PRA Group™

Q4 2019
CONFERENCE CALL PRESENTATION

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 Such statements involve uncertainties and risks, some of which are not currently known to us, and may be superseded by future events that could cause actual results to differ materially from those expressed or implied herein.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.

LONG-TERM FOCUS AND DISCIPLINE DELIVERS A RECORD YEAR

Record portfolio purchases* of $1.2 billion

Record global cash collections of $1.8 billion

Record revenue surpassing $1.0 billion for the first time

Record estimated remaining collections of $6.8 billion

*Portfolio purchases exclude finance receivables portfolios that were acquired through business acquisitions

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AMERICAS Q4 2019 RESULTS

Cash collections of $317 million

Invested $141 million in Americas Core and Insolvency

Stable trends in supply and returns

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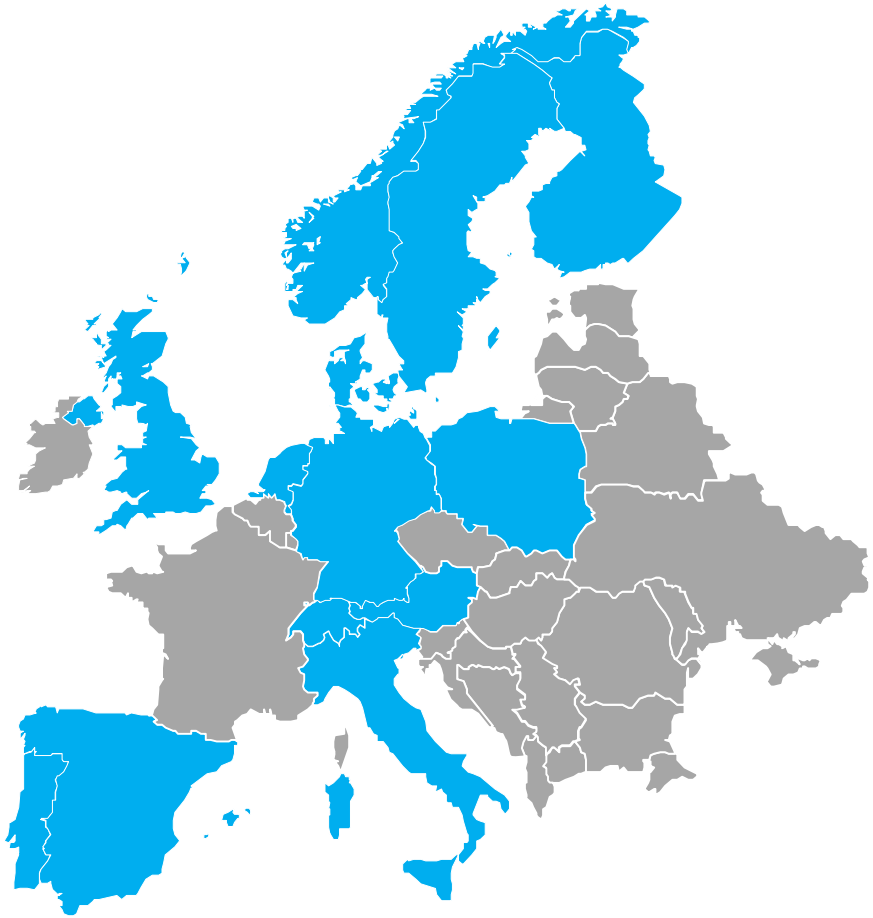
EUROPE Q4 2019 RESULTS

Record cash collections in Europe

Invested $262 million and purchased portfolios in all nine operating markets in 2019

Increasing supply



FINANCIAL RESULTS

($ in millions, except per share results)

	Q4 2019	Q4 2018
Cash Collections	$456.6	$402.7
Total Revenues	$269.1	$236.7
Net Allowance Charges	$12.6	$21.4
Operating Expenses	$185.8	$183.1
Net Income Attributable to PRA Group, Inc.	$27.3	$14.9
Diluted EPS	$0.60	$0.33

