



Second Quarter 2020 Supplementary Information

August 6, 2020

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements include all statements that are not historical fact, including statements about management's beliefs and expectations. These statements may be identified by words such as "anticipate," "intend," "expect," "may," "could," "should," "would," "plan," "estimate," "seek," "believe," "potential" and similar expressions. Forward-looking statements are based on management's beliefs as well as assumptions made by and information currently available to management. Because such statements are based on expectations as to the future and are not statements of historical fact, actual results may differ materially from what is contemplated by the forward-looking statements. Altisource does not undertake, and expressly disclaims, any obligation to update any forward-looking statements whether as a result of new information, future events or otherwise. The risks and uncertainties to which forward-looking statements are subject include, but are not limited to, the risks and uncertainties related to pandemics, epidemics or other force majeure events, including the COVID-19 pandemic, and associated impacts to the economy, supply chain, transportation, movement of people, availability of vendors, demand for our products or services, increased costs, recommendations or restrictions imposed by governmental entities, changes in relevant business practices undertaken or imposed by our clients, vendors or regulators, impacts on

contracts and client relationships and potential litigation exposure; our ability to retain existing customers and attract new customers and the potential for changes in our customer relationships, including the timing and extent of Ocwen or NRZ directing referrals of services to providers other than Altisource; various risks relating to our ability to effectively manage our regulatory and contractual obligations; the adequacy of our financial resources, including our sources of liquidity and ability to repay borrowings and comply with our Credit Agreement, including the financial and other covenants contained therein; as well as Altisource's ability to retain key executives or employees, general economic and market conditions, behavior of customers, suppliers and/or competitors, technological developments, governmental regulations, taxes and policies, and other risks and uncertainties detailed in the "Forward-Looking Statements," "Risk Factors" and other sections of Altisource's Form 10-K, March 31, 2020 Form 10-Q and other filings with the Securities and Exchange Commission.

The financial projections and scenarios contained in this presentation are expressly qualified as forward-looking statements and, as with other forward looking statements, should not be unduly relied upon.

NON-GAAP MEASURES

Adjusted Operating Income (Loss), Pretax Income (Loss) Attributable to Altisource, Adjusted Pretax Income (Loss) Attributable to Altisource, Adjusted Net Income (Loss) Attributable to Altisource, Adjusted Earnings (Loss) Per Share – Diluted, Adjusted Cash Flows From Operating Activities, Cash Flows From Operating Activities Less Capital Expenditures, Adjusted Cash Flows From Operating Activities Less Capital Expenditures, Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”), Adjusted EBITDA, and Net Debt Less Marketable Securities, which are presented elsewhere in the presentation, are non-GAAP measures used by management, existing shareholders, potential shareholders and other users of our financial information to measure Altisource’s performance and do not purport to be alternatives to income (loss) from operations, income (loss) before income taxes and non-controlling interests, net income (loss) attributable to Altisource, diluted earnings (loss) per share, cash flows from operating activities and long-term debt, including current portion, as measures of financial performance. We believe these measures are useful to management, existing shareholders, potential shareholders and other users of our financial information in evaluating operating profitability and cash flow generation more on a basis of continuing cost and cash flows as they exclude amortization expense related to acquisitions that occurred in prior periods and non-cash share-based compensation, as well as the effect of more significant non-operational items from earnings, cash flows from operating activities and long-term debt, net of cash on-hand and marketable securities. We believe these measures are useful in evaluating

the effectiveness of our operations and underlying business trends in a manner that is consistent with management’s evaluation of business performance. Furthermore, we believe the exclusion of more significant non-operational items enables comparability to prior period performance and trend analysis.

It is management’s intent to provide non-GAAP financial information to enhance the understanding of Altisource’s GAAP financial information, and it should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. Each non-GAAP financial measure is presented along with the corresponding GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure. The non-GAAP financial information presented may be determined or calculated differently by other companies. The non-GAAP financial information presented should not be unduly relied upon.

These non-GAAP measures are presented as supplemental information and reconciled to the appropriate GAAP measures in the Appendix.

