

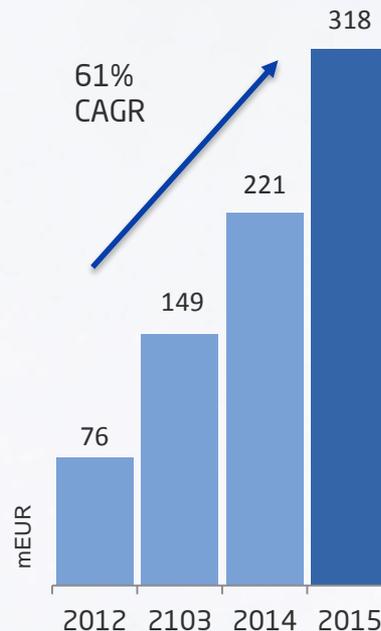
4finance investor presentation for full year 2015 results

1 March, 2016

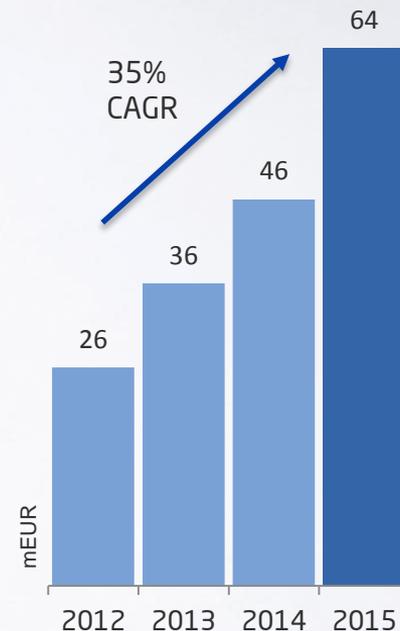
Highlights

- **Strong performance across the business**
 - Loan issuance up 32% to over EUR 1bn in 2015
 - Revenue up 44%, growth in all countries
 - Net profit up 38% to EUR 64.0 million
- **Continuing to invest for the future**
 - People, platforms, data analytics
 - Marketing technology
- **Diversifying the business**
 - Launch of third product: Line of Credit
 - Launch in Argentina and Mexico, with at least 3 more Latin American countries in 2016
- **Strong credit metrics**
 - 38% capital / assets ratio
 - Significant covenant headroom (56% vs 15% equity / net loans; 4.2x vs 2.5x fixed charge cover)

Revenue



Net profit



Overview of 4finance

European online and mobile lending leader

Data and technology driven company

Large scale

- >EUR 3.0 bn loans granted since inception in 2008
- >4.6 million registered customers

Diversification

- Operations in 14 countries, key markets: CEE, Baltics, Nordics
- Largest single country share in net loan portfolio: 22%

Solid financial performance

- Profitable every month since end of 2009
- 41% return on equity, high capital to assets ratio

Outstanding growth

- Revenue increased 4x from 2012 to 2015
- EBITDA tripled during the same period

Flexible business model

- 81% of assets are self-liquidating
- 89% of expenses are variable

Highly experienced management team

- Extensive banking, risk and audit experience

KEY FIGURES, M EUR	2012	2013	2014	2015
Interest income	76	149	221	318
Adjusted EBITDA ⁽¹⁾	38	71	88	119
Net profit	26	36	46	64
Total loans issued	309	538	805	1,062
Net loan portfolio ⁽²⁾	110	178	241	309
Total equity	43	66	113	173
Net margin ⁽³⁾	33%	24%	21%	20%
Capital to assets ratio	35%	29%	35%	38%

