Q1 2014/15 Results
Investor Presentation
19 November 2014

Management Team Participants

Gary Beckett - Group CFO

- Gary joined Jerrold in 1994 and has responsibility for financial reporting, tax, treasury and investor relations
- Gary also contributes to the strategic development of the Group and supports the regulatory function
- Gary is a qualified chartered accountant

Alan Shaoul – Group Treasury Director

- Alan joined Jerrold in 2012. Alan is responsible for the Group's Treasury functions
- Prior to joining Jerrold, Alan held various senior treasury and corporate finance roles at Euroports, Babcock & Brown and DP World

Jerrold Holdings

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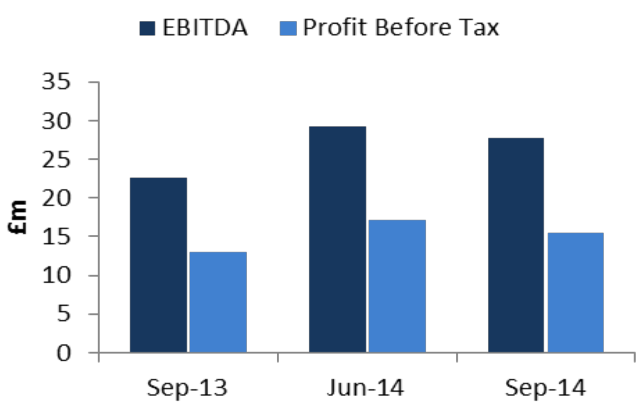
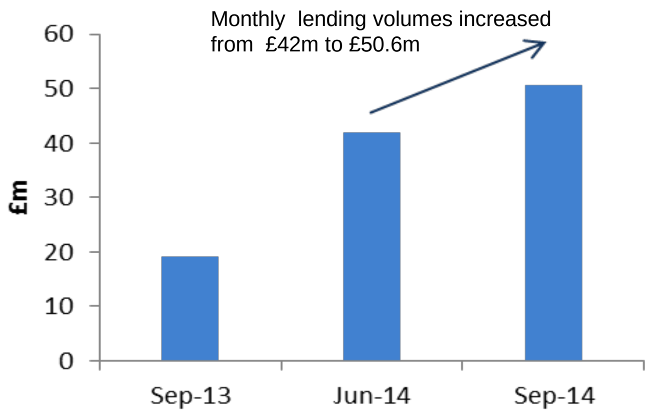
Continuing Strong Quarterly Performance

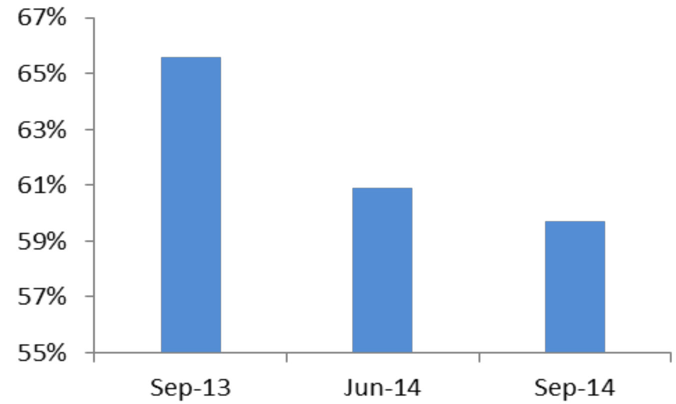
Strong Underlying Profits



Higher Lending Volumes



Improving Indexed Loan To Value



- Maintaining strong profit growth projectory at £15.5m (June £17.2m). Prior quarter included £2.5m write back of bad debts (£1.1m policy change)
- Group is benefiting from continued stability in the UK housing market and the dislocation caused by the recent changes in mortgage regulation
- Steady increase in lending volumes whilst maintaining credit quality setting the basis for significant step up in future profitability.
- Loan book grew by £72m during the quarter and now stands at £1.15bn
- Continue to report further reduction in levels of non performing loans and arrears
- Securitisation rating process complete & process to extend and upsize commitments at advanced stage

