Investor Presentation

17th October 2013

Lowell.
GROUP

Q4 Interim Financial Results

Presented by

James Cornell
CEO

Colin Storrar
CFO

Overview & Highlights

A strong final quarter to what would have been the year ending 31 August, with purchasing success particularly noteworthy in achieving further diversification

Quarterly Performance Summary

Further Enhancement Of Our Unique Proposition

Growth & ROC

9% Collections growth from £37.0m in Q4 2012 to £40.4m in Q4 2013

14% Adjusted EBITDA growth from £25.2m in Q4 2012 to £28.8m in Q4 2013

Unlevered IRR * of 35.9% in Q4 2013

Liquidity

Strong ongoing cash flow generation allowed us to realise £45.5m of portfolio purchases without drawing on the RCF facility – our most successful quarterly purchase volume ever

Solid cash flows expected to continue as a result of 24% growth in ERC from £428.8m in Q4 2012 to £531.5m in Q4 2013

Cash asset return of 23.6%

Diversification & Visibility

Diversification across all debt types and balance sizes further augmented by acquisitions in the quarter

Cumulative to	Aug-12	May-13	Aug-13
Portfolio Purchases (£M)	473	548	594
Face Value (£B)	9.0	10.0	11.0
No. of Combined Portfolios	586	674	708
No. of Accounts (M)	10.0	11.1	12.2

£70m of forward flow purchase commitments creating strong visibility on portfolio purchases for FY 2014

Analytical Advantage

Q4 2013 saw our account base reach 12.2m - a 1.1m increase in the quarter

Breadth of data and insight resulting from high penetration of credit active adults in the UK increasingly a point of strategic differentiation, allowing for better pricing and enhanced collection effectiveness

* Unlevered IRR defined throughout the presentation as net of collection activity costs

Behind The Numbers

Differentiation Through Customer Centricity
Preparation For FCA Regulation Progressing Well

Customer focus recognised externally…

- Awarded an 'Outstanding' rating by Investor In Customers
- Setting industry standards - first debt purchaser to ever receive a service rating from Investor In Customers (the UK's leading customer experience consultancy)
- Award follows analysis of responses from 2,500 customers and 500 employees
- Lowell enjoys a net promoter score of +25%, an impressive achievement given our industry and the nature of relationship with our customers

FCA preparations in full progress…

- FCA consultation paper reiterates the need for the customer to be central to the debt management and debt purchase business model
- Lowell's FAIR programme receiving great engagement from the call centre and impressive feedback from both customers and clients as to the resulting quality of calls
- Continuous improvement program in place to enhance customer experience in all key customer contact areas
- Updating governance structure to better align with new FCA rules

Interlaken

Significant Progress Made In Executing Our Plans To Date

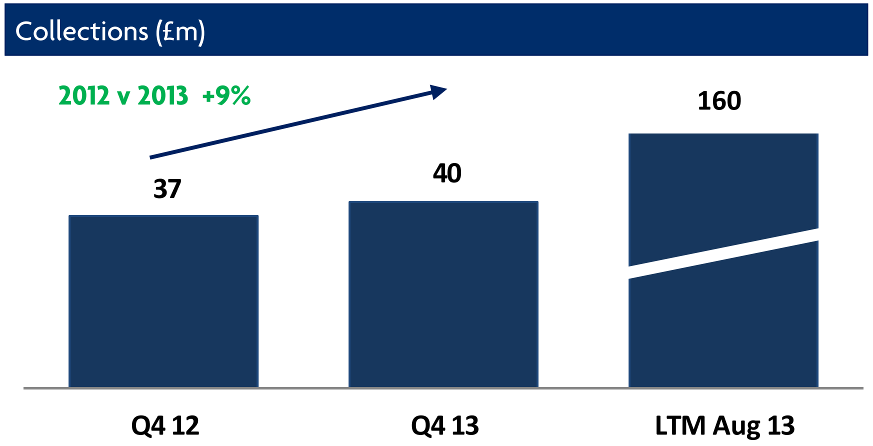
Source Of Value	Impact	What We've Delivered
1 Deeper consumer insight & collections analysis	Enhanced collections through best practice sharing	Interlaken FS high balance expertise allows us to bring ever more sophistication and automation to appropriate litigation
2 Lower cost structure across the Group	Improved service cost ratio in Lowell. Margin enhancement in Interlaken	Savings achieved through negotiation of Group rates in the telephony, SMS, banking, mail and audit arena
3 Leverage Interlaken's skills in FS high balance to drive incremental purchases	Accelerate acquisition spend & aid portfolio diversification	Key to successful portfolio purchases of c£10m in FS debt
4 Wider client offering of broader suite of services	Value added services expected to unlock £10m+ of incremental spend opportunity in 2014	Pre agency offering being developed while three Government trials now underway

