23	11.00%	GH2

Revolving Credit Facility (RCF)

Currency	Committed Amount	Security	Maturity	Interest	Margin
EUR m	200	Super Senior Secured	31-Dec-21	LIBOR / EURIBOR	3.50%

¹ Includes £40m drawn under existing securitisation facilities. ² Excludes restricted cash and includes a £(16)m adjustment to reflect on a like-for-like basis the 'Use of cash on balance sheet' per the 'Use of Proceeds' disclosure in the OM dated January 19, 2017.

Calculation Of Group ERC Replacement Rate

Extant Group (£m)		
		Dec 2017
	Group ERC ¹	2,133
	Year 1 Collections	459
	Roll-forward (UK - YR11, DACH - YR16)	73
A	Collections to replace	386
	2016 vintage GMM	2.2x
	2017 vintage GMM	2.2x
B	Blended GMM ²	2.2x
A/B	Dec-17 Replacement Rate	~180
	Dec-16 Replacement Rate ³	~140
	Average LTM Replacement Rate ⁵	~160

Pro Forma Group (£m)		
		Dec 2017
	Group ERC ¹	2,983
	Year 1 Collections	588
	Roll-forward (UK - YR11, DACH & Nordics - YR16)	90
A	Collections to replace	498
	2016 vintage GMM	2.1x
	2017 vintage GMM	2.1x
B	Blended GMM ²	2.1x
A/B	Dec-17 Replacement Rate	~236
	Dec-16 Replacement Rate ⁴	~188
	Average LTM Replacement Rate ⁵	~212

¹ Group ERC represents 120m for UK, 180m for DACH and Nordics where applicable. ² Blended GMM represents the weighted average current GMM for 2016 and 2017 vintages, across the UK, DACH and Nordics as at Dec-17. ³ As disclosed on the FY16 Results Investor call. ⁴ Pro Forma Group Dec-16 Replacement Rate taking Extant Group Replacement Rate as shown above, and using same basis to calculate Nordics. ⁵ Average Replacement Rate is an average of the Replacement Rate as calculated at Dec-16 and the Replacement Rate as calculated at Dec-17.

Glossary

3PC	-	Third Party Collection	FRN	-	Floating Rate Notes
Acquisitions	-	The purchases of NPLs	FTE	-	Full-time equivalent employees
Cash EBITDA	-	Defined as collections on owned portfolios plus other turnover, less collection activity costs and other expenses (which together equals servicing costs) and before exceptional items, depreciation and amortisation and impairment of non-performing loans	GMM	-	'Gross money multiple', being the expected collections on a portfolio or particular vintage, divided by its respective purchase price. Reported on either a 'static' or 'current' basis
Cash Income	-	Total revenue for the period adding back portfolio amortisation and portfolio fair value release and deducting portfolio write-up, lawyer service revenue and other revenue	IFRS	-	International Financial Reporting Standards
CMS	-	Credit Management Services	LIBOR	-	London Interbank Offer Rate
DACH	-	Germany, Austria, Switzerland and Croatia	Net Debt	-	Senior Secured Notes bond principal plus Senior Notes bond principal plus RCF drawn amounts plus securitisation drawn amounts less cash
DP	-	Debt Purchase	Nordics	-	For the purpose of the presentation include Sweden, Denmark, Norway, Finland and Estonia
EBITDA	-	Defined as operating profit plus depreciation & amortisation, non-recurring costs and exceptional items (net of exceptional income) and portfolio fair value adjustment (where applicable)	NPL	-	Non Performing Loans
ERC	-	Estimated Remaining Collections over 84, 120 or 180 months	Pro Forma Group	-	The combined group following the acquisition of the Carve-out Business from Intrum
EURIBOR	-	Euro Interbank Offer Rate	Replacement Rate	-	The estimated amount of purchases to maintain current Group ERC
Extant Group	-	The underlying group as at Dec-17, prior to completion of the acquisition of the Carve-out Business from Intrum	RCF	-	Revolving Credit Facility
			STIBOR	-	Stockholm Interbank Offered Rate
			WACD	-	Weighted average cost of debt

Upcoming Events

Results

- Q1-18 Results – 18 May 2018
- Q2-18 Results – Late August 2018
- Q3-18 Results – Late November 2018

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Investor Relation Activity

- Goldman Sachs Debt Purchasers Day, London – 13 April 2018
- Nordea Conference – Positioning for Growth in the NPL Market, Oslo – 13 April 2018
- Deutsche Bank – Annual European Leveraged Finance Conference, London – 13 June 2018
- Accounting Teach In – Q2-18