Jerrold Holdings

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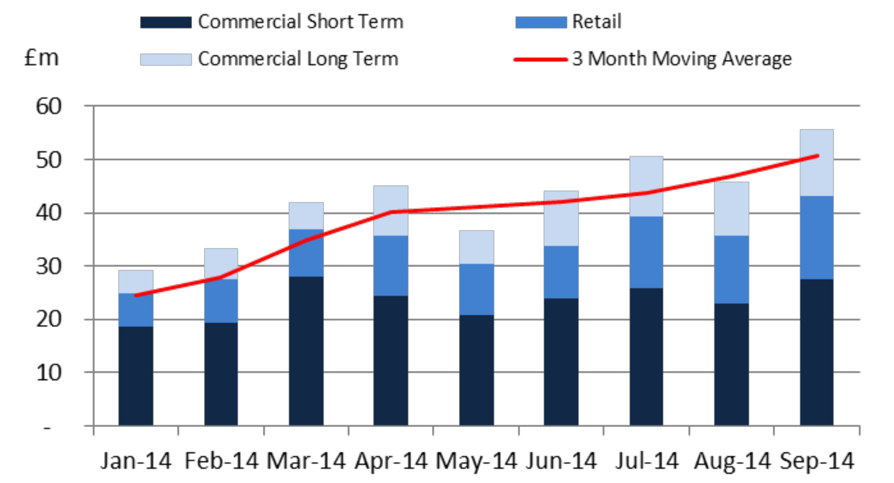
Increasing Lending Volumes

Financials (Quarter Ending)	Sep-13	Jun-14	Sep-14
Interest & Fee Income £m	30.9	36.0	36.9
Movement in Provisions £m	1.5	(2.5)	(0.0)
EBITDA £m	22.6	29.3	27.8
Interest Costs £m	9.4	11.9	12.1
Profit Before Tax £m	12.9	17.2	15.5
Net Interest Margin	7.6%	7.0%	6.9%
New Business			
Cash Receipts £m	79.8	110.1	116.6
New advances £m	57.2	125.9	151.9
Origination LTV	52.4%	54.6%	54.7%
Nominal Interest	14.1%	12.9%	12.3%
Nominal Interest (constant mix)	13.7%	12.6%	12.1%

Monthly Loan Advances



- Maintaining strong profit growth projectory at £15.5m (June £17.2m). Prior quarter included £2.5m write back of bad debts (£1.1m policy change)
- Interest income increased in the period reflecting higher levels of lending and lower levels of non performing loans
- Steady increase in lending activity over the past quarter from £125.9m to £151.9m with average origination LTV staying in the 55% area
- 50 bps decline in nominal rates in line with expectations and higher volumes. APRs still above 17%

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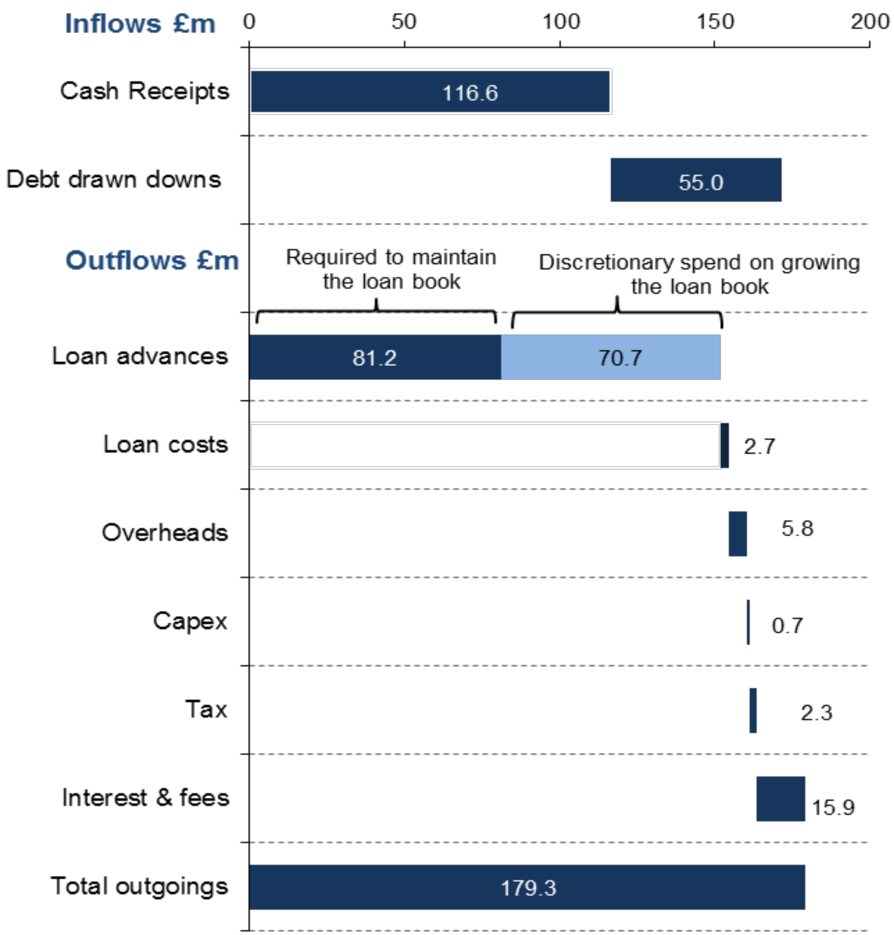
Group Highly Cash Generative

