



Ferratum™

More than money **to everyone**

Ferratum Oyj | Conference Call – Q3 Results 2016

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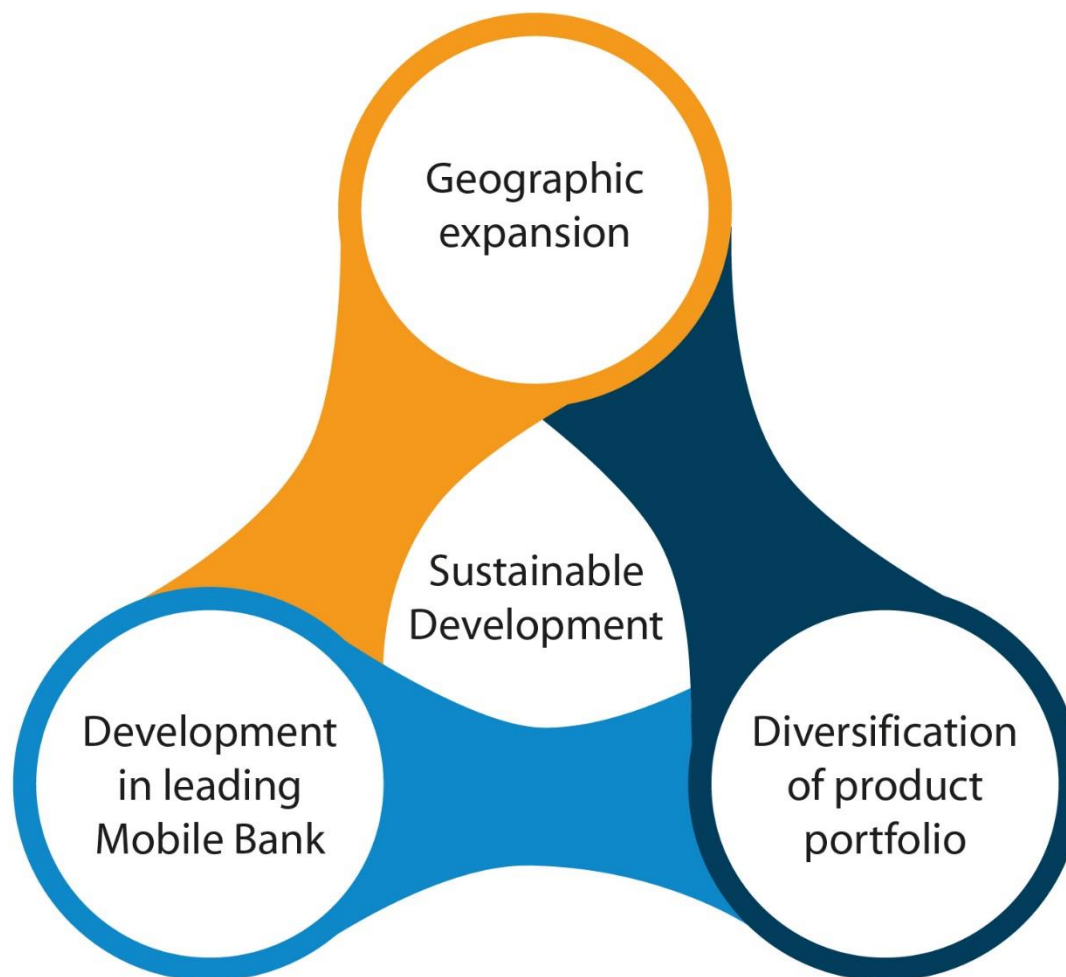
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More than 11 Years of profitable Growth