Credit ratings

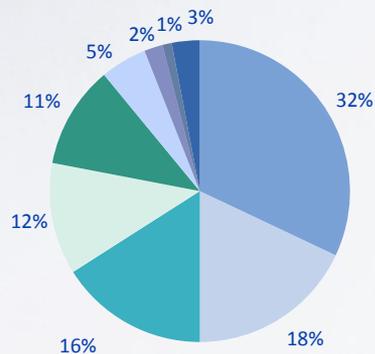
S&P: B+ stable

Moody's: B3 Positive

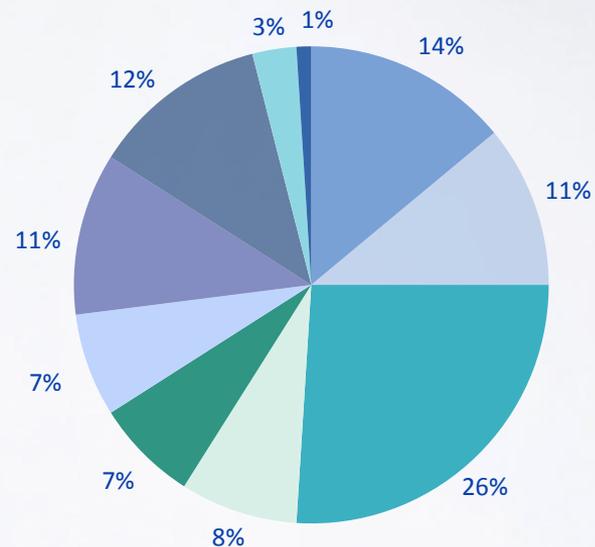
- (1) EBITDA adjusted for income/ loss from discontinued operations, non-cash gains and losses attributable to movement in the mark-to-market valuation of hedging obligations, goodwill write-offs and other non cash or one-off items
- (2) Gross loan portfolio less provisions for bad debts
- (3) Calculated as net profit (reported) to interest income

Diversification by geography

2013 Revenue: EUR 149m



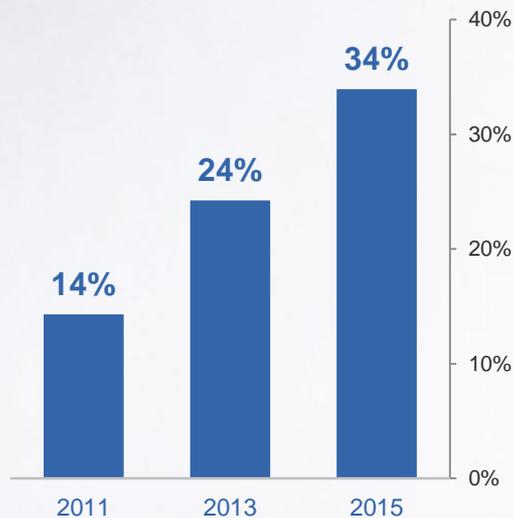
2015 Revenue: EUR 318m



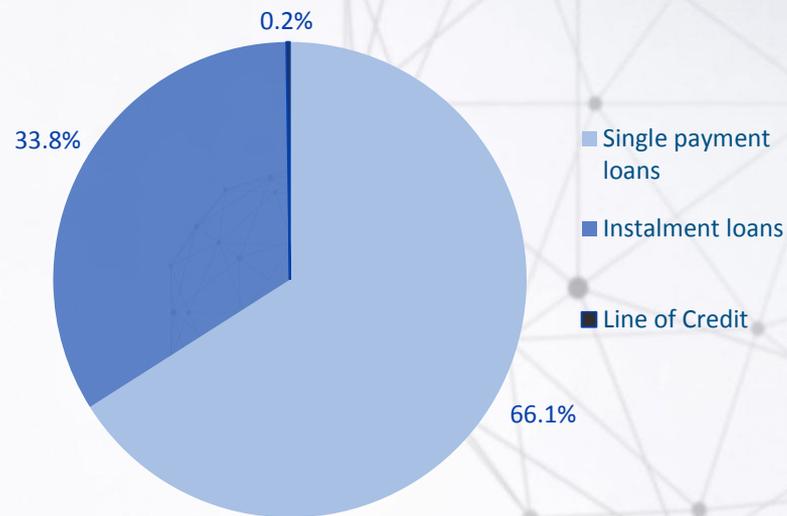
- Latvia
- Lithuania
- Poland
- Sweden
- Finland
- Denmark
- Spain
- Georgia
- Czech Rep.
- Other