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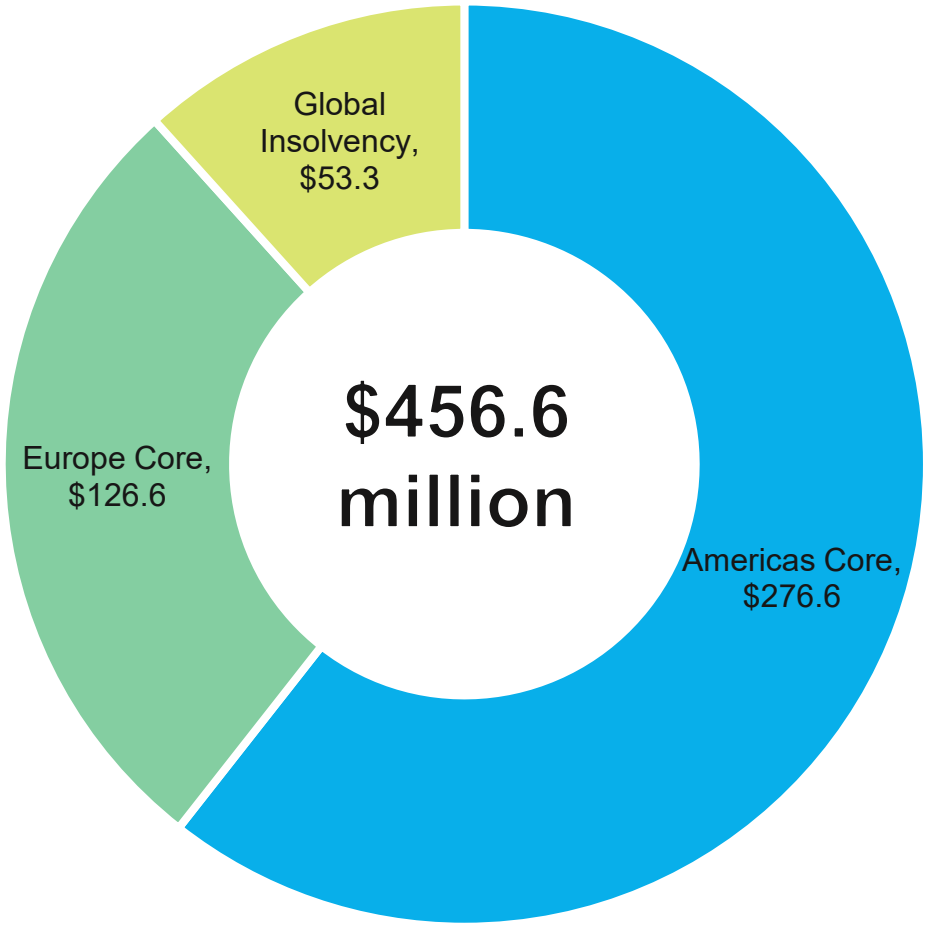
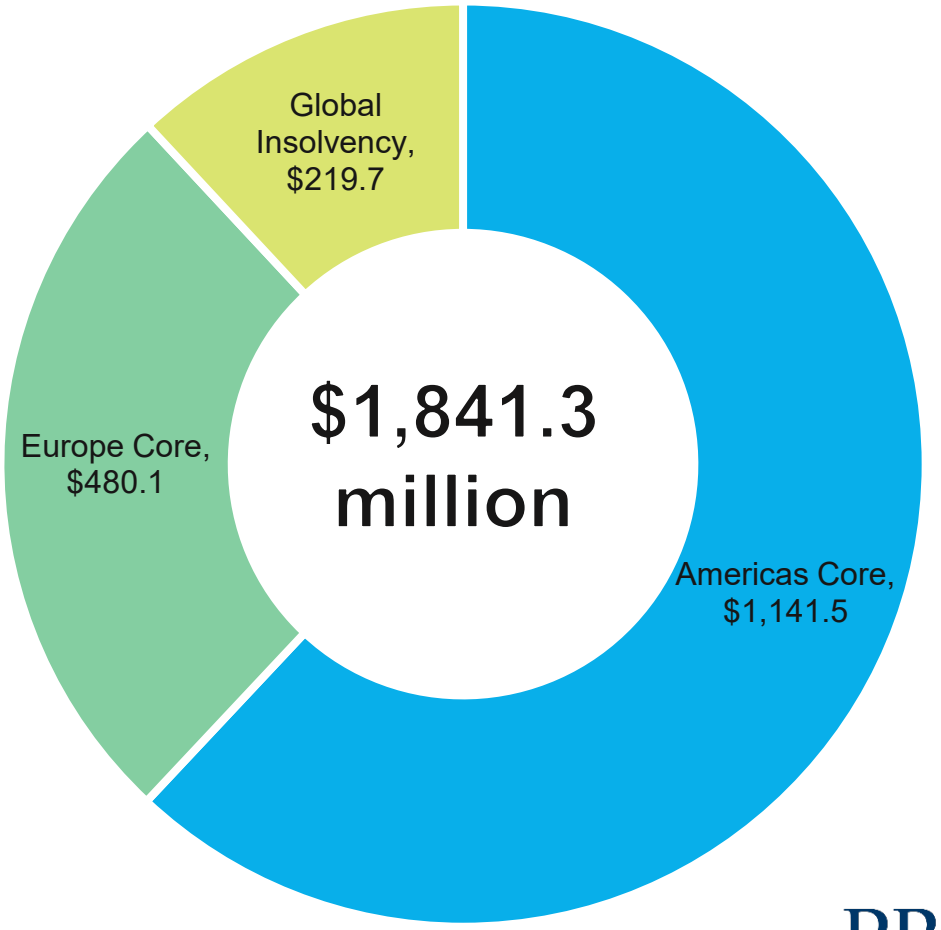
CASH COLLECTIONS