* Malta: no local operations

Clear Growth Strategy



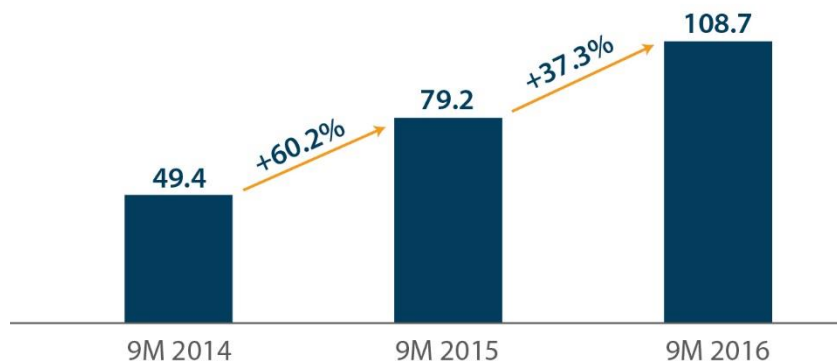
Growth Acceleration Program initiated

First actions taken in order to increase Ferratum's profitability and growth

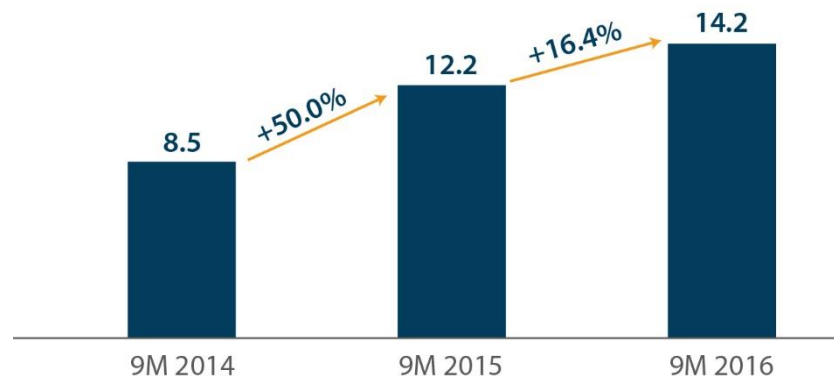
1.	Organization and Management	<ul style="list-style-type: none">• Organizational change from region focus to products and to more efficient management structures• IT migration to more scalable architecture and systems• Centralizing customer service, marketing and collection
2.	Geographic Expansion	<ul style="list-style-type: none">• New market entries postponed• International strategy to include joint ventures and cooperation's
3.	Mobile Bank	<ul style="list-style-type: none">• Product ownership empowered• Marketing started in first three markets: Germany, Sweden and Norway
4.	Product Portfolio	<ul style="list-style-type: none">• Stop non essential activities:<ul style="list-style-type: none">• FerBuy discontinued• The FCB acquisition was canceled• Lending suspended in Slovakia• Increased focus on products with higher CLV

Convincing Growth Story continues

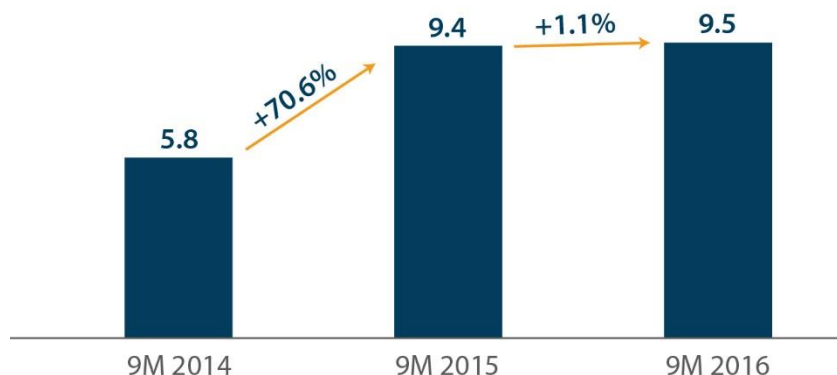
Revenue (EUR million)



Operating profit – EBIT (EUR million)



Profit before income tax – EBT (EUR million)

