

GFKL

Forderungsmanagement



Q2 2015

Investor Presentation

30 September 2015



Disclaimer

By reading or reviewing the presentation that follows, you agree to be bound by the following limitations.

This presentation has been prepared by Garfunkelux Holdco 3 S.A. (the “Company”) solely for informational purposes. For the purposes of this disclaimer, the presentation that follows shall mean and include the slides that follow, the oral presentation of the slides by the Company or any person on their behalf, any question-and-answer session that follows the oral presentation, hard copies of this document and any materials distributed in connection with the presentation. By attending the meeting at which the presentation is made, dialing into the teleconference during which the presentation is made or reading the presentation, you will be deemed to have agreed to all of the restrictions that apply with regard to the presentation and acknowledged that you understand the legal regulatory sanctions attached to the misuse, disclosure or improper circulation of the presentation.

The Company has included certain non-IFRS financial measures in this presentation, including estimated remaining collections (“ERC”), Adjusted EBITDA, Portfolio Acquisitions, Total Net Debt and certain other financial measures and ratios. These measurements may not be comparable to those of other companies and may be calculated differently from similar measurements under the indenture governing the Company’s 7.5% Senior Secured Notes due 2022. Reference to these non-IFRS financial measures should be considered in addition to IFRS financial measures, but should not be considered a substitute for results that are presented in accordance with IFRS.

The information contained in this presentation has not been subject to any independent audit or review. A significant portion of the information contained in this document, including all market data and trend information, is based on estimates or expectations of the Company, and there can be no assurance that these estimates or expectations are or will prove to be accurate. Our internal estimates have not been verified by an external expert, and we cannot guarantee that a third party using different methods to assemble, analyse or compute market information and data would obtain or generate the same results. We have not verified the accuracy of such information, data or predictions contained in this report that were taken or derived from industry publications, public documents of our competitors or other external sources. Further, our competitors may define our and their markets differently than we do. In addition, past performance of the Company is not indicative of future performance. The future performance of the Company will depend on numerous factors which are subject to uncertainty.

Certain statements contained in this document that are not statements of historical fact, including, without limitation, any statements preceded by, followed by or including the words “targets,” “believes,” “expects,” “aims,” “intends,” “may,” “anticipates,” “would,” “could” or similar expressions or the negative thereof, constitute forward-looking statements, notwithstanding that such statements are not specifically identified. In addition, certain statements may be contained in press releases, and in oral and written statements made by or with the approval of the Company that are not statements of historical fact and constitute forward-looking statements. Examples of forward-looking statements include, but are not limited to: (i) statements about future financial and operating results; (ii) statements of strategic objectives, business prospects, future financial condition, budgets, projected levels of production, projected costs and projected levels of revenues and profits of the Company or its management or board of directors; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements.

Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions which are difficult to predict and outside of the control of the management of the Company. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. We have based these assumptions on information currently available to us, if any one or more of these assumptions turn out to be incorrect, actual market results may differ from those predicted. While we do not know what impact any such differences may have on our business, if there are such differences, our future results of operations and financial condition, and the market price of the notes, could be materially adversely affected. You should not place undue reliance on these forward-looking statements. All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters and attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements referenced above. Forward-looking statements speak only as of the date on which such statements are made. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.

The presentation does not constitute or form part of, and should not be construed as, an offer to sell or issue, or the solicitation of an offer to purchase, subscribe to or acquire the Company or the Company’s securities, or an inducement to enter into investment activity in any jurisdiction in which such offer, solicitation, inducement or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of such jurisdiction. No part of this presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This presentation is not for publication, release or distribution in any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction nor should it be taken or transmitted into such jurisdiction.