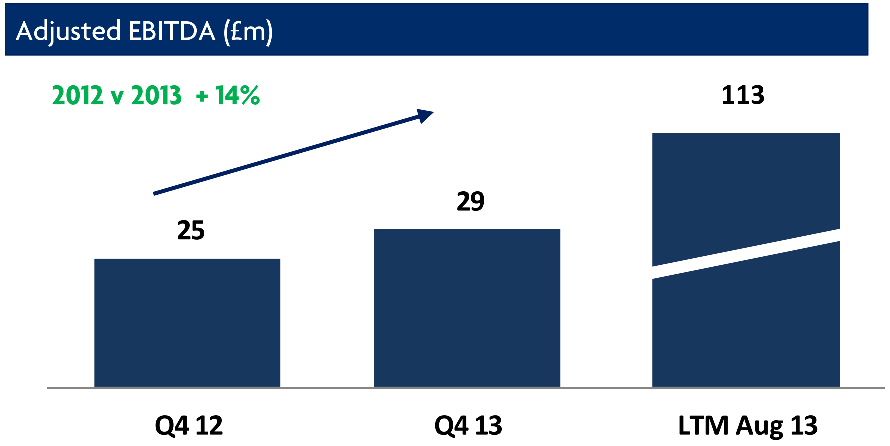
Financial Performance

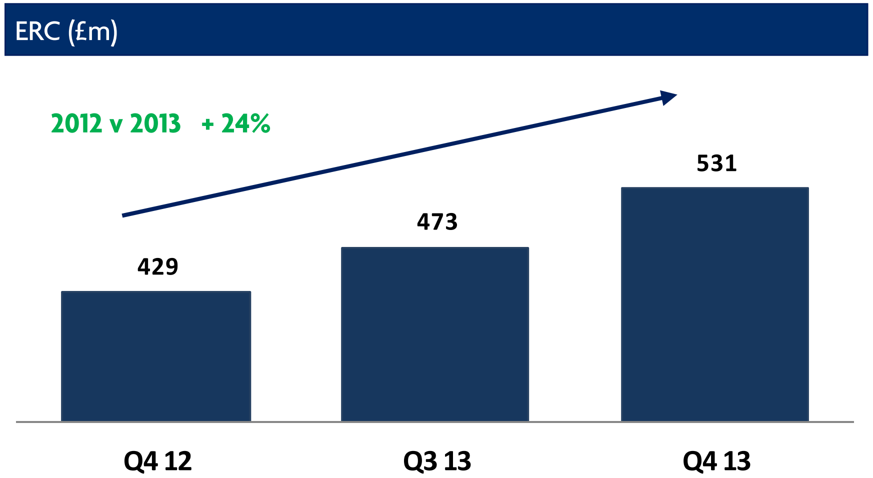
Year on year growth continues across all key indicators, generating stable returns and leverage well within our covenants

Key Financial Metrics

Impressive Growth Across All Key Indicators







- Collections performance, allied to purchase success, driving earnings and asset growth
- Adjusted EBITDA continues to grow faster than collections (lower cost growth vs. collections)
- 24% year on year increase in ERC positions the business well for the future

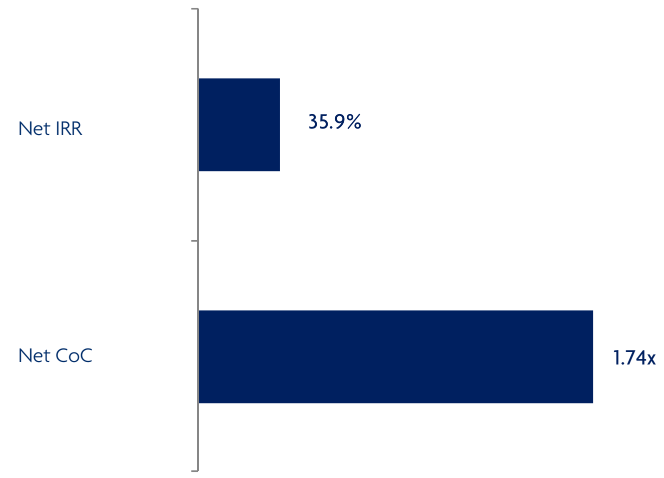
Liquidity And Profitability

Continued Strength In Cashflow And Returns

Cashflow (£m)

