



Investor Presentation

March 2016





About Forward-Looking Statements

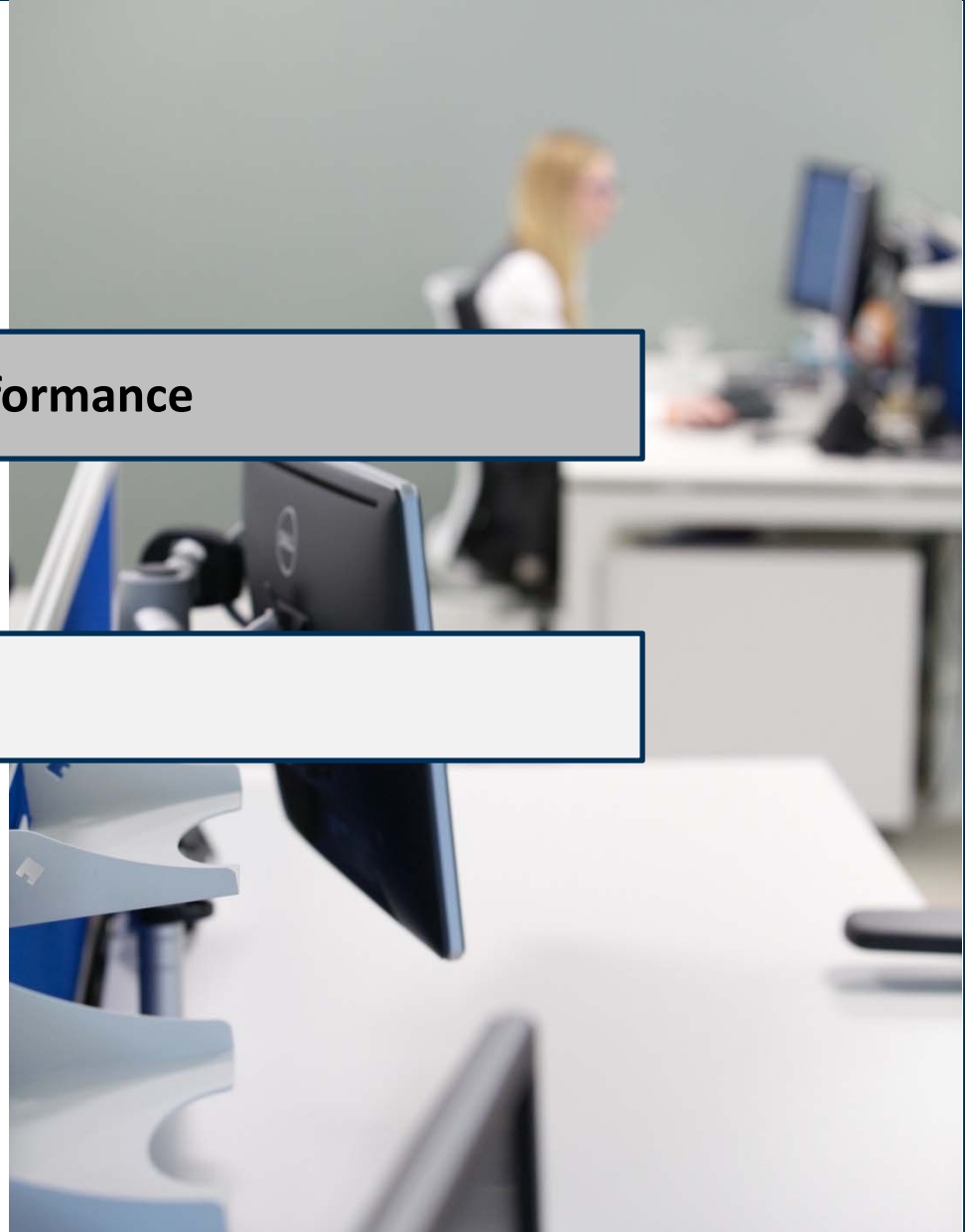
Statements herein, other than statements of historical fact, are forward-looking statements, which are based on our current beliefs, projections, assumptions and expectations concerning future operations and financial performance. Such statements involve uncertainties and risks, some of which are not currently known to us, and may be superseded by future events that could cause actual results to differ materially from those expressed or implied herein. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of today, and are qualified in their entirety by these cautionary statements. Information regarding risk factors and other information that could change our projections or impact our actual results can be found in our most recent Annual Report on Form 10-K and in subsequent public filings, and should be considered in evaluating the forward looking statements herein. Except as required by law, we assume no obligation to update or revise these statements to reflect changes in events, conditions or circumstances on which any such forward-looking statements are based, in whole or in part.