Introduction to Today's Speakers



Kamyar Niroumand
CEO

- 29 years of experience (23 in executive management roles)
- Various CEO and board positions in the IT, software and BPO sector, including T-Systems and Software AG
- Joined GFKL in October 2012



Bastian Ringhardt
Head of Finance

- 13 years of experience in the Finance sector (Audit, M&A Advisory, Treasury, Finance)
- Management positions within Lidl, KPMG and GFKL
- Joined GFKL in November 2010



Josef Rettenmeier
Head of Treasury

- 10 years of experience in Treasury
- Management positions at WestLB AG and EAA
- Joined GFKL in October 2014

Q2 2015 Bond Call

Key Business Summary

Key Highlights

Strong Underlying Performance

- Impressive **growth in portfolio acquisitions** from diversified origination sources: +326% y-o-y to €26.4m
- **Strong revenue growth** with an increased contribution from DP: +8% y-o-y to €64m in Q2 2015
- **Adjusted EBITDA growth:** +20% y-o-y to €19m in Q2 2015
- **8 new key accounts** across 3PC and DP divisions

Operational Highlights

- Increase in Gross Collections per FTE by +14% y-o-y¹
- Increase in Open Cases per FTE (OPS) by +24% y-o-y¹
- Scoring: New scorecards developed for reducing expensive measures in collection processes (court order, foreclosure)

Acquisition by Permira

- On 17 May 2015, Permira entered into an agreement to acquire GFKL from Advent International
- Acquisition financing of via issuance of €365m senior secured notes completed on 20 July 2015
- New shareholder fully supportive of GFKL's strategy as a leading receivables management company in Germany

Bringing Together Lowell and GFKL

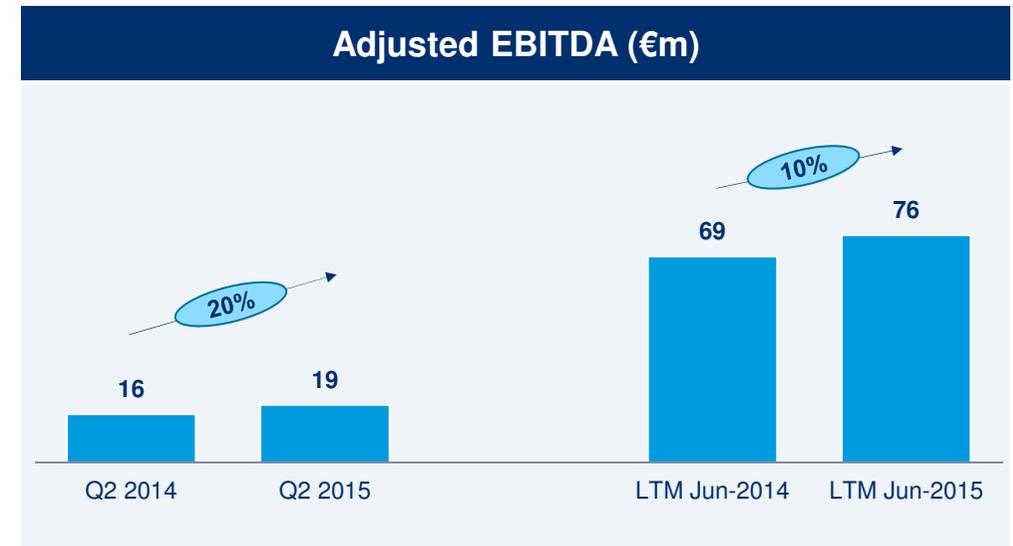
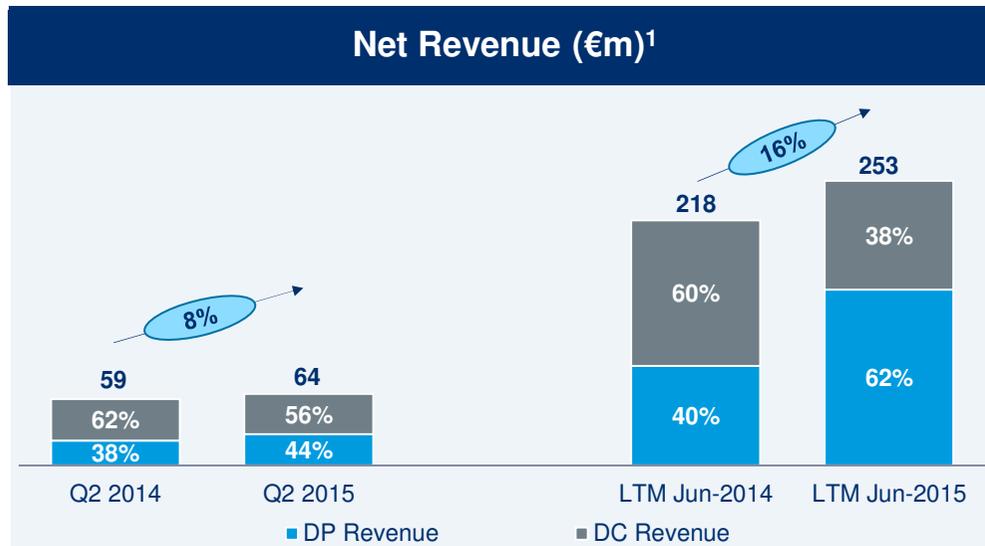
- Creating a premier Pan-European credit management business by bringing together two leading franchises in Europe's two largest markets with significant opportunities for growth
- Lowell and GFKL each bring unique competitive advantages