($ in millions)

Fourth Quarter 2019



Full Year 2019



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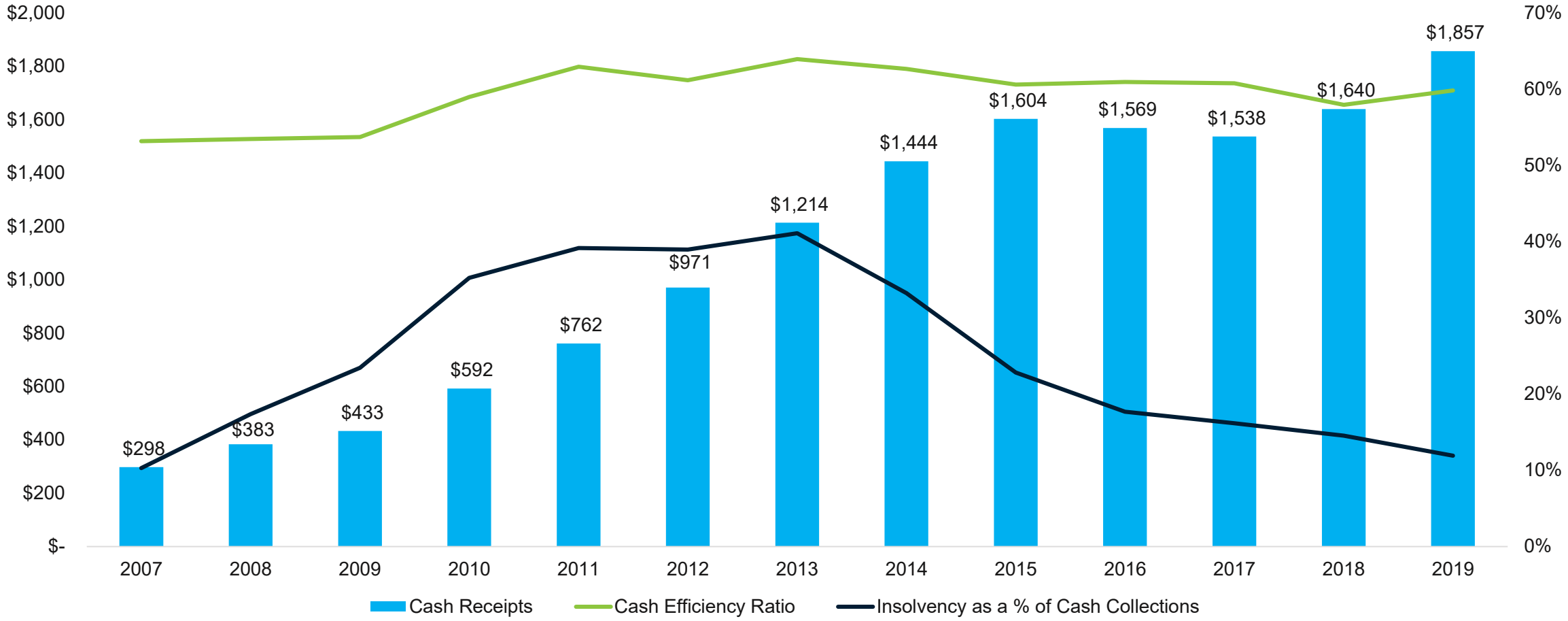
Q4 2019 CASH EFFICIENCY RATIO OF 59.7%, 59.9% FULL YEAR

($ in millions, Cash efficiency ratio = (cash receipts – operating expenses)/cash receipts)