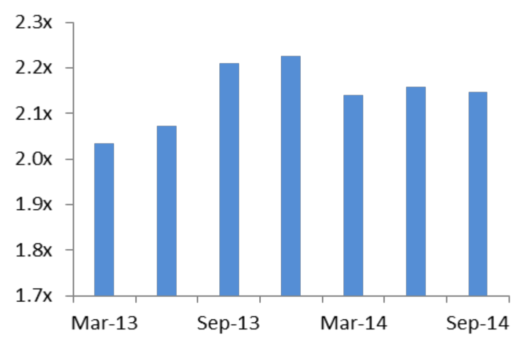
Quarterly Cash-flow



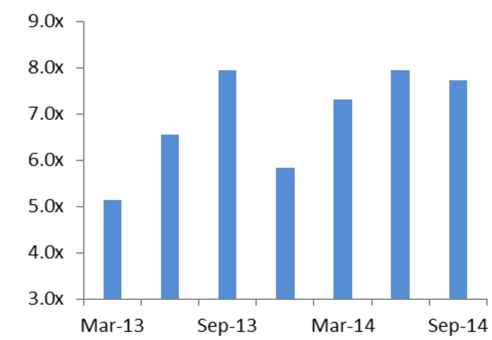
High Levels of Cash Generation

- Interest cover above 2x and significantly higher on a cash basis
- Quarterly consolidated group cash receipts of £117m
- Increase in Securitisation and RCF drawings to fund growth
- £152m of new advances with £2.7m of related funding costs
- Expenses including overheads, tax and capex totalled £8.8m
- Cash Interest was £15.9m including 6 monthly bond coupon of £9.75m

EBITDA / Interest Cover



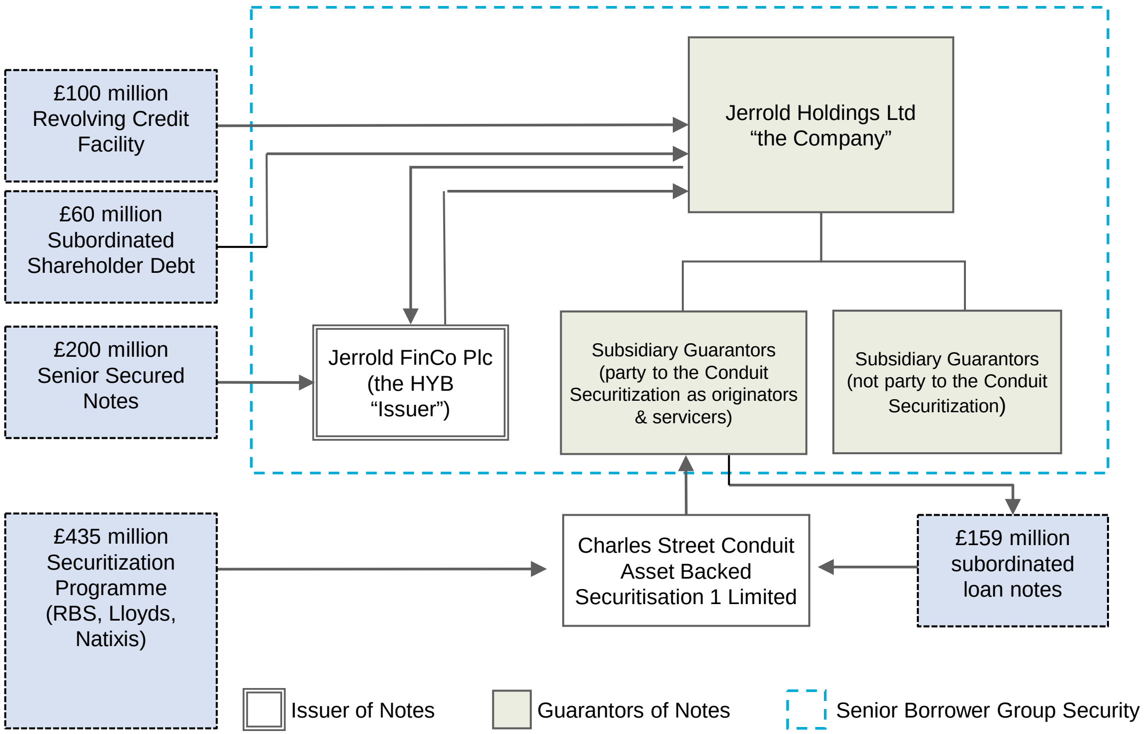
Cash Interest Cover



Calculated on a 12 month basis using cash available for debt service (prior to new advances) and excluding upfront fees