Source: GFKL

¹ metrics out of operating companies SIR, PCS, GCG

Revenue & Earnings

Double Digit Year-on-Year Growth



- 8% y-o-y growth in Q2 2015 and 16% on a LTM basis, on the back of new key account relationships and additional portfolio purchases
- Marked increase in the contribution from Debt Purchase on the back on acceleration of portfolio acquisitions

- 20% y-o-y growth in Adjusted EBITDA for Q2 2015 driven by increased purchases in highly realisable assets, in line with strategy
- LTM growth in Adjusted EBITDA reaches 10%

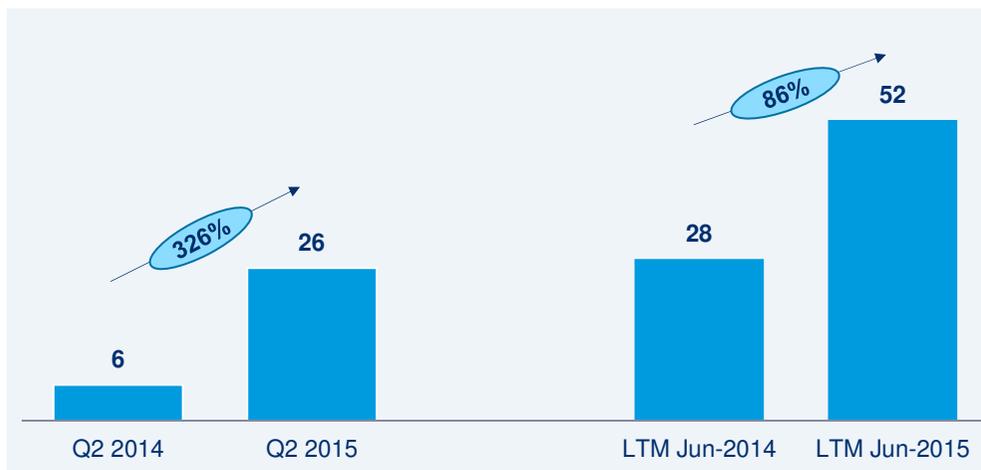
Source: GFKL

¹ Net revenue includes debt purchase and 3PC only; other revenue is excluded.

Balanced Business Model

Growth Evident Across Both DP and 3PC

Strong Growth in Portfolio Acquisitions (€m)

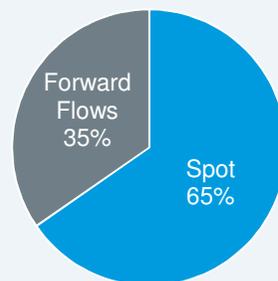


New Contract Wins in 3PC

- New client wins in 3PC reinforce track record in acquisition of leading accounts
- 3 key accounts¹ including
 - a German subsidiary of a well-known US industrials company
 - a leasing company for upper medium sized vehicles
 - a large residential company