	Q4 12	Q4 13	LTM Aug 13
Cash generative asset backing:			
ERC	**428.8**	**531.5**	**531.5**
Reported portfolio purchases	31.2	45.5	121.0
Net Debt	191.1	258.7	258.7
Cash generation:			
Collections/income on owned portfolios	37.0	40.4	160.0
Other income	0.1	0.4	0.7
Servicing costs	(11.9)	(12.0)	(47.6)
Adjusted EBITDA	**25.2**	**28.8**	**113.2**
Capital Expenditure	(0.6)	(0.4)	(2.4)
Working Capital Movement	5.3	(0.5)	(2.0)
Cash flow before debt and tax servicing	29.9	27.9	108.8
Conversion of Adjusted EBITDA to Cash Flow	119%	97%	96%
Cash asset return	n/a	n/a	23.6%
Return on capital			
Unlevered Net IRR of owned portfolios	n/a	35.9%	35.9%

Unlevered Rate Of Return

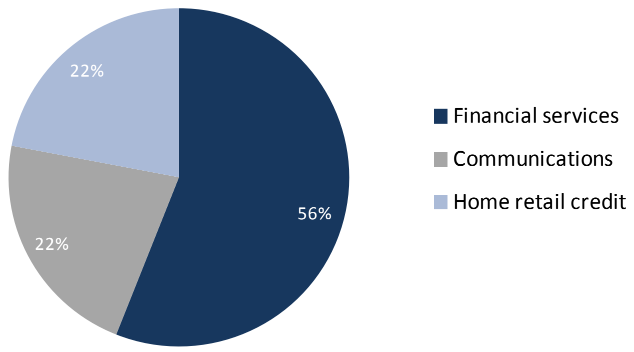


- Cash flow conversion of 97% for the quarter – consistent with prior quarter
- Cash asset return of 23.6% represents a significant and rapid conversion of ERC into cashflow, thereby reducing risk and providing substantial liquidity for new purchases
- Net IRR on portfolios owned at 31 August 13 of 35.9% – consistent with previous quarter
- Unlevered IRR consistent with prior quarter and pricing expectations

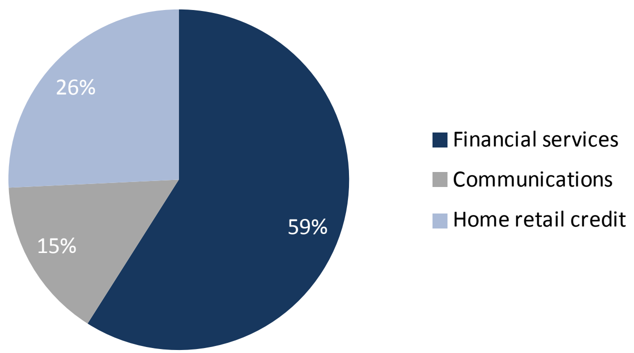
Portfolio Purchases

Significant Purchase Growth Adding To ERC Diversification

Portfolios purchased in the quarter



Portfolios purchased since inception

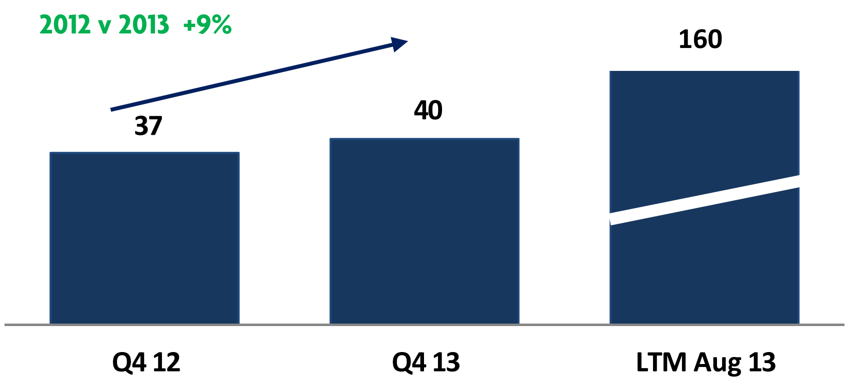


- Portfolio purchases in the quarter were £45.5m million
- ERC grew from £473.2 million to £531.5m between Q3 and Q4 close, and stands at £530.3m at the end of September 2013
- June 13 was a record month for portfolio purchases at £30.3m, the majority of which was in financial services
- Excellent prospects for further growth on back of strong pipeline of opportunities