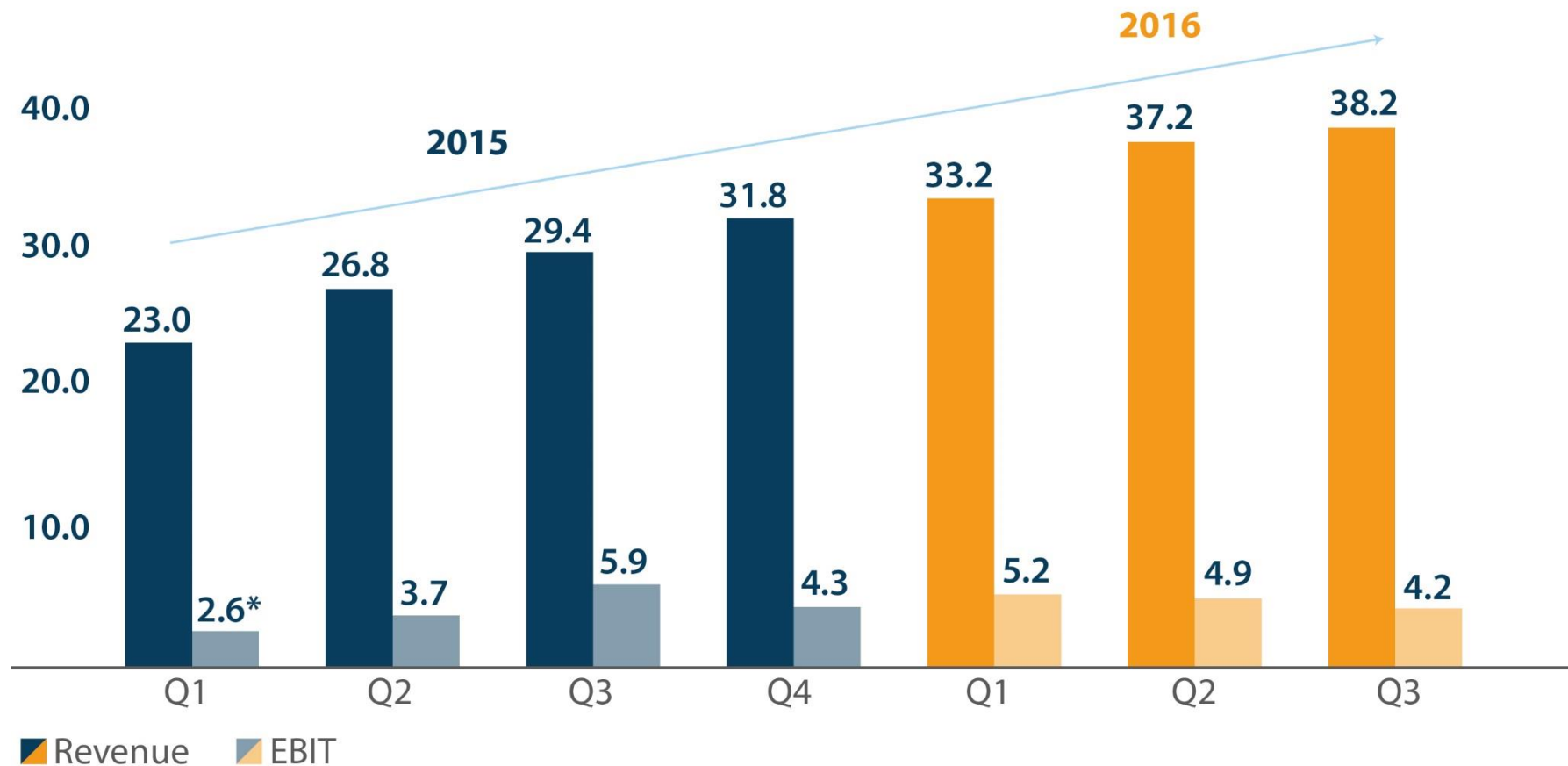


Profit for the period – EAT (EUR million)



Consistent quarterly Revenue Growth and Profitability

in EUR million



* Including IPO related costs in the amount of EUR 488,941 recognized as operating expenses in Q1 2015

First 9 Months 2016 Cost almost equivalent to Full Year 2015 but Revenue and Profit behind Targets

In EUR million

	Full Year 2015	9M 2016
Revenue	111.0	108.6
Impairments on loans	34.7	35.2
Operating expenses	59.9	59.3
EBIT	16.5	14.2
EBT	12.4	9.5
EAT	10.9	8.3

In EUR

	Full Year 2015	9M 2016
EPS	0.51	0.39

- Due to a lack of growth the economies of scale for EBIT are missing
- EBT impacted by 1.1 million FX loss and interest on high deposit volume