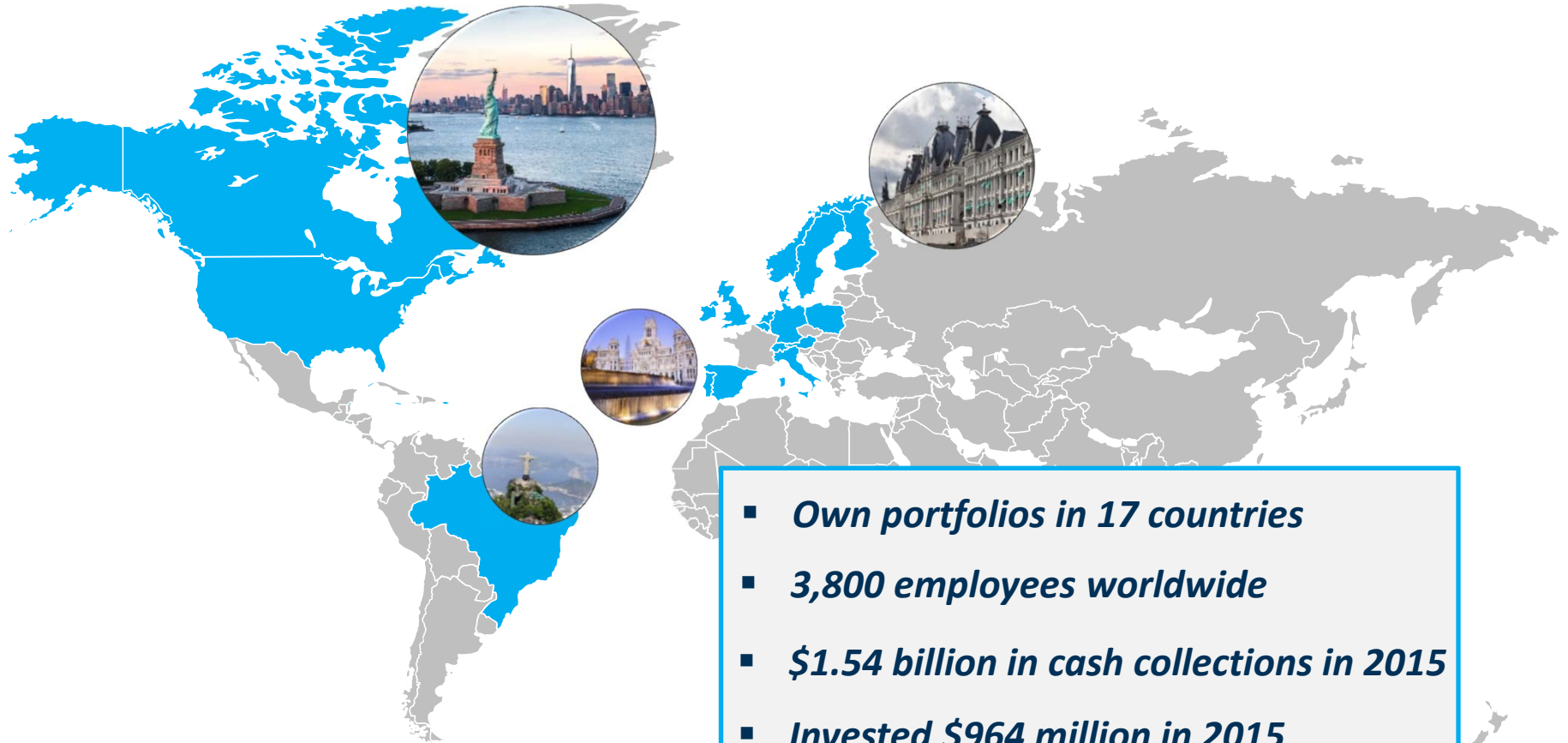
Agenda

20 Year Track Record of Performance

Current State of PRA



PRA Group – A Global Debt Buyer Still Led by Founders

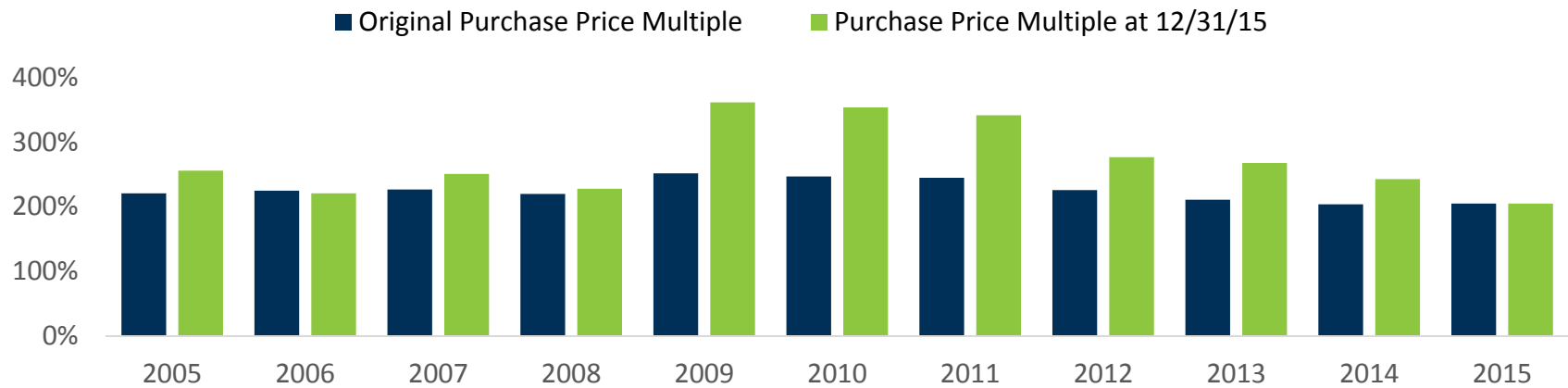


- *Own portfolios in 17 countries*
- *3,800 employees worldwide*
- *\$1.54 billion in cash collections in 2015*
- *Invested \$964 million in 2015*
- *Adjusted estimated remaining collections of \$5.1 billion at Dec. 31, 2015*