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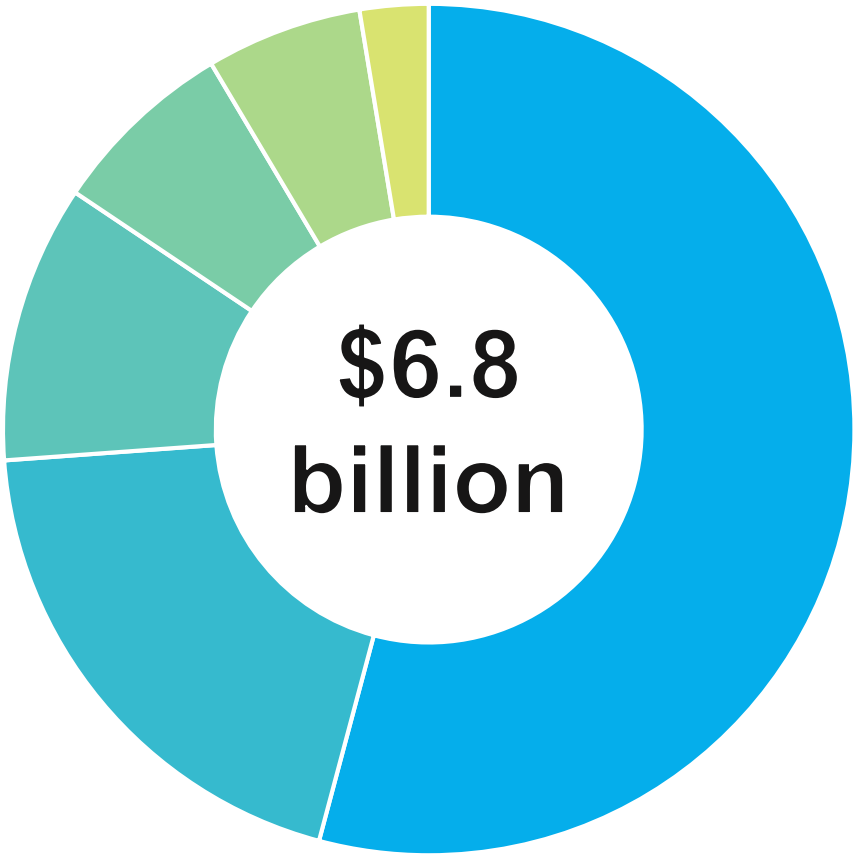
ESTIMATED REMAINING COLLECTIONS AND AVAILABLE CAPITAL

($ in millions)

as of December 31, 2019



Estimated Remaining Collections

- **United States - $3,438**
- **United Kingdom - $1,529**
- **Central Europe - $726**
- **Northern Europe - $458**
- **Other Americas - $386**
- **Southern Europe - $218**

$554 Million Available for Portfolio Acquisitions

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THE IMPACT OF CECL ON THE FINANCIAL STATEMENTS

Remaining the Same

- Upon completion of initial booking, net finance receivables will still reflect purchase price
- Use purchase price and total estimated collections to solve for effective interest rate
- Revenue will still be calculated by net finance receivables multiplied by effective interest rate

Changing

- Revenue will now be titled Portfolio Income
- Effective interest rate will not change regardless of performance
- Changes in ERC will be recognized in the current quarter through an income statement line titled "Changes in Estimated Recoveries"
- Cash collections above or below what was expected in the current quarter will also be recognized in "Changes in Estimated Recoveries"
- Present value of the change in ERC will be recorded as an increase or decrease to net finance receivables

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PRA GROUP IS IN A STRONG COMPETITIVE POSITION

Industry trends are promising

Efficient operations

Significant capital and cash generation to invest in portfolios

Favorable capital positions

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Q4 2019 Q&A

Q1 2020 ESTIMATED REVENUE MODEL - $ IN THOUSANDS

Americas Core	1996-2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
YTD Q4 2019 Gross Revenue (Q4 2019 Earnings Press Release)	15,005	8,090	14,670	13,930	26,477	37,701	52,469	88,200	128,559	196,082	96,841	
YTD Q3 2019 Gross Revenue (Q3 2019 Earnings Press Release)	11,789	6,193	11,388	10,740	20,902	29,808	41,259	68,750	99,359	151,021	52,441	
Q4 2019 Gross Revenue (YTD Q4 2019 Gross NFR Rev minus YTD Q3 2019 Gross NFR Rev)	3,216	1,897	3,282	3,190	5,575	7,893	11,210	19,450	29,200	45,061	44,400	
Q4 2019 NFR (Q4 2019 Earnings Press Release)	9,279	3,485	7,707	16,011	33,648	55,033	93,385	139,380	242,129	460,797	533,933	
Q3 2019 NFR (Q3 2019 Earnings Press Release)	9,129	3,515	7,961	16,535	38,399	61,924	102,848	149,129	265,095	499,814	435,407	
Average Q4 2019 and Q3 2019 NFR	9,204	3,500	7,834	16,273	36,024	58,479	98,117	144,255	253,612	480,306	484,670	
Quarterly Yield (Q4 2019 Gross Revenue/Average Q4 2019 and Q3 2019 NFR)	35%	54%	42%	20%	15%	13%	11%	13%	12%	9%	9%	
Q1 2020 Estimated Revenue (Q4 2019 NFR * Quarterly Yield)	3,242	1,889	3,229	3,139	5,207	7,428	10,669	18,793	27,878	43,231	48,913	173,618