Balanced Portfolio Acquisitions in Q2 2015

By Type

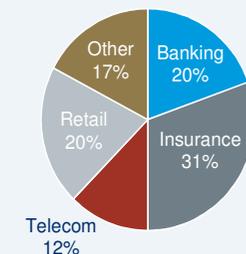


Balanced Split of Revenue Across the Business in Q2 2015

By Business Segments²



By Sector³



Total Net Revenue²: €64m
Q2 2015

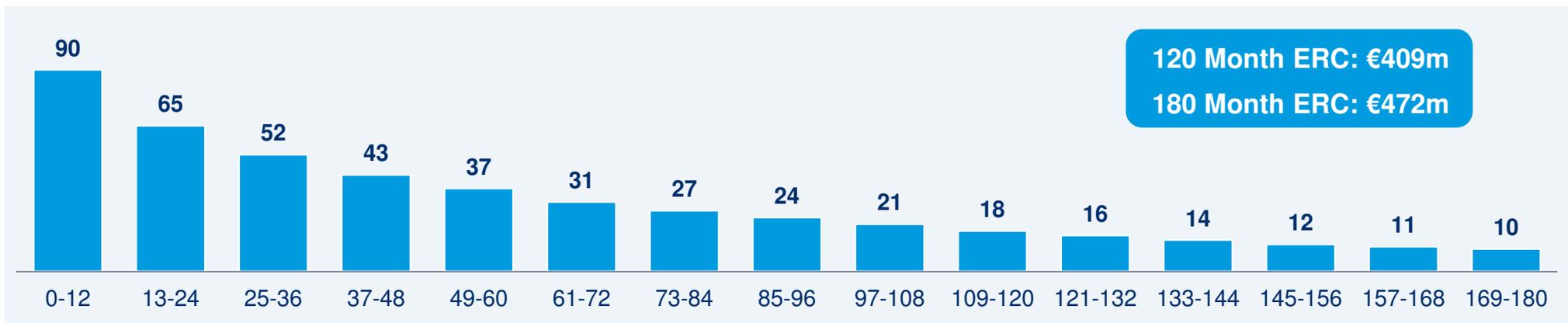
Source: GFKL
¹ Refers to large clients of GFKL with typically more than €50m in annual revenue.
² Includes lawyer service revenue.
³ Excludes lawyer service revenue.

ERC Profile

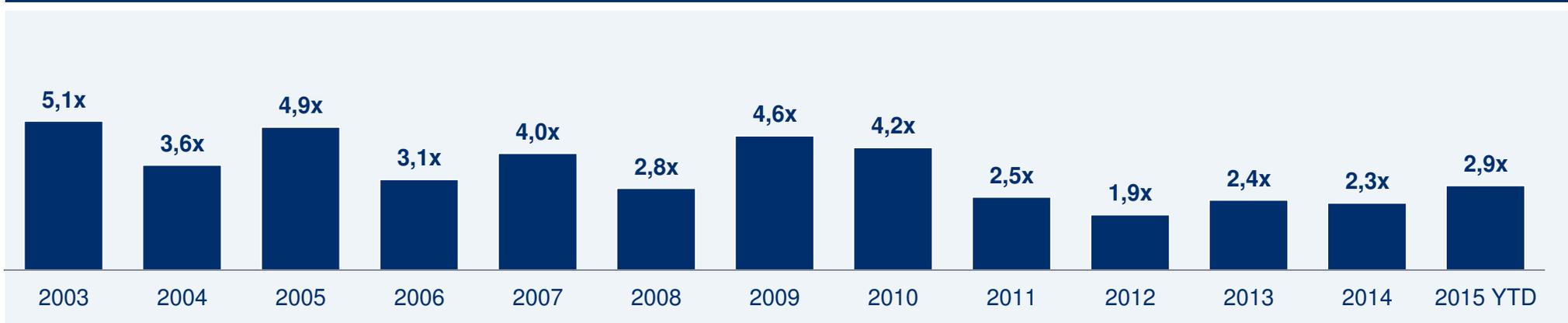
Well-Seasoned Asset Base Generating Impressing Money Multiples

- ERC growth supported by strong momentum in portfolio acquisitions
- Continued focus on deploying capital in high return opportunities

Q2 2015 Gross ERC Profile (€m)