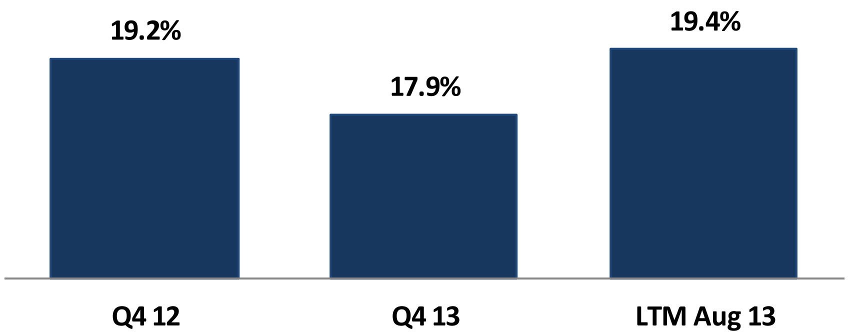
Collections

Rising Collections And Sustained Low Default Rate

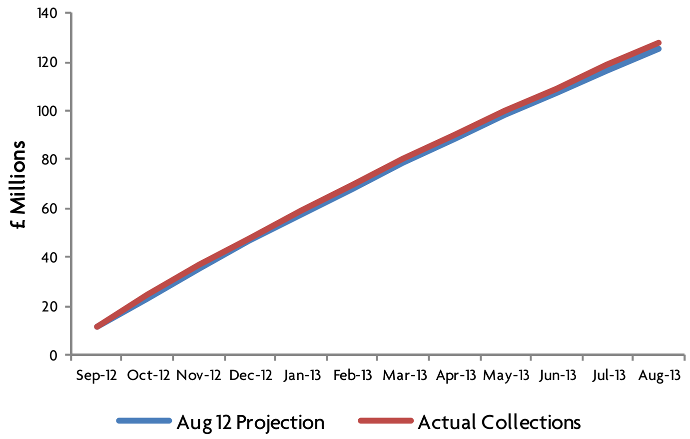
Gross Cash Collections (£m)



Default Rate (%)



LTM Collections v August 2012 PVM Projections



- LTM collections at 102.4% of Aug 2012 model expectations
- Collections in the quarter on portfolios owned at 31 August 2012 performed at 103.1% of ERC projections
- Further improved default rate compared to prior year in line with expectations

Cost Management
Focus on Servicing Cost Efficiencies Continues

Our Sustained Focus On Cost Management Continued In Q4…

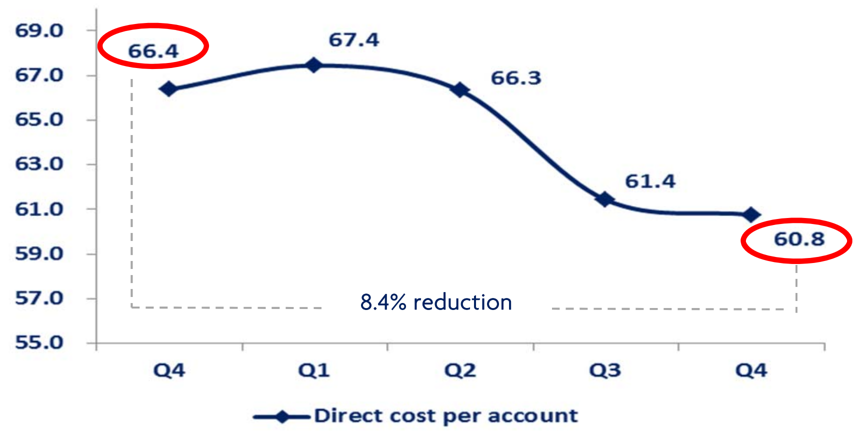
- Interlaken Acquisition

- Leverage of in house DCA platform
- Leveraging the buying power of the enlarged group