Diversification by product

Instalment Loans, % of Gross Performing Portfolio



2015 Portfolio



Benefits of new technology

2014

SPL	IL PL	IL SE	
SPL	SPL	SPL	IL FI
SPL	SPL	SPL	IL
SPL	SPL	SPL	IL

2015

SPL ARG	LOC FI	IL DK	IL PL
SPL RO	SPL MX	SPL PL	IL SE
SPL SE	SPL LV	SPL LT	IL FI
SPL CZ	SPL BG	SPL FI	IL LT
SPL GE	SPL DK	SPL ES	IL LV
New Websites			
Mobile Apps			
Risk System			
Collections System			

2016

	IL +1	IL +1	IL +1
LOC +1	LOC +1	LOC +1	IL +1
SPL BZ	SPL DR	SPL ARM	SPL +1
IL DK	SPL ARG	SPL MX	IL PL
SPL PL	SPL LV	LOC FI	IL SE
SPL CZ	SPL DK	SPL UK	IL FI
SPL SE	SPL ES	SPL RO	IL LT
SPL GE	SPL FI	SPL BG	IL LV
New Websites			
Mobile Apps			
Risk System			
Collections System			
Product Factory			
Other Key Platform Components			
Martech			
Data Warehouse			

Key

- New product
- Optimised product
- Regulatory update
- Product rework needed
- Basic product
- Enhanced platform

Highlights

- Significant product improvements
 - Optimised, responsive websites based on User Experience (UX) design
 - New launches and regulatory updates
- Redesigning core platform to make future expansion more efficient and support innovation
- Data focus: proprietary database, big data, data governance
- Integrating best in class technology across the business (risk, marketing, etc.)

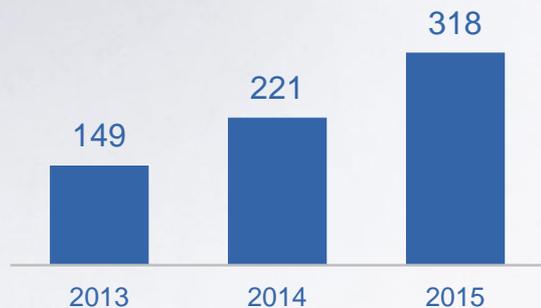
Regulation: risks and opportunities

- **As a responsible lender, we welcome appropriate regulation**
 - Active in regulatory / legislative consultations through industry associations
 - Supportive of clear regulatory frameworks
 - Clear, transparent products and pricing with IT/development resources to adapt products where needed
- **Main areas of regulatory focus**
 - Affordability and solvency, ensuring enough 'left to live on'
 - Rate caps for overall cost of credit (interest rate and all fees)
 - Limiting extensions, so a short-term loan doesn't become long-term
- **Adapting to changes in several key markets**
 - Latvia: volumes slightly above budget despite tightening scorecards
 - Lithuania: volumes down and market size will reduce, but still viable. Focus on instalment loans
 - Poland: likely to be some competitive/market flux
 - Sweden: implemented strict AML software/procedures
 - UK joint venture: secured full FCA authorisation