Funding Structure

Group Legal & Finance Structure



Liquidity and Funding

- Securitisation Programme stands at £435m and as 10 November is fully utilized
- The programme now has a Public Rating. Moody's (Aa2 sf) and DBRS (AA sf)
- Finalising discussions to upsize securitisation commitments and extend the revolving period to till January 2018 on improved terms
- At the end of the quarter there was £35m undrawn headroom in the RCF. Expectation to refinance the RCF during early part of 2015
- S&P confirmed Corporate Rating of B+ but now with a positive outlook

Low Levels of Gearing and Strong Asset Backing

Key Credit Metrics	Consolidated Group			Borrower Group		
	Sep-13	Jun-14	Sep-14	Sep-13	Jun-14	Sep-14
EBITDA [(1)]	22.6	29.3	27.8	18.3	25.1	23.4
Loan Ledger after bad debts (£m)	986.0	1076.2	1148.2	486.5	549.2	573.0
Shareholder funds (£m) [(2)]	430.8	463.2	473.7	291.3	319.7	314.7
WA Indexed LTV	65.6%	60.9%	59.7%	79.1%	71.5%	70.9%
Gearing [(3)]	55.6%	56.5%	58.5%	39.4%	41.5%	45.4%
Underlying Asset Cover [(4)]	36.5%	34.4%	34.9%	31.2%	29.7%	32.2%
Cost / Income Ratio [(5)]	21.7%	26.2%	25.6%	n/a	n/a	n/a
EBITDA margin	73.1%	81.3%	75.2%	n/a	n/a	n/a
Net Debt : EBITDA [(2) (6)]	6.2x	6.2x	6.5x	2.7x	2.8x	3.0x
Gross debt : tangible equity [(2)]	1.48x	1.52x	1.60x	0.69x	0.74x	0.84x
ROE % [(2) (6)]	8.7%	9.5%	9.5%	6.2%	7.8%	8.3%
Interest Cover	2.21x	2.16x	2.15x	3.14x	2.85x	2.78x
Net Interest Margin	7.6%	7.0%	6.9%	n/a	n/a	n/a

Notes

1 Quarterly EBITDA

2 Subordinated shareholder loans treated as equity

3 Ratio of net senior secured borrowings to the value of the loan ledger after bad debts

4 Ratio of net senior secured borrowings to the value of the Consolidated Group's and Borrower Group's claim on the respective underlying property

5 Operating expenses excluding: bad debts, financing costs, and tax

6 Calculated on 12 month basis

Low Levels of Financial Gearing

- Over the last 12 months shareholder reserves increased by £43m and now stand at £473.7m
- Significant asset backing - low levels of financial gearing and high level of equity in underlying properties
- Low Gearing levels at 58.5% for the Group and 45.4% for the Borrower Group
- Prudent underlying asset cover at 34.9% for the Group and 32.2% for the Borrower Group
- Net senior secured leverage of 6.5x for the Group and 3.0x for the Borrower Group
- Attractive profit margins, underlying EBITDA margin over 70% and low cost base

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Continued Improvement in Loan Book Quality

Maintaining Credit Quality

- Credit quality has been maintained over the past 12 months, with no increases in the percentage of credit impaired customers despite higher lending volumes.

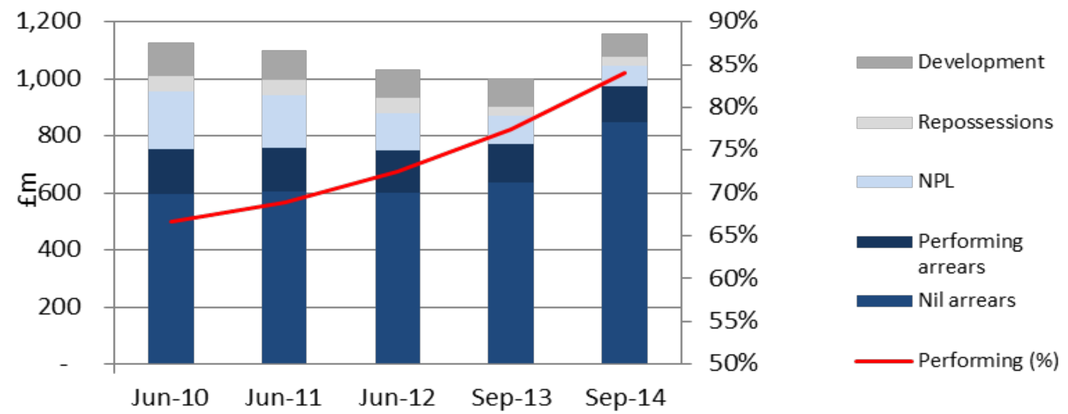
Falling Level of Non Performing Loans

- Non performing arrears loans (NPL), development and repossessed / LPA loans now comprise 16% of the total loan book compared to 23% in September 2013
- The development loan book reduced by £3.1m to £82.2m. This is the net effect of sales, write offs previously provided for and a small number of further advances each month. This total compromises £8.5m of new development loans funded since September 2013