- Effort Sloping and Analytics

- Reduction in non value adding communication through strategic letter targeting

… Contributing To An 8% Reduction in Collection Cost Per Account (Pence)



Note - Chart shows normalised variable collection costs associated with internal and external collections (excluding litigation costs) across our total account base

…With More To Come Going Into FY2014…

- Final negotiations underway with renowned third party technology provider to deliver an integrated digital Proof of Concept regarding e-collections and e-contact
- Industry leading IT hub under development to yield increased DCA collections through more effective partnerships and relationship management

Asset Coverage

Leverage And Coverage Ratios Both Remain Well Within Covenant Requirements

Key B/S and coverage ratios as of Aug 13

	Q4 12*	Q3 13	Q4 13	Covenants
Key Financial Metrics				
ERC	428.8	473.2	531.5	
PF Gross Debt	200.0	275.0	275.0	
Cash	(8.9)	(34.3)	(16.3)	
Net Debt	191.1	240.7	258.7	
Annual Interest payable*	23.7	31.4	31.5	
Adjusted EBITDA (12 months to quarter end)	93.7	109.6	113.2	
Leverage and Coverage Ratios				
LTV	44.6%	50.9%	48.7%	75%
Net debt / Adjusted EBITDA	2.0	2.2	2.3	
EBITDA / total interest payable	4.0	3.5	3.6	3x

Notes

* Q4 12 numbers for gross debt, net debt, cash, annual interest payable and the resulting ratios are on a proforma basis

Leverage and Coverage ratios calculated on same basis as presented in the Offering Memorandum "Summary Consolidated Financial Data"

Gross Debt, Cash and Net Debt are presented on a pro forma basis relating to the issuance included within the Offering memorandum

- Portfolios forecast to generate £531.5 million in cash collections (ERC) in the next 84 months
  - 50% of cash collections expected to be generated in the next 24 months
  - 78% of cash collections expected to be generated in the next 48 months
- Reported LTV and interest cover from Q3 2013 impacted by the cash acquisition of Interlaken – both measures remain comfortably within covenant stipulations and favourable to position at bond issue
- Quarterly performance reinforces our underlying ability to deliver sustained leverage improvement with LTV improving compared to 50.9% as at Q3 2013

Change Of Accounting Reference Period

September Year End A Logical Choice

- Decision taken to align the Company's external reporting quarters with the more usual calendar quarters

- Lowell's reporting calendar updated to reflect new quarter ends:
  - Audited results for the 13 months to 30 Sept 2013 to be announced before 28 January 2014
  - Quarterly reference dates aligned with calendar quarters thereafter with unaudited results reported within two months of close

- New accounting reference date will be applied to the Interlaken Group, facilitating one single reporting calendar across the wider Lowell corporate entity

Outlook

Strategy remains unchanged with further opportunities anticipated to leverage competitive advantages

Outlook

Market View And Lowell Focus

Debt Purchase Market

- A number of significant financial services debt sales anticipated before the end of the calendar year – Lowell well placed to compete considering successful purchases in last two comparable opportunities that have come to market
- Communications and Home Retail expected to maintain regular portfolio sales

Acquisition Focus

- Deep relationships with clients remain a competitive advantage - £70m of portfolio purchases for the financial year committed through forward flow arrangements as we enter FY14
- Will continue to leverage subject matter expertise in low balance non performing debt, while seeking to augment strength of market position with further purchases in new debt segments enabled by Interlaken acquisition

Operational Focus

- Leverage of the unique data asset that comes from the transactional history of over 12m customer accounts will allow true cross over optimisation
- Further build of our litigation processes

Disclaimer

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

This presentation has been prepared by Lowell Group ("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-GAAP financial measures in this presentation, including estimated remaining collections ("ERC"), Adjusted EBITDA, Unlevered Net IRR, 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 10.75% Senior Secured Notes due 2019. Reference to these non-UK GAAP financial measures should be considered in addition to GAAP financial measures, but should not be considered a substitute for results that are presented in accordance with GAAP.

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, analyze 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.

Better Practices

Committed to doing things the right way, with openness, honesty and respect. We're totally ethical, transparent and compliant.

Better People

Friendly and approachable... professional and dedicated.

Better Systems

At the heart of Lowell is our operational model, built around our sophisticated technology platform and data intelligence.

Better Results

Our strengths of better practices, better people and better systems deliver better results for our clients, our customers and our investment partners.