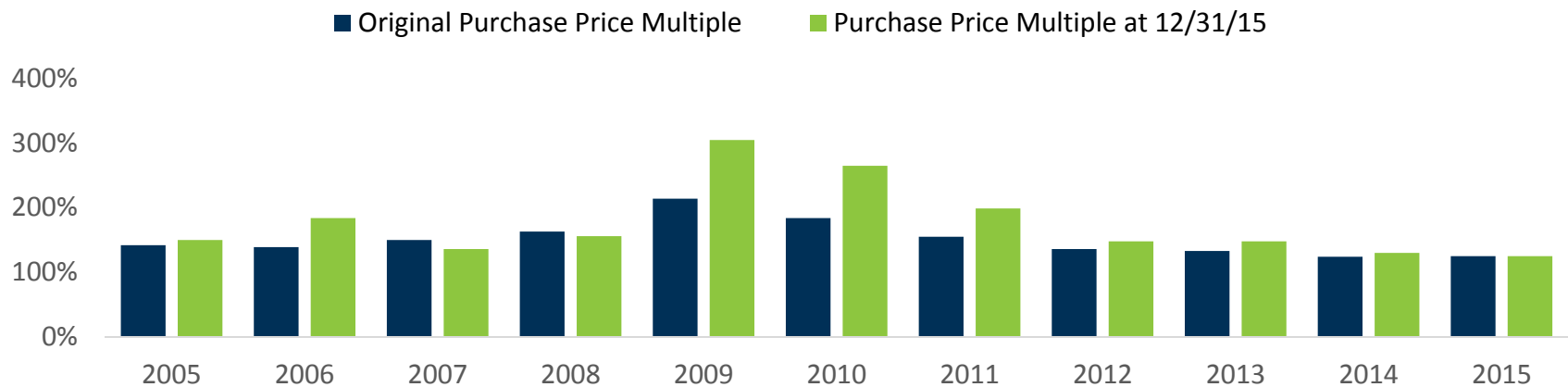


20 Years of Underwriting Expertise

Americas Core



Americas Insolvency





20 Years of Data Driving Analysis and Operational Performance

Portfolio sales have never been
a part of our business plan

**Insight into how collections
occur over 20 years**

Collect in-house
in the U.S.

**Insight into what drives
every single payment**

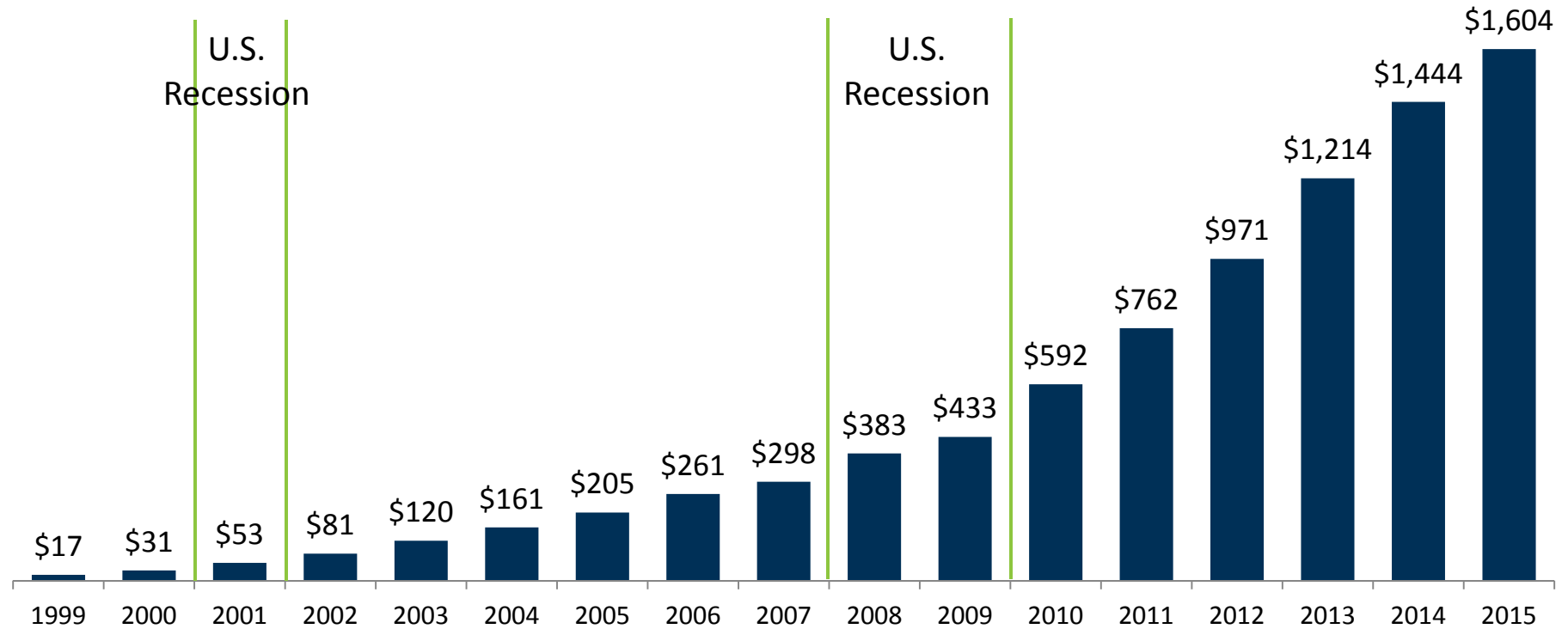
All U.S. collections are done
with domestic call centers

