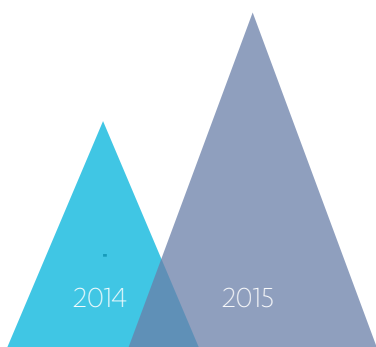


Arrow Global Q3 Results

Profit Before Tax

Q3 2014	£21.9 million
Q3 2015	£25.9 million



Core Collections

2014	£21.9 million
2015	£25.9 million

Portfolio Acquisitions

Acquired debt portfolios with a face value of £1,077 million for £97.1 million.

£1,077M

European Expansion in the Netherlands

In November 2015, Arrow Global Group PLC announced that, inline with the Group's European growth strategy, it had acquired a loan portfolio in the Netherlands with a face value of circa €173 million.

Highlights

- Portfolio comprises mainly unsecured, secured and non-paying loans
- The portfolio is also expected to provide significant levels of data that will help inform future purchase decisions



Tom Drury,
Chief Executive
Officer, Arrow
Global Group Plc

Welcome to our third and final European Newsletter of 2015. In this issues we hear from Pedro Santo of VdA and we take a look at our recent Q3 results, purchases and ahead to 2016.

The last 12 months have been an evolutionary period for the company, which has seen us expand our UK operations with the acquisition of Capquest, providing a state of the art in-house collections platform. With the acquisitions of Whitestar and Gesphone we firmly cemented our position as the number one player in the Portuguese market. And, in November we also announced our first significant portfolio purchase in the Netherlands, acquiring €173 million of unsecured, paying and non-paying loans.

I'm delight to announce that we have once again delivered another strong set of results in what has been a busy Q3 period. In terms of key figures, we have had another impressive quarter. Total revenues are up 53.2% to £120.0 million (Q3 2014: £78.3 million), driven by a 42.2% increase in core collections to £155 million (Q3 2014: £109.3 million), and asset management revenues growing to £9.2 million (Q3 2014: £1.4 million).

We have continued to successfully grow servicing revenues across the business in the UK and Europe and along with the acquisition in Holland, in November, we also secured our first portfolio investment from the strategic origination partnership with CarVal Investors in Portugal.

We also strengthened further our funding position. In September we successfully placed €110 million worth of bonds, which supplements the Group's high levels of cash generation and further strengthens our ability to grow further our asset base.

Looking ahead to the end of the year, we are confident of achieving overall full-year earnings in line with expectations and we will continue to look for opportunities which fit our long-term strategy and allow us to continue to grow our servicing offering.

I'd also like to thank everyone who was able to join the British Ambassador, H.E. Kirsty Haye, the Arrow Board and myself at a recent reception at the British Ambassador's Residence in Lisbon.

And finally, I'd like to wish you all a very Merry Christmas and hope you have a Happy New Year.

BEM VINDOS A PORTUGAL ARROW GLOBAL

(or Welcome to Portugal Arrow Global)



BY

Pedro Cassiano Santos,
Lawyer,
Partner at VdA, Lisbon.

It is a great honour to address these words to Arrow Global and all of its stakeholders, an opportunity I would use to welcome you most dearly into Portugal and to congratulate you for the investments completed in this jurisdiction.

Portugal is most known in the international arena for the excellence of its summer resorts and golf courses, as well as the uniqueness of its wines (with Port wine on top). There are the good flavours in its gastronomy and probably also for the quality of its footballers, but the reality is that Portugal is also an attractive location for some business activities, including in the fields of structured finance, stressed debt acquisition and credit recovery services.

A few reasons contribute to such attractiveness and among them the size of the local market is definitely not one of them as the economy is small and volumes tend to stay within

low numbers. Portugal presents, however, a developed and sophisticated jurisdiction, that has always been open to Anglo-Saxon influences without losing its Roman inspired, Continental European roots.

▼▼... the reality is that Portugal is also an attractive location for some business activities, including in the fields of structured finance, stressed debt acquisition and credit recovery services. ▼▼

Specifically in structured finance, probably also by virtue of the need to handle such situations much sooner than fellow Continental European jurisdictions, Portugal has been on the posters for quite some time with a vivid and inventive securitisation market (the first securitisation in Portugal to have reached AAA rating dates back from the late nineties). Many asset classes have been successfully securitised (including tax and social security claims, toll roads, energy tariff deficits, airplane tickets and all types of banking credits, naturally with mortgages on top), coupled with a covered bonds market based on solid legal ground (inspired by the similar German instrument) that enabled the re-financing of lending businesses developed by all banking participants.

Portuguese structured finance may thus be presented as joining the techniques collected from the London light-house together with those from Frankfurt and Paris, making available to market participants and investors an ample spectrum of choices to structure their transactions in a very user friendly jurisdiction.

As to stressed debts acquisition and credit recovery services, Portugal also has a solid background and track record as these are concepts that have been around and enjoyed professional treatment for over a decade now. The need of most banks to manage their balance sheets (and to conduct asset disposals to reduce capital consumption) and the existence of a close connection between credit granting and real estate (which has proven excessive in some instances) enabled the emergence of a specialised market sooner than in the generality of other locations.

▼▼ Portuguese structured finance may thus be presented as joining the techniques collected from the London light-house together with those from Frankfurt and Paris. ▼▼

Here again, the user friendly nature of the jurisdiction and the robustness of the legal concepts at play, have proven very effective and therefore the market developed quite rapidly over the first decade of the 21st century. In this process, Whitestar Asset Solutions, SA (and sister Hefesto Securitisation Company) have been among the very first participants in this market and excelled during their period as specialised captive subsidiaries

BEM VINDOS A PORTUGAL

- Continued...

for Lehman Brothers, virtually closing out the market to other players and completing all Portuguese transactions from 2005 to 2008.

These entities resisted the Lehman debacle and kept on doing their business under PwC's management throughout the insolvency period (in which they were called the crown jewels of Lehman Brothers UK's insolvent estate) and regained market access by completing their first transaction of their new era in November 2011. With this transaction a new avenue has been opened, also allowing for the availability to render independent collection services to a great variety of clients both as originators as well as investors (in this case coming from many distant locations).

▼ *the user friendly nature of the jurisdiction and robustness of the legal concepts at play, have proven very effective and therefore the market developed quite rapidly over the first decade of the 21st century.* ▼

The experience and skill of Whitestar and its team, together with the robustness of their structure and legal architecture, enables these entities to emerge as undisputed market leaders calling on the attention of a first specialised and professional international investor (Carval) who acquired them in a public disposal process completed by PwC in 2013.

Arrow Global arriving in 2015 as the new shareholder for these companies' has led to a great push in the companies' activities, also contributing very significantly to the development of the Portuguese market itself for the vast opportunities and know-how which it brings along into Lisbon.

The Portuguese certainly have a lot to learn and to grow with Arrow's participation in our market and we appreciate all the challenges that come along with your presence. Enjoy Portugal (and you will also enjoy the quality of our beaches and golf courses and get a nice taste of our flavours and wines!!!).

Please allow me to also extend some credit to Whitestar and Hefesto and their teams (whom I have been privileged to assist as legal counsel for over a decade) as their successes and all the effort and endurance developed across these years certainly deserve the merit of having Arrow Global Group as a shareholder.

Muito obrigado.

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