Financial Review

Financial highlights

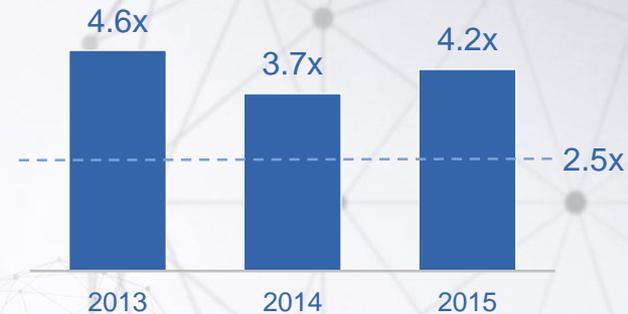
Revenue, m EUR



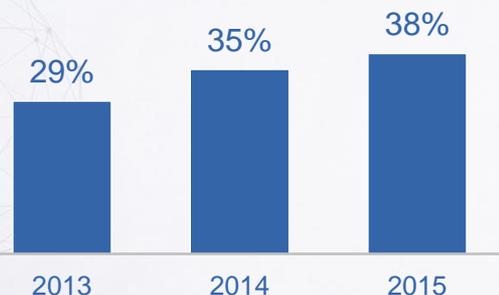
Net profit (m EUR) and net margin



Adjusted interest coverage ratio



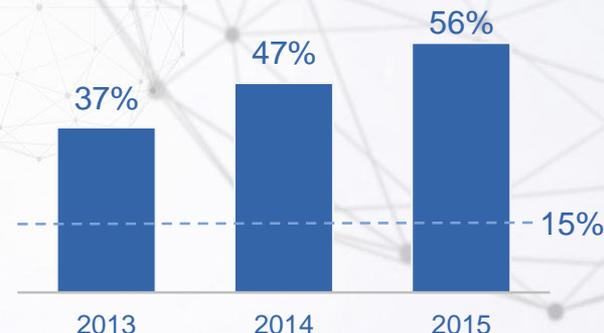
Capital to assets ratio, % ⁽¹⁾



Net debt⁽¹⁾ and total equity, m EUR



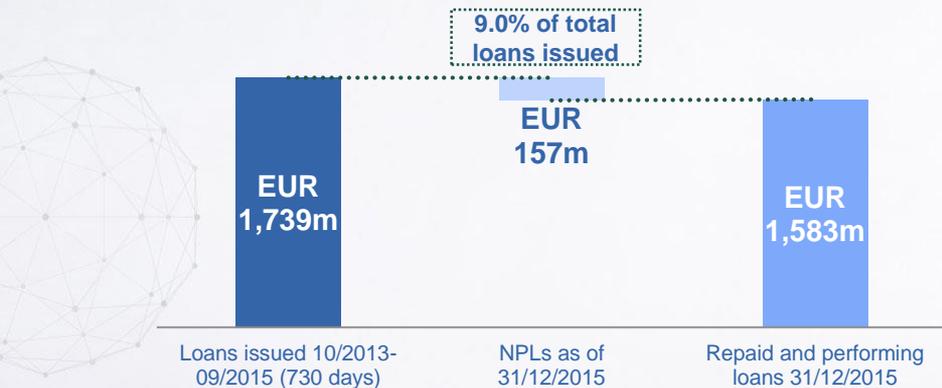
Capital/net loans, %



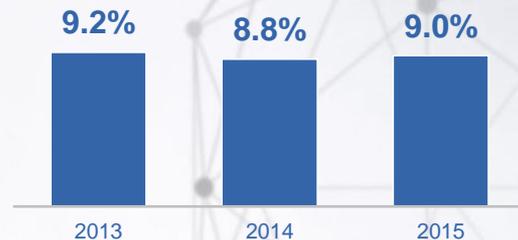
Non-performing loans

- Loans that are overdue more than 90 days are considered as non-performing (NPLs)
- At the end of 2015 NPLs represented 9.0% of total issued loans over the last 730 days
- Actual loss experienced on NPLs is approximately 50% (49% as of 31/12/2015)
- Provisions for default are c. 10 p.p. higher

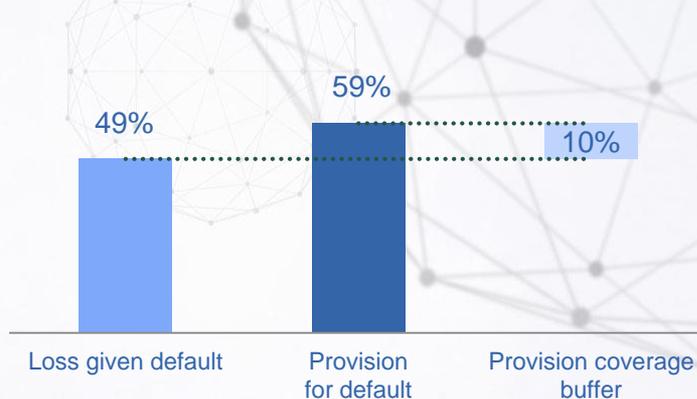
Non-performing loans (NPLs) as % of total loans issued⁽¹⁾