**Collectors have better
rapport with customers**



Long History of Growing Cash Receipts

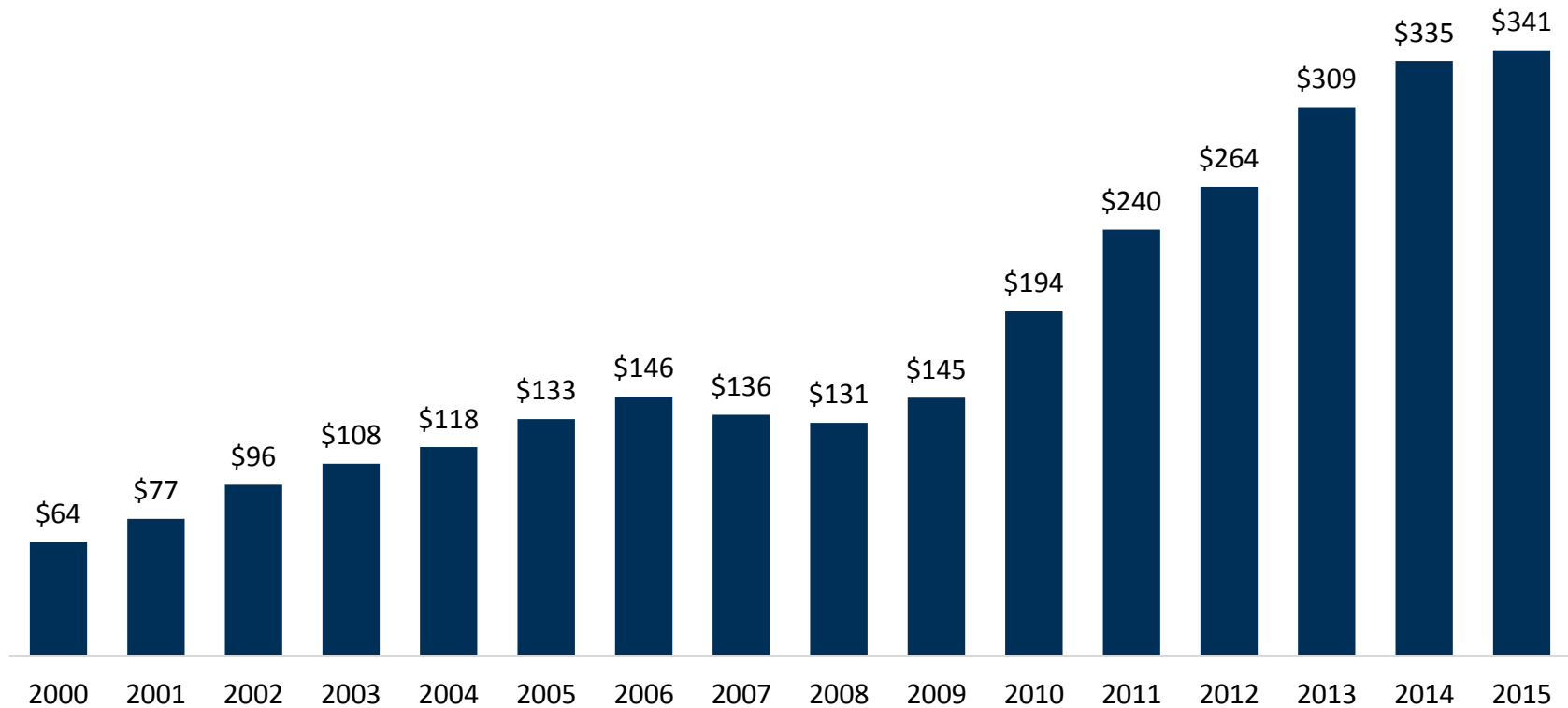
(\$ in millions)





Continued Improvements in Productivity

Total Cash Collections^(a) Per Collector Hour Paid – U.S.



(a) Represents total cash collections divided by total hours paid including holiday, vacation and sick time to collectors including those in training