Gross Money Multiple by Vintage



Source: GFKL

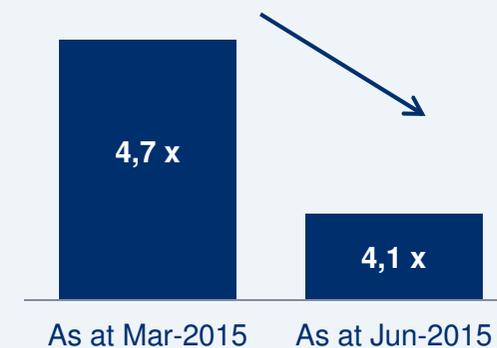
Key Leverage Metrics

Strong Liquidity and Cash Generation

Key Leverage Metrics (€m)

€m	LTM Jun-15
Adjusted EBITDA	75.9
Fixed Charges ¹	28.6
Interest Expense Fixed Charge¹	2.7 x
Total Debt ²	368.4
(-) Unrestricted Cash and Cash Equivalents	(60.1)
Total Net Debt	308.3
Total Net Debt to Adjusted EBITDA	4.1 x

Total Net Debt to Adjusted EBITDA



Source: GFKL

¹ As per the OM dated July 20, 2015. Fixed Charges consists of pro forma cash interest expense only as no dividends assumed. Pro forma cash interest expense represents the interest expense in respect of the Notes, any commitment fees payable under our undrawn Revolving Credit Facility and any interest under the Milla Securitization for the twelve-month period ended June 30, 2015.

² Total debt includes €365m of senior secured notes plus senior loans from NPL financing less advance payments from NPL financing. Balance sheet reporting shows net value of €355.1m.

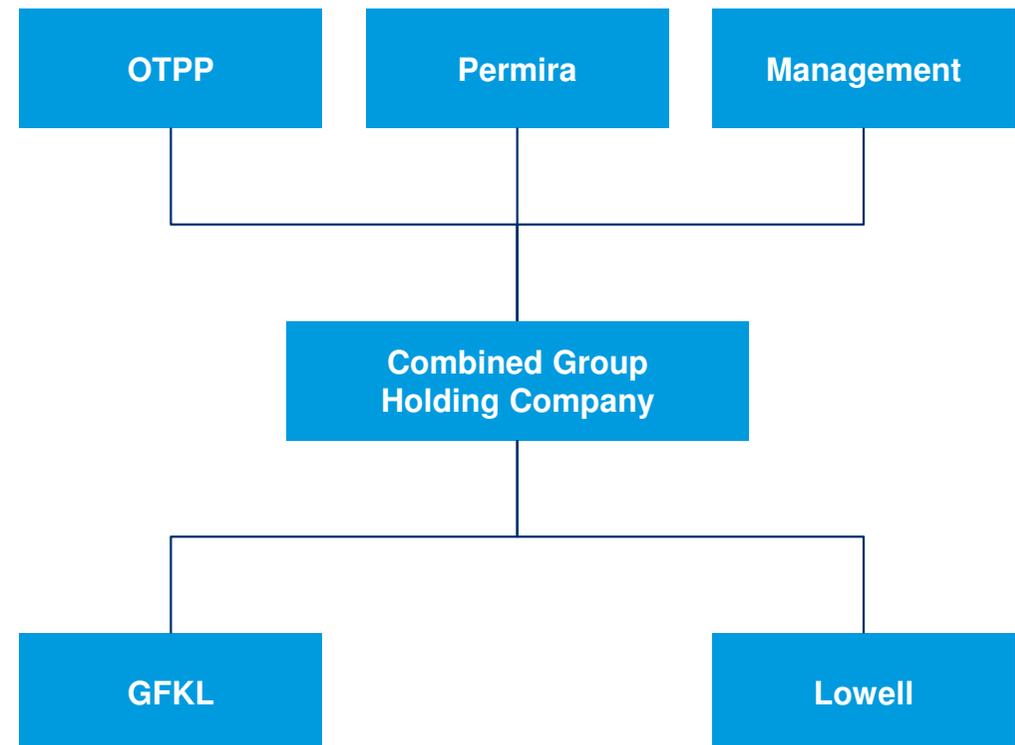
Bringing Together Lowell and GFKL

Permira Funds' Acquisition of Lowell Group

Transaction Overview & Rationale

- On 7 August Lowell, Permira and TDR Capital announced that a company backed by Permira funds had entered into an agreement to acquire Metis Bidco (the Lowell Group holding company) from its majority shareholder, funds advised by TDR Capital
- As part of this transaction, Lowell will merge with GFKL combining two premium large-scale operators in the two largest European credit markets
- Complementary operational strengths with product, client and sector diversification
- Significant opportunity for growth in European markets with a multi-national operating model which mirrors that of the larger credit providers
- Complementary competencies in debt purchase and outsourced credit services

