

# Ferratum plans bond at the Frankfurt Stock Exchange

- Ferratum is the first European company providing mobile micro loans to individuals and serving a customer segment not yet adequately accessed.
- Revenues from the bond are to be used to finance the already established businesses in 18 countries, as well as the upcoming market entry in Germany.

Berlin, 25 September 2013 - Ferratum Capital Germany GmbH, the German subsidiary of the Ferratum Group, a pioneer in the mobile micro-credits sector in Europe, plans to issue a bond within the bond segment Entry Standard at the Frankfurt Stock Exchange. The ultimate aim is to attract up to 25 million euros of additional capital. Ferratum plans to finance its business expansion into existing and new markets - including Germany, Romania, Turkey and Canada - with revenues from the bond. The exact emission volume, emission date and the rate of interest of the bond will be determined and announced at a later date.

Ferratum was the first European company to offer mobile micro-loans and operates in an inadequately serviced customer segment: private individuals with a desire for easy, fast, un-bureaucratic and anonymous borrowing for short-term loans. Customers can apply for loans in the amount of 50 euros to 2,000 euros via digital media - such as Internet and mobile phones - anywhere and anytime. Following a software-based scoring of the creditworthiness of the customer, the desired amount is transferred within a few minutes to the customer's bank account. On average, a typical Ferratum customer takes out a loan of 200 euros for 33 days. Within the past years, the Ferratum Group has grown rapidly (2009-2012 revenue CAGR of 47%) and now employs internationally over~ 300 employees.

Ferratum has acquired more than 1.65 million customers on the international market and in the fiscal year 2012 generated revenues of about 47 million euros with an EBT of 11% (EBT = earnings before taxes). The broad customer base and focus on the future-oriented segment - being able to give out loans on mobile devices - forms the basis for sustainable positive cash flows.

An additional positive business development was attained by Ferratum through its obtaining an EU banking license in September 2012. Ferratum Bank Ltd, a subsidiary of the Ferratum Group, started its operations in March 2013. The Bank serves as a platform for further international activities and allows the optimization of the business model in existing countries.

The Group's experienced management team, which includes Ferratum's founder and owners, has a strong financial and technological oriented field of expertise, and has established the current successful business model since 2005. "Our active risk management is reflected in the low default rate of loans granted, which underpins our success. Our goal is to become the global market leader in mobile micro loans in the long term. With the proposed bond we want to get closer to our goal and pursue our business strategy successfully", says Jorma Jokela, founder and CEO of the Ferratum Group. This would include an increasing international expansion. "We already have a large customer base in 18 markets. With the banking license and the proceeds from the bond issues we now also want to open up to markets like Germany", summarizes Jorma Jokela, with reference to the planned growth strategy.