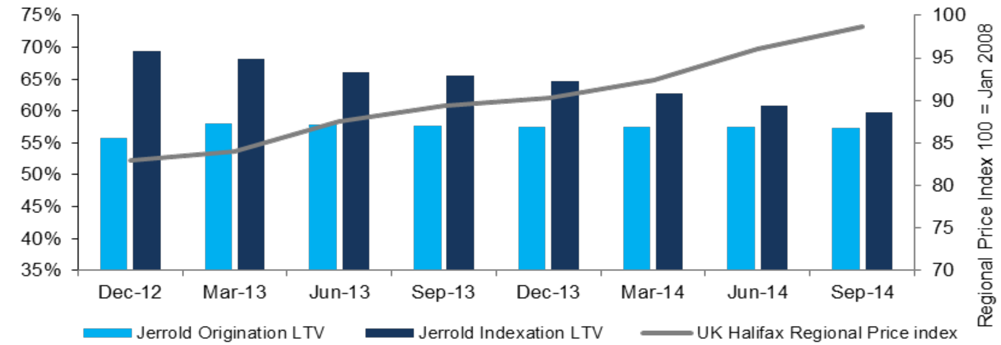
Improving Security Position

- UK house prices have risen 19% from lows triggering a corresponding improvement in our security position
- Origination LTVs remain at low levels averaging 54.8% over the prior 12 months

Loan book Segmentation



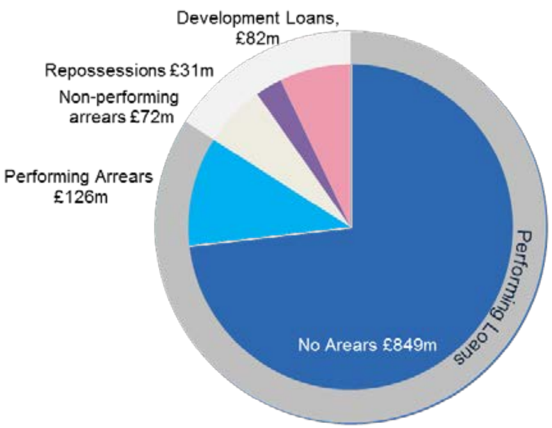
Origination and Indexed LTV & UK House Prices



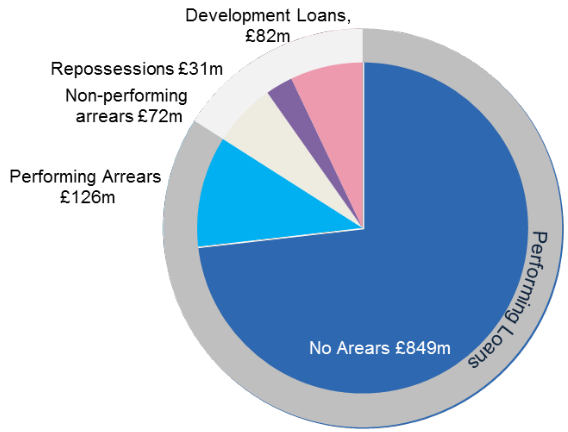
Source: Halifax regional house price indices. Data reflects LTV at origination

Continued Improvement in Arrears Levels

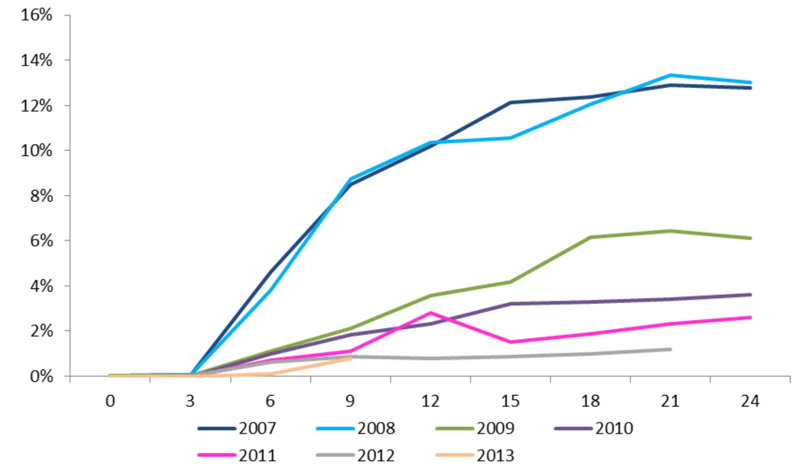
September 2013



September 2014



Arrears Performance by Vintage



Improving Arrears Trend

- Group has been very pro-active in contacting customers in arrears and agreeing with them appropriate payment plans.
- Arrears levels for loans written since 2010 have remained at consistently low levels resulting in continued improvements in vintage delinquency rates
- Proportion of performing accounts has continued to increase. Long term trend shows performing accounts increasing from 77.4% in September 2013 to 84.0% in September 2014, and increased in the last quarter by 1.4%