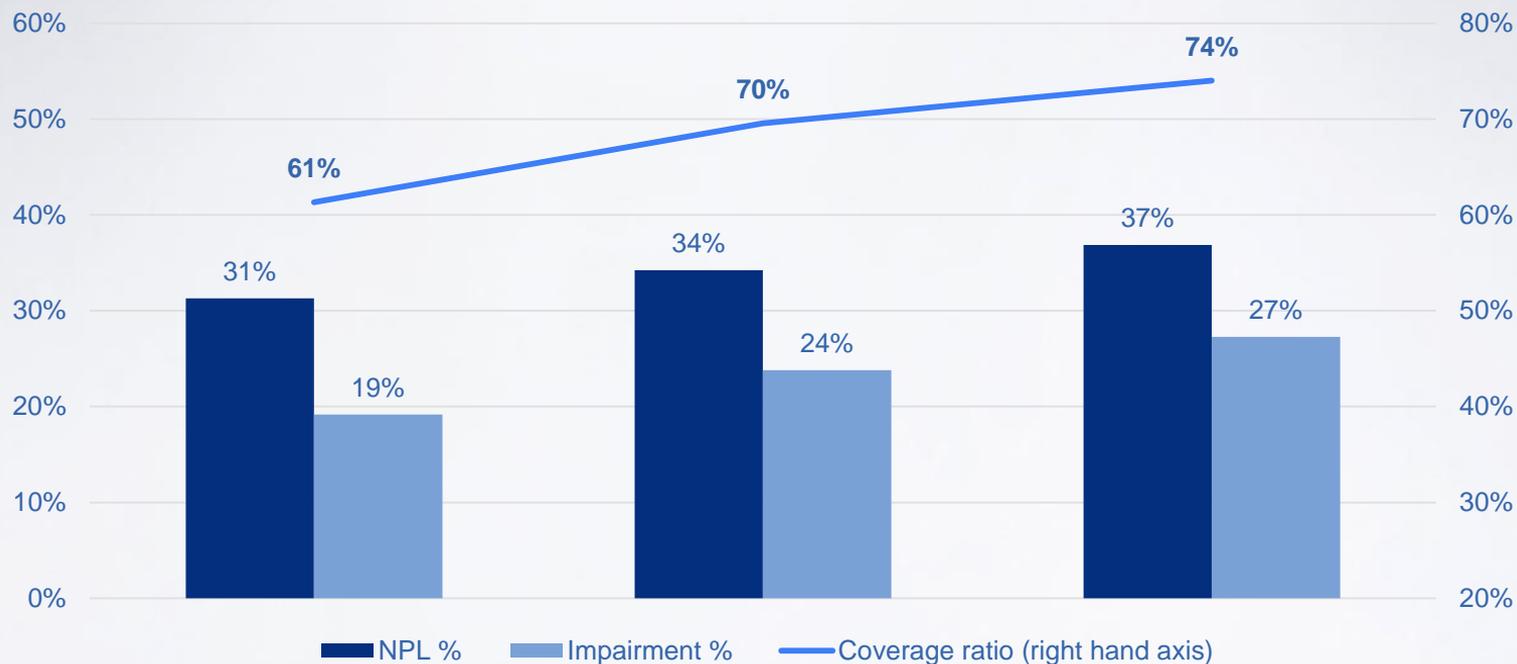
Stable NPLs to issued loans ratio⁽¹⁾



Conservative provision coverage 31/12/2015



Asset quality and provisioning



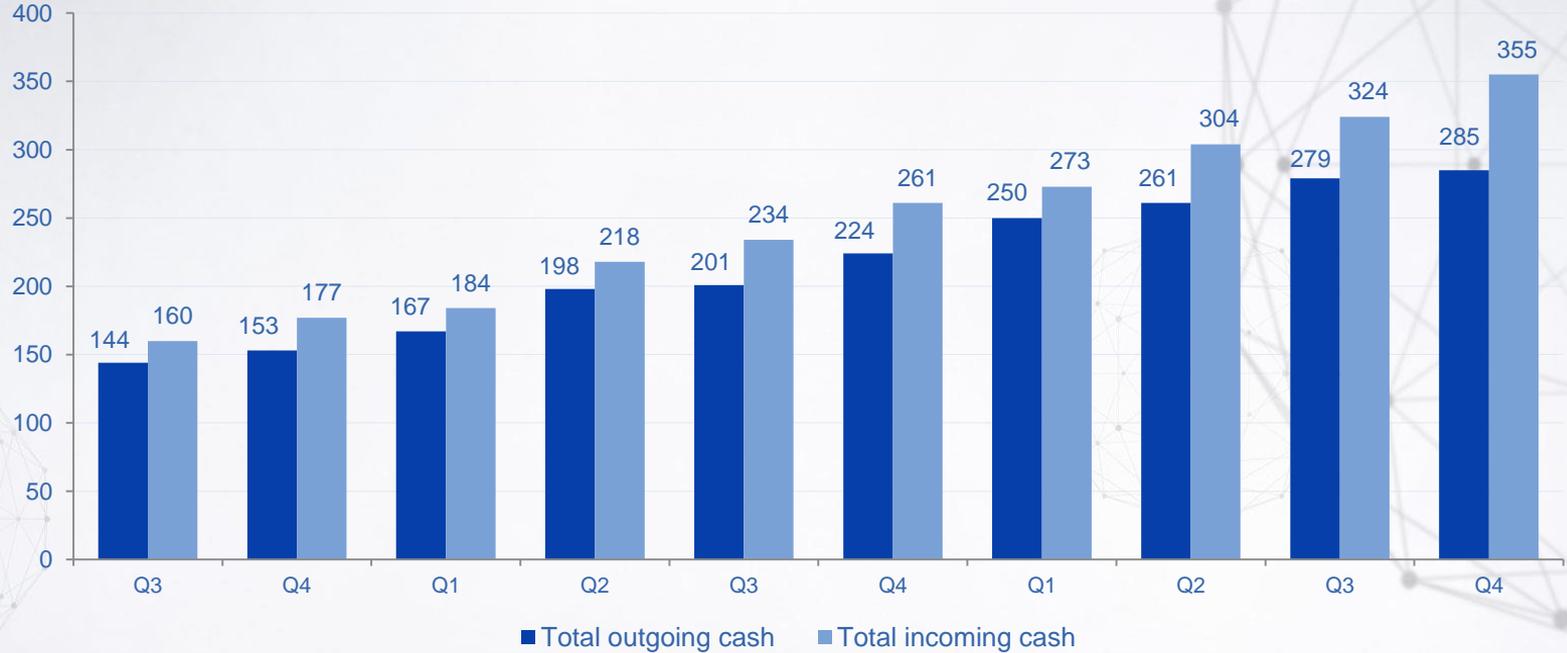
NPL % = non-performing loans / gross loan portfolio

Impairment % = overall allowance for impairment / gross loan portfolio

Coverage ratio = overall allowance for impairment / non-performing loan portfolio

Loan portfolio cash flow

Last 12 months: net incoming cash* 181m EUR



Income statement

INCOME STATEMENT, M EUR	2014	2015	% Change
Interest income	220.8	318.3	44%
Interest expense	(23.8)	(28.7)	21%
Net interest income	197.1	289.6	47%
Net impairment losses on loans and receivables	(54.2)	(78.9)	46%
General administrative expenses	(81.1)	(133.9)	65%
Other (expense)/income	(1.9)	(2.3)	21%
Profit before tax	59.9	74.5	24%
Tax	(11.6)	(15.6)	34%
Profit from continuing operations	48.3	58.9	22%
Discontinued operations, net of tax	(2.0)	5.1	n/a
Net profit	46.3	64.0	38%
Net impairment to revenue ratio %	25%	25%	
Cost to income ratio %	37%	42%	
Net profit margin, %	21%	20%	

Balance sheet

BALANCE SHEET, M EUR	2014	2015	% Change
Loans and advances	241.4	309.2	28%
Cash and cash equivalents	33.7	56.9	69%
All other assets	94.9	85.1	(10%)
Total assets	370.0	451.2	22%
Loans and borrowings	231.6	239.1	3%
All other liabilities	25.4	39.4	55%
Total liabilities	257.0	278.5	8%
Total equity	113.0	172.7	53%
Total equity and liabilities	370.0	451.2	22%
KEY RATIOS	2014	2015	
Capital/assets ratio ⁽¹⁾	35%	38%	
Capital/net loan portfolio	47%	56%	
Adjusted interest coverage ratio	3.7x	4.2x	
Return on average equity ⁽²⁾	54%	41%	
Return on average assets ⁽²⁾	17.5%	15.2%	