Diversification and Significant Growth in ERC

2002 Estimated Remaining Collections by Geography

United States
100%



\$196 million in ERC

2015 Estimated Remaining Collections^(a) by Geography

Other Americas
1%

Europe
41%

United States
58%

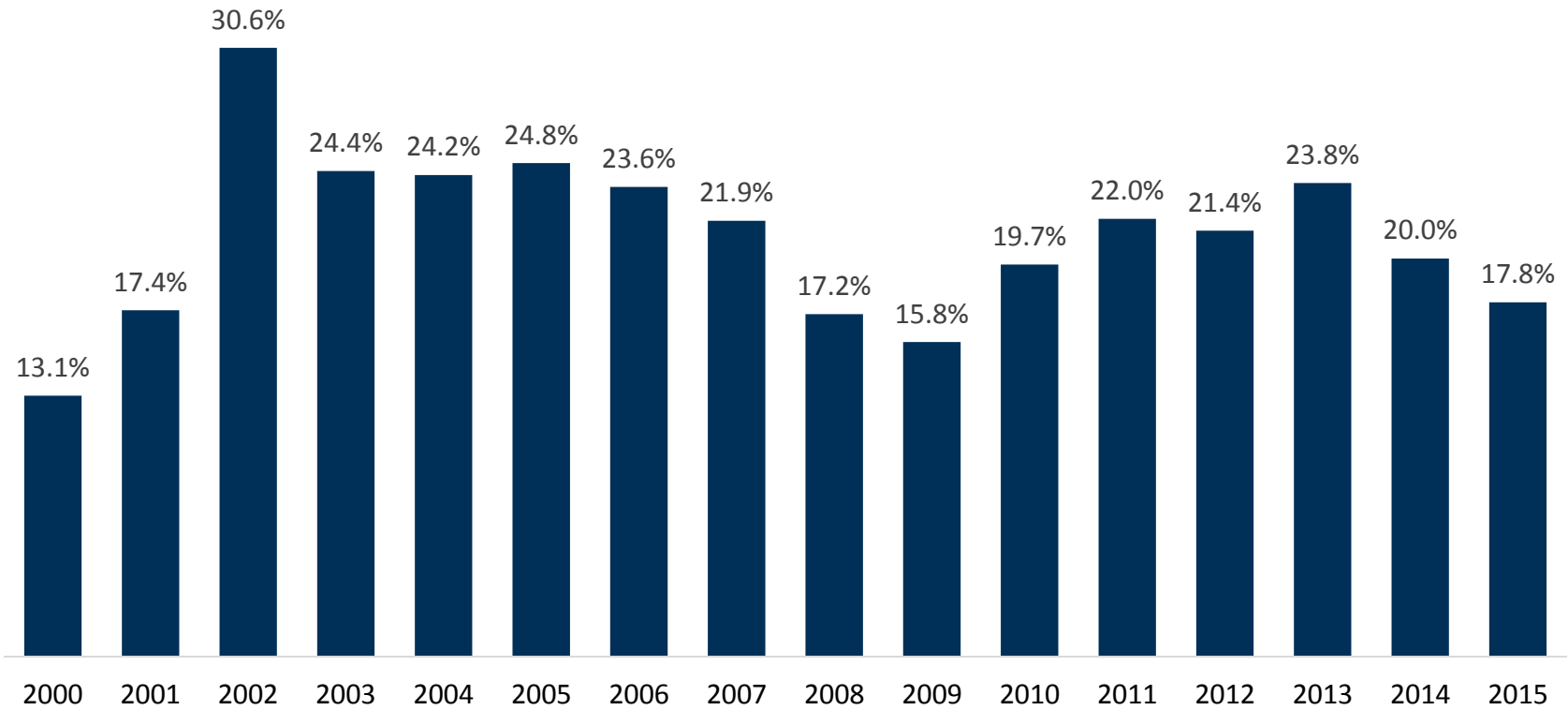
\$5.1 billion in ERC

(a) Includes the estimated remaining collections associated with investment in the securitized fund in Poland



Profitable Performance in Any Environment

GAAP Net Income Margin Over Time





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20 Year Track Record of Performance