Group Loan Portfolio Arrears Analysis

Loan Book	Sep-13	Jun-14	Sep-14
Nil Arrears & Arrears <= 1m	63.5%	71.4%	73.2%
Performing Arrears	**13.9%**	**11.2%**	**10.8%**
1-3 months	8.2%	7.0%	6.7%
3-6 months	2.8%	2.0%	1.8%
> 6 months	2.9%	2.1%	2.3%
Non Performing Arrears	**9.5%**	**6.6%**	**6.2%**
3-6 months	2.2%	1.4%	1.5%
> 6 months	4.6%	3.1%	2.9%
Past due	1.4%	1.0%	1.0%
LPA rent	1.3%	1.0%	0.8%
Development loans	**9.7%**	**7.8%**	**7.1%**
Repossessions / LPA	**3.3%**	**2.9%**	**2.7%**

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Low Level of Losses Underpinned by Low LTV Lending

Overall LTVs

- The WA indexed LTV of the total loan portfolio is 59.7% and 70.9% for the Borrower Group

Loans in Negative equity

- 3.7% of Group loans have an indexed LTV >100% (negative equity exposure has fallen from £18.2m to £15m over LTM).
- The Group's provisioning policy ensures that we make a full provision for our estimated potential exposure to negative equity for all non performing loans based on current indexed valuations. In addition an "incurred but not reported" provision has also been established in order to provide for the potential impact from events that have taken place but we have not yet been made aware of
- Percentage of loans within the Borrower Group with an origination LTV of > 75% is 16.99% (covenant 32%) vs 24.90% in September 2013

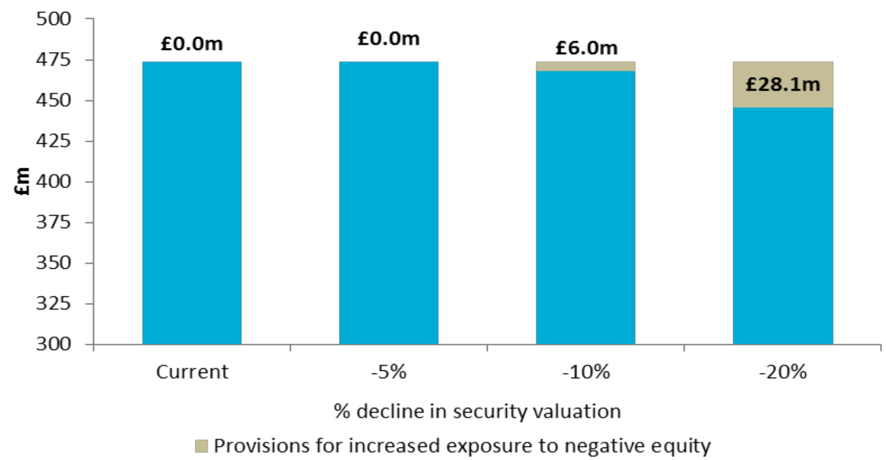
Downside Scenario Analysis

- We estimate that for the Group 10% and 20% falls in property values would result in additional exposure of £6m and £28.1m respectively
- We estimate for the Borrower Group 10% and 20% falls in property values would result in additional exposure of £5.7m and £25.7m respectively

Loan Book by Indexed LTV

Indexed LTV	Group		Borrower Group	
Indexed LTV ≤ 60%	702	61%	252	44%
Indexed LTV > 60 ≤ 85%	315	27%	178	31%
Indexed LTV >85% ≤ 100%	99	9%	96	17%
Indexed LTV > 100%	43	4%	42	7%
Total Loan book	**1,160**	**100%**	**567**	**100%**

Estimated Impact of Declining Security Valuations



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Planning for the Future

Significant investment in our people, operational infrastructure and regulatory framework to support our strategic growth objectives

- Continue to strengthen management team
- Significant investment commenced in enhancing core IT platforms to support our strategic growth plans, to deliver scalability, flexibility and efficiency gains across the business
  - The IT organization structure has been restructured to deliver this major change programme, including the appointment of a dedicated joint onshore / offshore software delivery team
  - Avoided “big bang implementations” with a philosophy of iterative, regular releases which add value to the business
  - Delivered new Broker Portal and Commercial CRM system within the last quarter both on time and in line with budget
  - Commenced development of new front end processing platform and back office loan administration system due to be delivered in phases throughout 2015
  - New business intelligence platform under specification to be delivered in phases in 2015 / early 2016
  - IT development budget is £4m for 2015
- On-going focus on regulatory compliance
- Continue to operate using a three lines of defence model with formal governance structures thereby providing assurance over credit quality as the loan book grows
- Positive culture and conduct – recently established conduct excellence committee and introduced a programme of training to support and embed our values

Jerrold Holdings

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1. Key Highlights
2. Financial Review
3. Loan Book Analysis
4. Operating Review
5. Outlook
6. Q&A
7. Appendix

Strategic Growth Objectives and Positive Outlook

Strategic Objectives

Deliver value to key stakeholders. Enhancing our position as a respected specialist secured lender. Operating in niche market segments. Offering a balanced and diversified loan product portfolio and service tailored to meeting our customers' needs. Earning a commensurate return "fair value exchange", prudently managing risk within an efficient, compliant and inspiring environment.