Continuous profitable Growth in 9M 2016

<i>In EUR million</i>	9M 2015 Total	9M 2016 Total	
Revenue	79.2	108.6	+37.1%
Other income	48.7	112.7	+130.6%
Administration and operating expenses	(42.2)	(59.3)	+40.5%
Impairments of loans	(24.8)	(35.2)	+41.9%
EBIT	12.2	14.2	+16.4%
Net financial costs	(2.8)	(4.8)	+71.4%
EBT	9.4	9.5	+1.1%
Income tax	(1.1)	(1.1)	0%
Net profit	8.3	8.3	0%
Earning per share, basic	0.39	0.39	0%
Earning per share, diluted	0.38	0.39	+2.6%

- **Revenue growth of 37.1%** in 9M 2016 y-o-y
- **EBIT** grew by 16.4% in 9M 2016 y-o-y, EBIT profitability effected by less than expected growth
- **EBT** with a small increase of 1.1% y-o-y due to FX losses of EUR 1.1 million and additional funding cost due to high deposit volume

Reduced Relevance of Microloan as Portfolio Diversification increases

Approximate
Revenue Split
9M 2015

Approximate
Revenue Split
9M 2016

Ferratum P2P



Mobile Bank



Ferratum Business (SME)

0.1%  2.3%



Credit Limit

34.0%  42.5%



PLUS Loan

10.5%  19.1%



Microloans

55.4%  35.8%



30 countries

Revenue split and revenue structure based on unaudited figures

Portfolio Expansion reflected in Revenue Structure

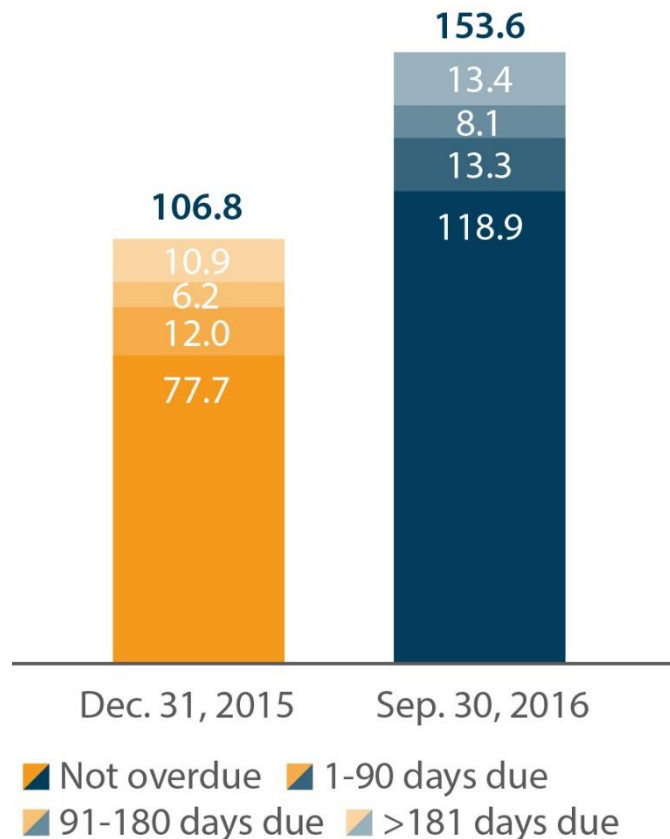
In EUR '000

	Microloans		PLUS Loan		Credit Limit		Ferratum Business		Other*		Total	
	9M15	9M16	9M15	9M16	9M15	9M16	9M15	9M16	9M15	9M16	9M15	9M16
Revenue	43,877	38,935	8,279	20,776	26,889	46,180	105	2,541	28	213	79,179	108,645
Impairments	(17,17)	(15,55)	(2,312)	(7,204)	(5,195)	(11,71)	(75)	(540)	(56)	(229)	(24,80)	(35,23)
Marketing	(4,054)	(4,354)	(2,181)	(5,112)	(6,784)	(9,557)	(9)	(972)	(818)	(994)	(13,85)	(20,99)
Attributable Product margin	22,657	19,036	3,786	8,459	14,911	24,909	21	1,029	(845)	(1,010)	40,530	52,423
Total Non-directly Attributable costs	(15,34)	(12,69)	(2,894)	(6,769)	(9,401)	(15,05)	(37)	(828)	(647)	(2,862)	(28,32)	(38,19)
Gross Product Margin	7,318	6,350	892	1,690	5,511	9,862	(15)	201	(1,492)	(3,872)	12,212	14,231
Finance costs, net	(1,025)	(735)	(335)	(878)	(1,584)	(1,862)	(40)	(237)	(2)	(17)	(2,817)	(4,774)
Net Product Margin	6,293	5,614	557	812	3,926	8,000	(56)	(36)	(1,494)	(3,889)	9,395	9,456