Current State of PRA

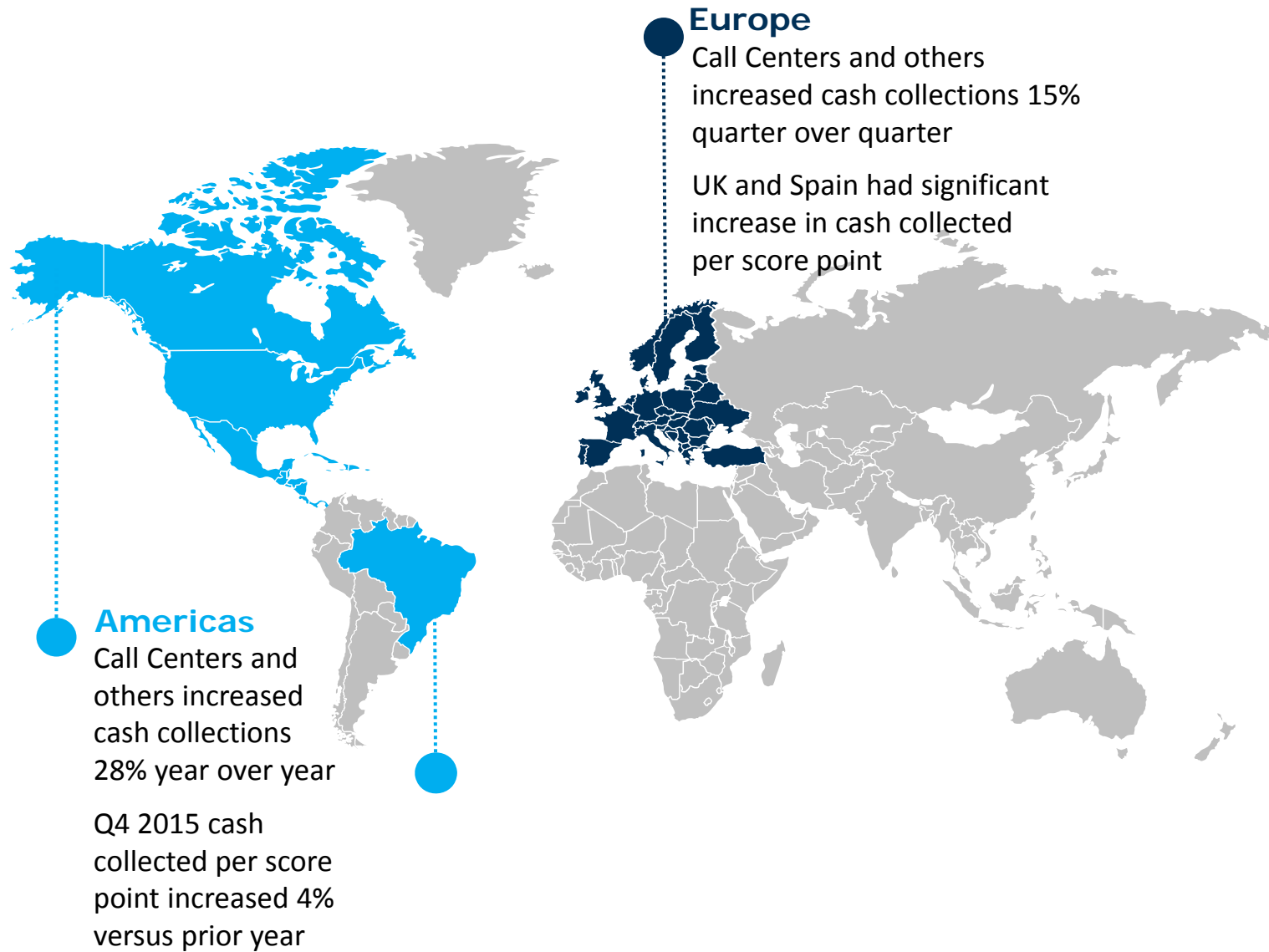


Operating Results

	Q4 2015	Full Year 2015
Cash Collections	\$369 million	\$1.54 billion
Total Revenues	\$230 million	\$942 million
Net Income	\$41 million	\$168 million
Non-GAAP Net Income	\$49 million	\$208 million
Diluted EPS	\$0.86	\$3.47
Non-GAAP Diluted EPS	\$1.03	\$4.30
Annualized ROE	19.8%	19.9%



Robust Operating Performance





Generation of Cash Flow is Significant

(\$ in millions)

Free Cash Flow



Free cash flow is net cash provided by operating activities plus collections applied to principal on finance receivables



Data is Increased by 20 Years of History in Europe



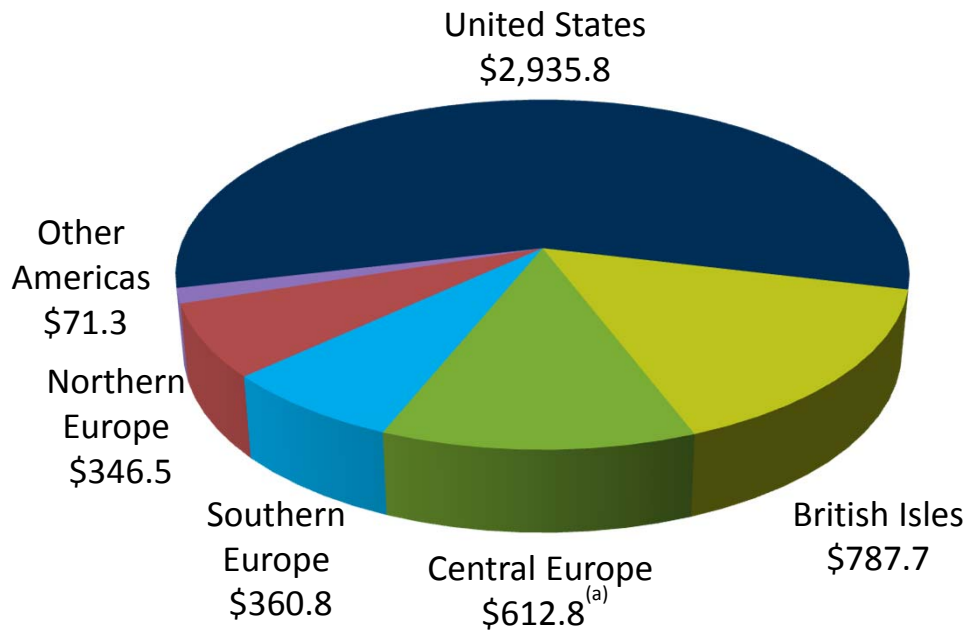


ERC is Diverse in Both Geography and Product

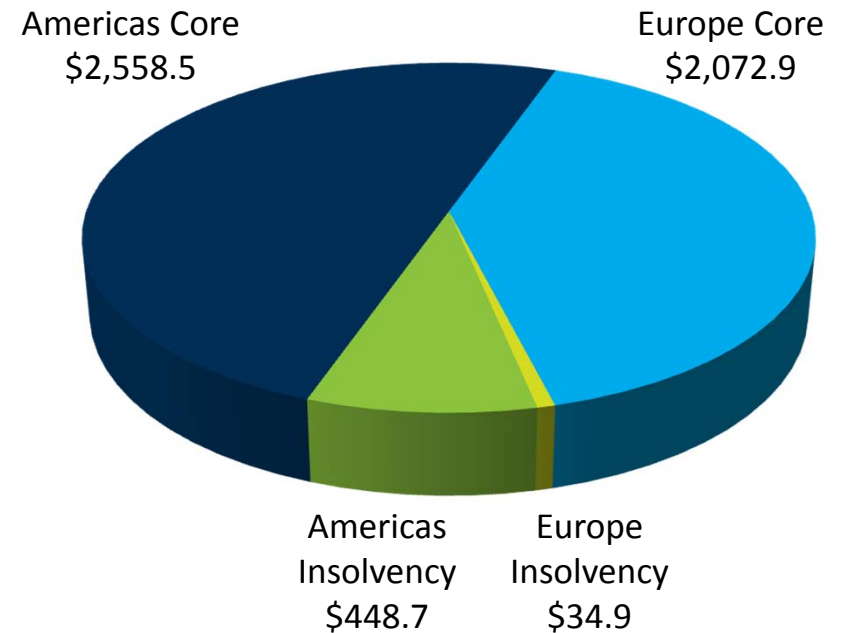
(\$ in millions)