Key Considerations

- Focus – underserved segments of the secured mortgage market
- Diversification - loan book composition to remain broadly stable with potential to add new products and leverage existing service platform
- Investment – significant investment in people and technology
- Risk management - continued attention to affordability assessments and low LTV's
- Resource - retained earnings and extended debt facilities with potential to upsize provide financial capability to support growth plans
- Strong Platform - c£1.15bn loan book at 59.7% weighted indexed LTV and 7% interest margin provide a high degree of visibility on future base case earnings and cash-flow
- Outlook – positive growth underpinned by stable property sector and falling unemployment
- Experience - 40 years of successful trading

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Questions and Answers Session

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Private Securitisation Overview

Structure

- RBS, Lloyds and Natixis are the Note Purchasers
- The SPV is funded by up to £435m of Variable Funding notes.
- The revolving period runs till January 2017, which if the facility is not refinanced / extended would then have 12 month amortization period.
- Rating is rated AA (sf) by Moody's and DBRS

Financing

- £575.2m of loan assets and £23.6m of cash financed by £435m of Notes issued to Securitisation Lenders and £159m of sub-ordinated loan notes / equity (1) (2)
- Advance rate and sub-debt position is calculated and adjusted on a weekly basis

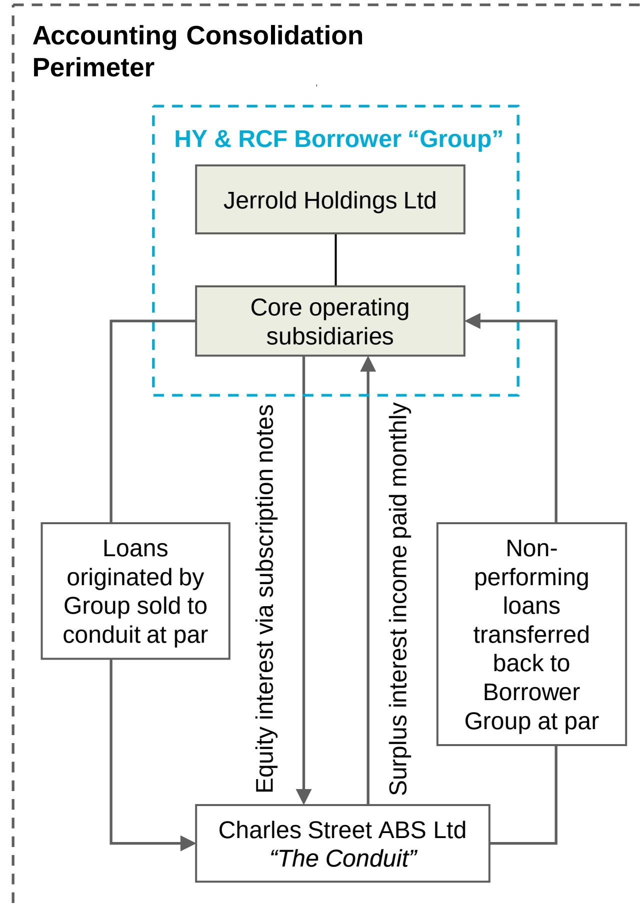
Purchase & recycling of assets

- Beneficial interest in loans transferred to Securitisation in return for full principal payment. Qualifying Assets are sold to the SPV on a "random" basis
- Deferred consideration represents the net interest received after deducting cost of funds and conduit expenses. Conduit paid £56.6m to the Group in 12m to Sept 2014.
- The Group buys back assets that no longer meet the eligibility criteria. Primarily this is where a loan no longer meets the relevant arrears criteria
- Delinquency rates (arrears > 1m) currently 5.87% having fallen steadily since 2010
- For the 12 months ending Sept 2014, £18m of loans were returned to the Borrower Group. These loans had a WA indexed LTV of c61%
- In the 3 years to Sept 2014 the Borrower Group's average annual capital losses on loans returned from the Conduit was £181k