* incl. Mobile Bank, FerBuy and Ferratum P2P

Portfolio Quality significantly improved

Portfolio NBV (EUR million)



<i>In EUR '000</i>	GBV	Impairments	NBV	Coverage ratio (%)
Dec. 31, 2015				
Not overdue	81,686	(3,991)	77,695	4.9
1-90 days due	16,800	(4,769)	12,031	28.4
91-180 days due	11,832	(5,661)	6,172	47.8
>181 days due	45,571	(34,711)	10,860	76.2
Total	155,890	(49,131)	106,758	31.5

<i>In EUR '000</i>	GBV	Impairments	NBV	Coverage ratio (%)
Sept. 30, 2016				
Not overdue	124,939	(6,038)	118,901	4.8
1-90 days due	18,078	(4,823)	13,255	26.7
91-180 days due	14,772	(6,687)	8,085	45.3
>181 days due	54,275	(40,901)	13,374	75.4
Total	212,064	(58,448)	153,615	27.6

Solid Balance Sheet Structure: High Cash Level

<i>In EUR '000</i>	30-Sep-2015	31-Dec-2015	30-Sep-2016
Assets			
Non-current assets	8,713	11,484	16,171
Net receivables	93,633	106,758	153,615
Other current assets	3,501	4,433	15,234
Cash and cash equivalents	31,274	17,452	71,765
Total Assets	137,121	140,127	256,785
Equity and liabilities			
Equity	74,642	77,638	83,250
Non-current liabilities	48,743	48,927	47,673
Current liabilities	13,736	13,562	125,862
of which deposits	2,846	3,009	88,661
Total Equity & Liabilities	137,121	140,127	256,785
Net debt to equity ratio	0.42	0.58	1.22

Operative Cash Flow significantly increased

<i>In EUR '000</i>	9M 2015	9M 2016
Assets		
Net cash from operating activities before movements in portfolio and deposits	34,698	40,242
Net cash from operating activities	(21,501)	43,806
Net cash used in investing activities	(2,340)	(6,038)
Net cash used in financing activities	47,690	17,958
Net increase/decrease in cash and cash equivalents	23,849	55,726
Cash and cash equivalents at the end of the period	31,274	71,765

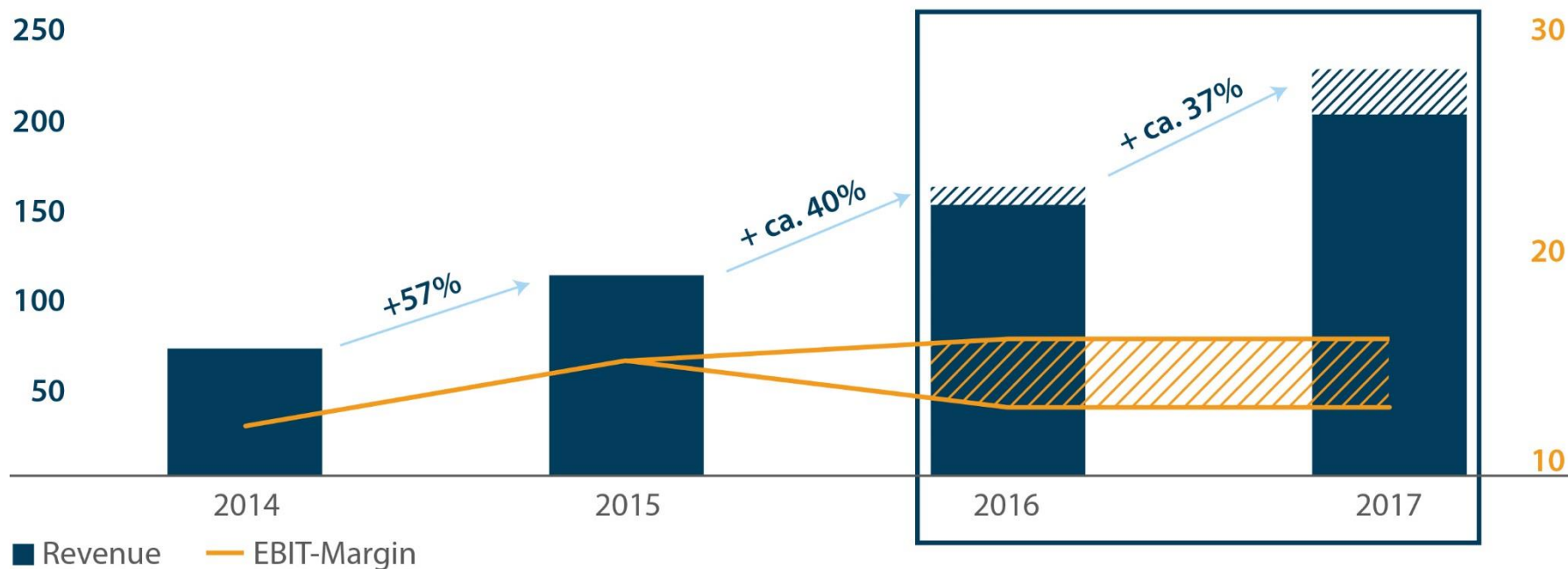
- **Net cash flow from operating activities before movements in portfolio and deposits:** +16.0% y-o-y in 9M 2016
- **Net Cash flow from operating activities:** now positive due to strong inflow of deposits
- **Cash and cash equivalents:** high level und good for further growth