\$5.1 Billion^(a) in ERC Worldwide

\$2.2 Billion Internationally



\$4.6 Billion in Core



(a) Includes the estimated remaining collections associated with investment in the securitized fund in Poland



Current Headwinds

Headwind

Response

Higher debt levels means increased interest expense

Reviewing capital utilization strategy

Product mix shifting to early stage Core from late stage Insolvency

Focusing on continued core operations efficiency and productivity gains

Income statement foreign exchange gain in 2015 not expected to repeat

\$7.5 million gain in 2015

Supply in U.S. is challenging

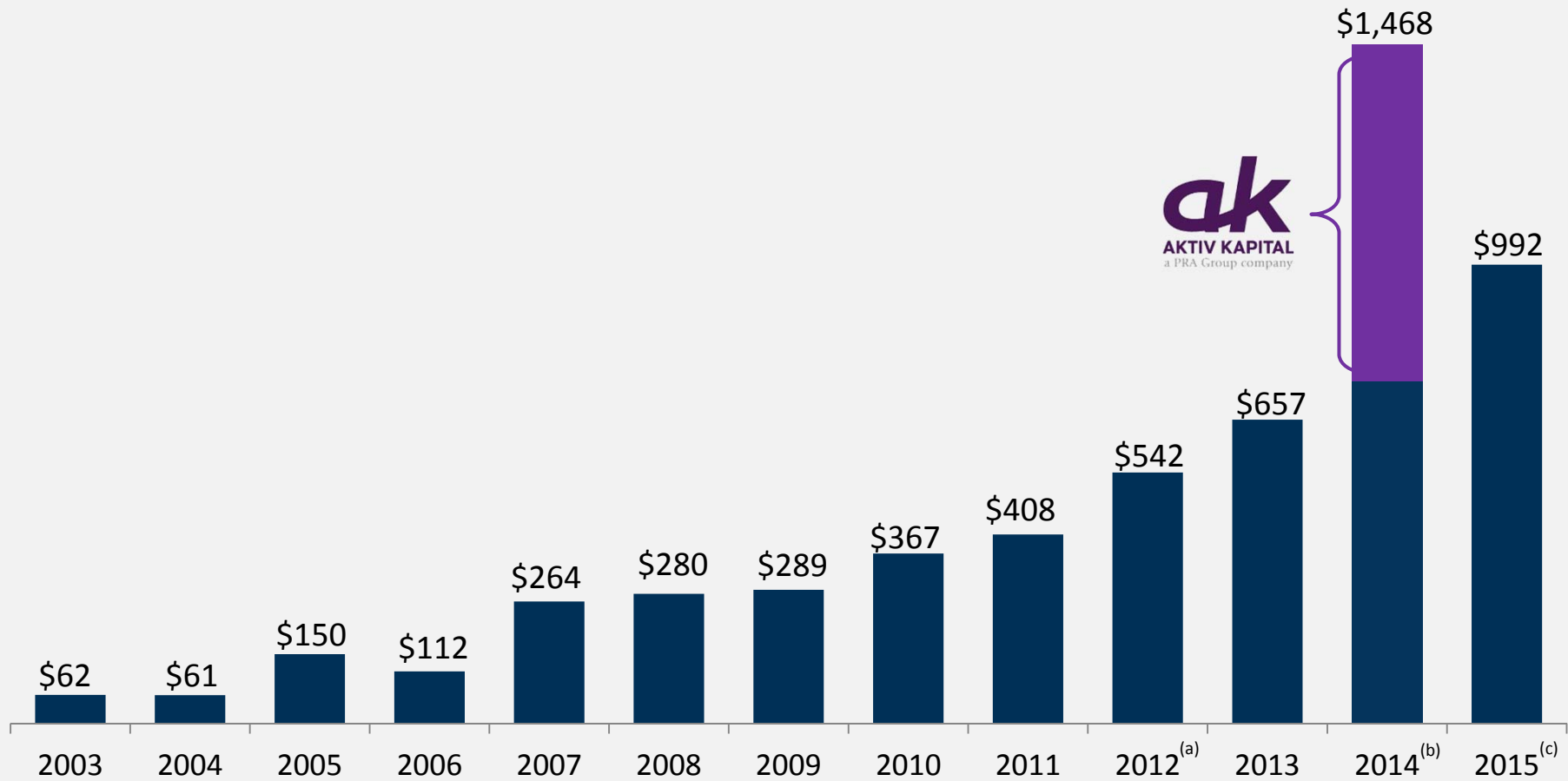
Identify acquisition and organic growth opportunities in new geographies and products





Still Deploying Significant Capital

(\$ in millions)