Simplified payment waterfall

- Payments due to third parties as a result of the Transaction including tax payments and audit expenses (these are not material)
- Fees payable to the Security Trustee and Note Issuer
- Interest and Fees due plus any other amounts due and payable to Note Holders and Stand-by servicing fee
- Amounts due to Originators in their capacity as originators and any Deferred Purchase Price Due

Conduit Interaction with Jerrold Group



1) As at 30 June 2014; 2) There is £2.7m of accrued interest on the loan notes at the end of the month and £7.6m payable to creditors. The net amount is the balance between the Conduit's assets and it's VFN and subordinated debt funding

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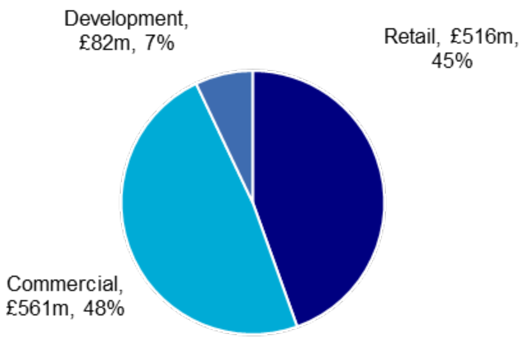
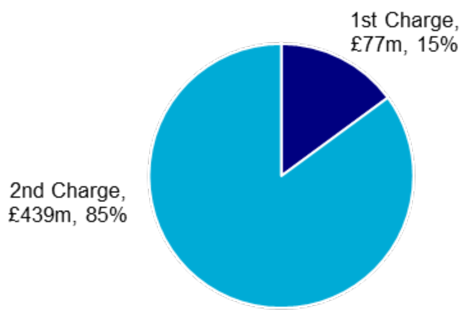
Diversified Loan Book

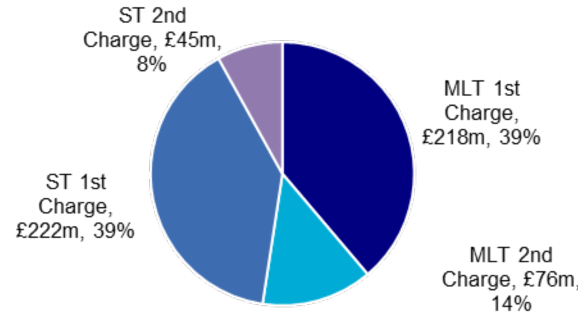
Loan Book Breakdown by Loan Purpose



Retail Loan Book Breakdown



Commercial Loan Book Breakdown



Primarily Secured on Residential Property

84% secured on residential property

Total Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
Retail	27.9	11.5%	53.8%
Commercial	102.3	13.0%	57.3%
Development	281.0	12.6%	114.0%
Total	46.0	12.3%	59.7%

100% secured on residential property

Total Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
1st Charge	47.4	10.5%	47.0%
2nd Charge	26.1	11.7%	54.9%

66% secured on residential property

Total Loan Book	Average loan size £k	WA Indexed LTV	WA Nominal Rate
ST 1st Charge	170.1	14.8%	61.1%
ST 2nd Charge	124.3	15.6%	66.8%
MLT 1st Charge	93.8	11.3%	53.3%
MLT 2nd Charge	51.1	11.3%	52.0%

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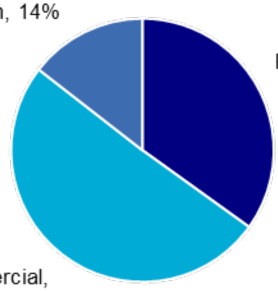
Borrower Group Benefits from Low Gearing

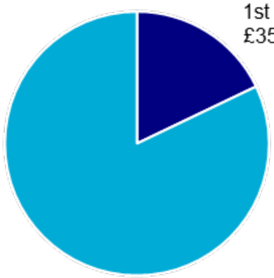
Loan Book Breakdown by Loan Purpose



81% secured on residential property

Total Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
Retail	24.6	11.4%	58.6%
Commercial	133.1	12.8%	67.1%
Development	281.0	12.6%	114.0%
Total	52.0	12.3%	70.9%

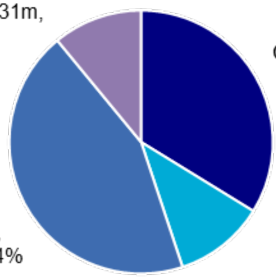
Retail Loan Book Breakdown



100% secured on residential property

Total Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
1st Charge	47.0	10.1%	52.2%
2nd Charge	22.3	11.6%	60.0%

Commercial Loan Book Breakdown



62% secured on residential property

Total Loan Book	Average loan size £k	WA Nominal Rate	WA Indexed LTV
ST 1st Charge	223.7	14.3%	69.4%
ST 2nd Charge	118.0	15.2%	73.5%
MLT 1st Charge	120.9	10.7%	65.9%
MLT 2nd Charge	60.3	11.2%	55.4%

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