Group Structure



Creating a Premier Pan-European Credit Management Business Bringing Together Two Leading Franchises in Each Jurisdiction



	Lowell ¹	GFKL ¹
No. of employees (FTE)	1,240	836
No. of accounts purchased	18.3m	2.3m
Banking	✓	✓
Insurance	✓	✓
Telecoms	✓	✓
e-commerce	✓	✓
Utilities	✓	✓
Retail	✓	✓
Fitness	✗	✓
Public sector	✓	✓



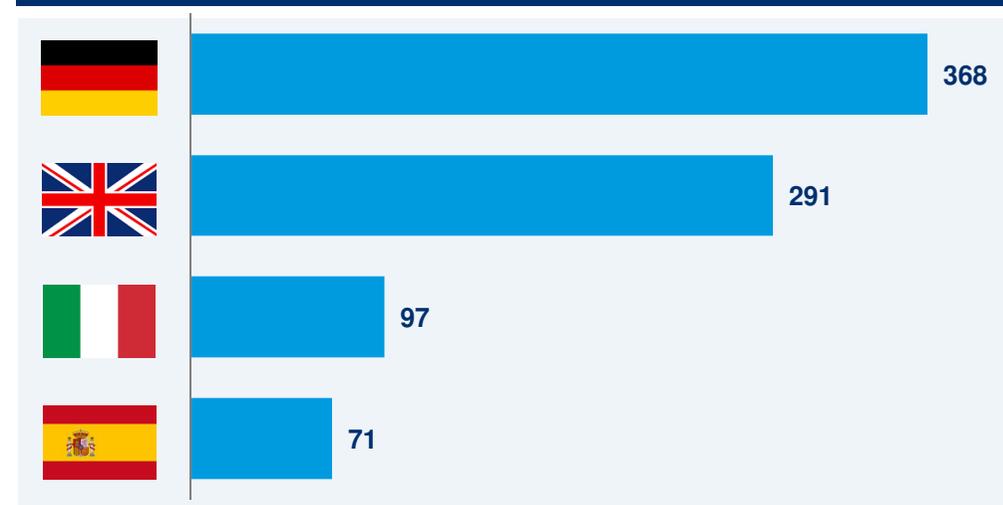
Key Attributes of Lowell

- Extremely strong modelling capabilities
- Wealth of experience in data analytics
- First-rate pricing capabilities
- High skilled in cost optimisation
- More attractive credit profile due to greater ability to leverage the combined businesses and increased diversification
- Complementarity of teams' competencies and commonality of culture

Key Attributes of GFKL

- Long-standing experience in Servicing / BPO
- Relationships with blue chip international clients
- Gateway to continental European markets
- Broad product diversification across multiple sectors

Total Consumer Credit² (€bn)



¹ All data is as at 30 June 2015.

² Unsecured and secured consumer lending excluding mortgages and other housing lending. Data as at 31 Dec 2013.

Conclusion

Strong Outlook for GFKL and an Exciting Future for the Combined Business

GFKL Specific Outlook

- Strong performance in new business origination
 - Secured 24 new key clients accounts year to date
 - €26m of portfolio acquisitions in Q2 2015, up 326% year on year
- Continued focus on diversified business with 3PC and DP representing 56% and 44% of Q2 2015 revenue, respectively
- Strong diversification of our revenue sources across sectors with no sector representing more than 30% of Q2 2015 revenue
- We believe, we have a robust pipeline of opportunities in the German market where we can leverage our competitive advantages
- Sustained cash generation with €75.9m Adjusted EBITDA over LTM (+10% year on year) and visibility principally backed by €409m ERC (up from €382m as of end 2014)
- Continued focus on delivering efficiencies through implementation of our operating initiatives

Combined Opportunity



Opportunity to create the most successful European credit management business by bringing together market leaders in the largest markets in Europe