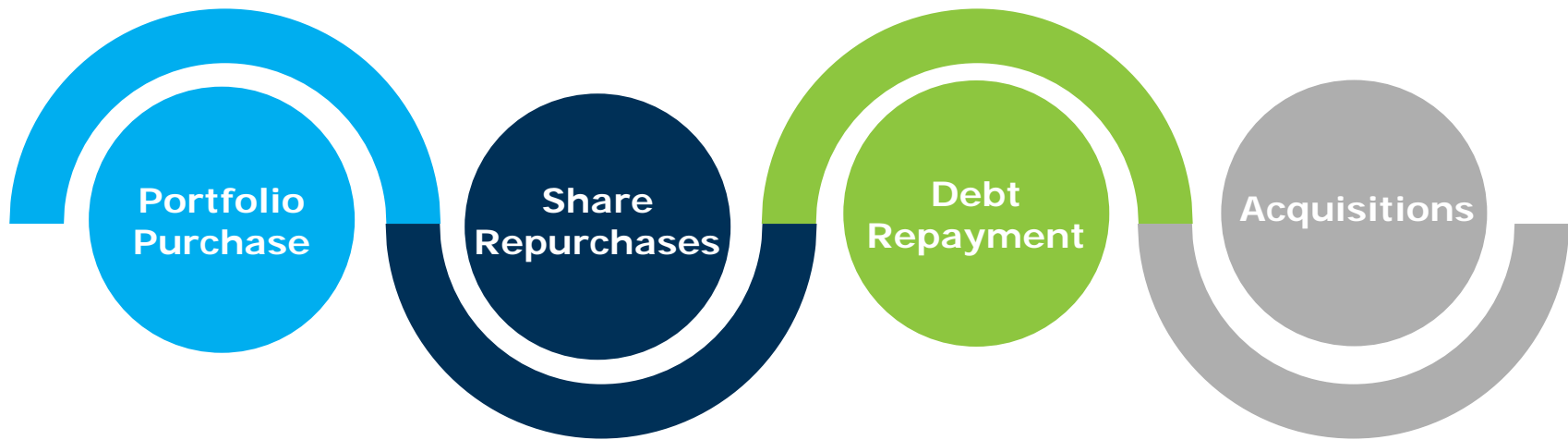
(a) Includes finance receivables associated with the Mackenzie Hall acquisition

(b) Includes finance receivables associated with the Aktiv Kapital acquisition and investment in securitized fund in Poland

(c) Includes investment in securitized fund in Poland



Capital Deployment Strategy



PRA Group





GAAP to non-GAAP Reconciliation

Use of Non-GAAP Financial Measures

PRA Group, Inc. reports financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, the Company believes certain non-GAAP performance measures and ratios which exclude penalty and fees associated with the CFPB consent order, expenses associated with acquisitions, one-time tax items, legal costs not associated with normal operations, and constant currency adjustments may provide additional meaningful comparisons between current year results and prior periods. Reconciliations from non-GAAP to the most directly comparable GAAP financial measures are provided below. These non-GAAP financial measures should be viewed in addition to, not as an alternative for reported GAAP results.

The constant currency results assume that foreign revenues and expenses are translated from foreign currencies to the U.S. Dollar at rates consistent with the prior year, and that any benefit or loss caused by foreign currency fluctuations would be consistent with the prior year. To do this the company translates the current year's income statements into U.S. Dollars using the prior year's average exchange rates and then replaces the foreign exchange gain or loss for the current year with the balance from the prior year. Finally, the company calculates the tax impact of the constant currency results to reflect the current effective tax rate of the reporting period.

Three Months Ended December 31, 2015

	Cash		Income Recognized on Finance Receivables	Fee Income	Other Income	Total Revenues	Expenses	Income from Operations	Income before Taxes	Net Income	Diluted EPS
	Collections	Amortization									
As Reported	\$ 369,371	\$ 160,900	\$ 208,471	\$ 19,649	\$ 2,065	\$ 230,185	\$ 159,013	\$ 71,172	\$ 56,152	\$ 40,970	\$ 0.86
Adjustments:											
CFPB expenses including penalty and redress	-	-	-	-	-	-	(111)	111	111	68	-
Acquisition and other expenses	-	-	-	-	-	-	(1,639)	1,639	1,639	1,005	0.02
Legal costs not associated with normal operations	-	-	-	-	-	-	(12,045)	12,045	12,045	7,383	0.16
Constant currency adjustments	10,884	5,603	5,281	558	725	6,564	4,143	2,421	(596)	(439)	(0.01)
Subtotal of adjustments	10,884	5,603	5,281	558	725	6,564	(9,652)	16,216	13,199	8,016	0.17
As Adjusted	<u>380,255</u>	<u>166,503</u>	<u>213,752</u>	<u>20,207</u>	<u>2,790</u>	<u>236,749</u>	<u>149,361</u>	<u>87,388</u>	<u>69,351</u>	<u>48,986</u>	<u>1.03</u>

Twelve Months Ended December 31, 2015

	Cash		Income Recognized on Finance Receivables	Fee Income	Other Income	Total Revenues	Expenses	Income from Operations	Income before Taxes	Net Income	Diluted EPS
	Collections	Amortization									
As Reported	\$ 1,539,495	\$ 674,373	\$ 865,122	\$ 64,383	\$ 12,513	\$ 942,018	\$ 631,674	\$ 310,344	\$ 257,522	\$ 167,926	\$ 3.47
Adjustments:											
CFPB expenses including penalty and redress	-	-	-	-	-	-	(28,807)	28,807	28,807	19,641	0.41
Acquisition and other expenses	-	-	-	-	-	-	(5,628)	5,628	5,628	3,837	0.08
One-time tax items	-	-	-	-	-	-	-	-	-	2,026	0.04
Legal costs not associated with normal operations	-	-	-	-	-	-	(13,824)	13,824	13,824	9,426	0.19
Constant currency adjustments	22,232	10,984	11,248	759	424	12,431	8,038	4,393	7,323	5,078	0.10
Subtotal of adjustments	22,232	10,984	11,248	759	424	12,431	(40,221)	52,652	55,582	40,008	0.83
As Adjusted	<u>1,561,727</u>	<u>685,357</u>	<u>876,370</u>	<u>65,142</u>	<u>12,937</u>	<u>954,449</u>	<u>591,453</u>	<u>362,996</u>	<u>313,104</u>	<u>207,934</u>	<u>4.30</u>