Americas Insolvency	1996-2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
YTD Q4 2019 Gross Revenue (Q4 2019 Earnings Press Release)	652	663	743	1,870	2,862	9,476	6,221	5,299	20,754	8,210	5,264	
YTD Q3 2019 Gross Revenue (Q3 2019 Earnings Press Release)	525	526	609	1,518	2,382	8,151	4,013	3,790	15,250	5,641	2,972	
Q4 2019 Gross Revenue (YTD Q4 2019 Gross NFR Rev minus YTD Q3 2019 Gross NFR Rev)	127	137	134	352	480	1,325	2,208	1,509	5,504	2,569	2,292	
Q4 2019 NFR (Q4 2019 Earnings Press Release)	-	-	-	-	-	756	5,783	17,433	95,421	74,459	114,892	
Q3 2019 NFR (Q3 2019 Earnings Press Release)	-	-	-	-	-	1,406	7,258	19,671	107,680	79,038	94,840	
Average Q4 2019 and Q3 2019 NFR	-	-	-	-	-	1,081	6,521	18,552	101,551	76,749	104,866	
Quarterly Yield (Q4 2019 Gross Revenue/Average Q4 2019 and Q3 2019 NFR)						123%	34%	8%	5%	3%	2%	
Q1 2020 Estimated Revenue (Q4 2019 NFR * Quarterly Yield)	-	-	-	-	-	927	1,958	1,418	5,172	2,492	2,511	14,478

Europe Core	1996-2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
YTD Q4 2019 Gross Revenue (Q4 2019 Earnings Press Release)				1,450	820	121,450	32,821	28,594	14,239	27,309	17,736	
YTD Q3 2019 Gross Revenue (Q3 2019 Earnings Press Release)				1,068	615	91,212	24,535	21,328	10,838	19,988	8,002	
Q4 2019 Gross Revenue (YTD Q4 2019 Gross NFR Rev minus YTD Q3 2019 Gross NFR Rev)				382	205	30,238	8,286	7,266	3,401	7,321	9,734	
Q4 2019 NFR (Q4 2019 Earnings Press Release)				-	-	188,892	161,210	190,927	157,850	269,292	488,468	
Q3 2019 NFR (Q3 2019 Earnings Press Release)					-	192,008	159,131	189,438	155,676	264,945	266,870	
Average Q4 2019 and Q3 2019 NFR					-	190,450	160,171	190,183	156,763	267,119	377,669	
Quarterly Yield (Q4 2019 Gross Revenue/Average Q4 2019 and Q3 2019 NFR)						16%	5%	4%	2%	3%	3%	
Q1 2020 Estimated Revenue (Q4 2019 NFR * Quarterly Yield)	-	-	-	-	-	29,991	8,340	7,294	3,425	7,381	12,590	69,020

Europe Insolvency	1996-2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
YTD Q4 2019 Gross Revenue (Q4 2019 Earnings Press Release)						907	1,889	4,161	2,300	2,552	2,095	
YTD Q3 2019 Gross Revenue (Q3 2019 Earnings Press Release)						651	1,355	3,103	1,688	1,730	386	
Q4 2019 Gross Revenue (YTD Q4 2019 Gross NFR Rev minus YTD Q3 2019 Gross NFR Rev)						256	534	1,058	612	822	1,709	
Q4 2019 NFR (Q4 2019 Earnings Press Release)						306	3,083	12,507	24,417	39,424	74,258	
Q3 2019 NFR (Q3 2019 Earnings Press Release)						372	3,213	13,111	25,256	38,687	30,457	
Average Q4 2019 and Q3 2019 NFR						339	3,148	12,809	24,837	39,056	52,358	
Quarterly Yield (Q4 2019 Gross Revenue/Average Q4 2019 and Q3 2019 NFR)						76%	17%	8%	2%	2%	3%	
Q1 2020 Estimated Revenue (Q4 2019 NFR * Quarterly Yield)	-	-	-	-	-	231	523	1,033	602	830	2,424	5,642

Total Q1 2020 Estimated NFR Revenue based on reported numbers	262,758