Ferratum Outlook 2016 and 2017

	2016	2017
Revenue (EUR million)	150-160	200-225
EBIT-Margin	13%-16%	13%-16%

in EUR million

EBIT-Margin in %



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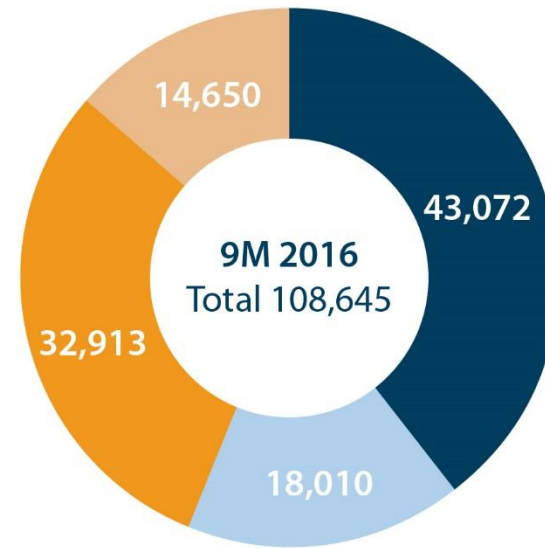
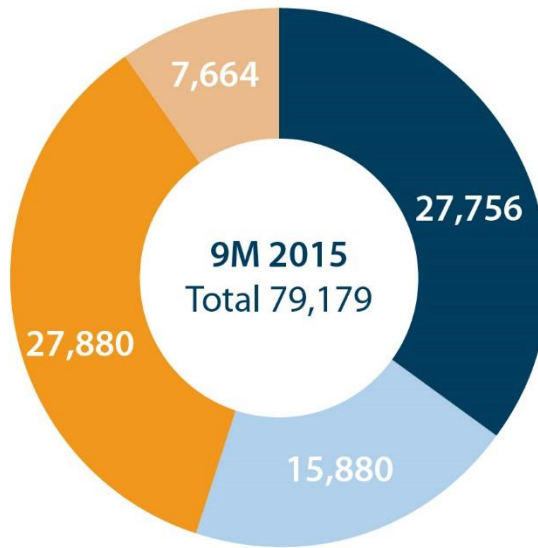
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BACKUP

Revenue Growth reflected in regional Growth

in EUR '000



- Nordics (Finland, Sweden, Denmark, Norway)
- CN (Netherlands, UK, New Zealand, Australia, Canada)
- Northeast (Estonia, Latvia, Lithuania, Poland, Czech, Slovakia, Russia)
- Other (Bulgaria, Romania, Croatia, Spain, Germany, France, Mexico)