SECOND QUARTER 2020 HIGHLIGHTS

Financial and Corporate:

- Ended the second quarter 2020 with \$68.2 million of cash and cash equivalents and \$30.0 million of investment in equity securities
- Ended the second quarter 2020 with \$195.6 million of net debt less investment in equity securities¹, 4% lower than June 30, 2019
- The Company's second quarter 2020 financial performance in its default related services businesses, including revenue from customers other than Ocwen Financial Corporation ("Ocwen"), New Residential Investment Corp. ("NRZ") and Front Yard Residential Corporation ("RESI"), was negatively impacted by COVID-19 related governmental restrictions, government measures to provide financial support to borrowers (i.e., foreclosure and eviction moratoriums, forbearance plans and higher unemployment benefits) and changing vendor and consumer behavior
- To address lower anticipated revenue as a result of the pandemic, Altisource took several measures in the second quarter 2020 to reduce its 2020 cash expenses including employee furloughs and terminations, the elimination of certain discretionary spending and temporary employee and Board compensation reductions
- To address lower than previously anticipated revenue from (1) the extension of foreclosure and eviction moratoriums and (2) an MSR investor's instructions to Ocwen to move certain services to another service provider, the Company is developing a plan to further reduce its costs with an objective to achieve 2021 Adjusted EBITDA margins of 14% to 16%

¹This is a non-GAAP measure defined and reconciled in the Appendix

SECOND QUARTER 2020 HIGHLIGHTS

Despite headwinds from the COVID-19 pandemic primarily in our default services related businesses, service revenue from customers other than Ocwen, NRZ and RESI grew by 5% in the second quarter of 2020 compared to the second quarter of 2019

Field Services

- Grew Field Services revenue from customers other than Ocwen, NRZ and RESI by 9% in the second quarter of 2020 compared to the second quarter of 2019

Marketplace

- Grew Hubzu¹ inventory from customers other than Ocwen, NRZ and RESI by 1% since June 30, 2019 with such inventory representing 43% of total Hubzu inventory as of June 30, 2020
- Hubzu revenue from customers other than Ocwen, NRZ and RESI was 2% lower in the second quarter of 2020 compared to the second quarter of 2019

Mortgage and Real Estate Solutions

- Grew Mortgage and Real Estate Solutions revenue from customers other than Ocwen, NRZ and RESI by 18% in the second quarter of 2020 compared to the second quarter of 2019

¹Hubzu is a collection of businesses that includes asset management, real estate brokerage, auction and Hubzu.com

SECOND QUARTER 2020 FINANCIAL RESULTS

\$ millions (except EPS)	Q2 2020	Q2 2019	Vs. Q2 2019	H1 2020	H1 2019	Vs. H1 2019
Revenue ¹	\$ 95.3	\$ 196.5	-51%	\$ 216.8	\$ 366.5	-41%
Service Revenue ¹	91.0	190.5	-52%	204.2	355.5	-43%
(Loss) Income from Operations	(17.8)	5.4	n/m	(21.9)	4.8	n/m
Adjusted Operating (Loss) Income ²	(4.8)	15.5	-131%	3.7	32.8	-89%
Pretax (Loss) Income attributable to Altisource ²	(33.9)	10.7	n/m	(43.2)	6.3	n/m
Adjusted Pretax (Loss) Income attributable to Altisource ²	(10.0)	8.9	-212%	(5.6)	20.2	-128%
Adjusted EBITDA ²	(2.1)	19.5	-111%	11.1	42.2	-74%
Net Loss attributable to Altisource	(35.1)	(5.8)	n/m	(46.7)	(9.0)	n/m
Adjusted Net (Loss) Income attributable to Altisource ²	(11.8)	5.9	-301%	(9.1)	15.2	-160%
Loss Per Share – Diluted	(2.25)	(0.36)	n/m	(3.00)	(0.56)	n/m
Adjusted (Loss) Earnings Per Share – Diluted ²	(0.76)	0.36	-311%	(0.59)	0.92	-164%

¹ \$63.8 million for the second quarter and \$92.2 million for the six months ended June 30, 2020 of the declines of revenue and \$63.8 million for the second quarter and \$92.0 million for the six months ended June 30, 2020 of the declines of service revenue are from the 2019 sale, discontinuation or exit from certain businesses

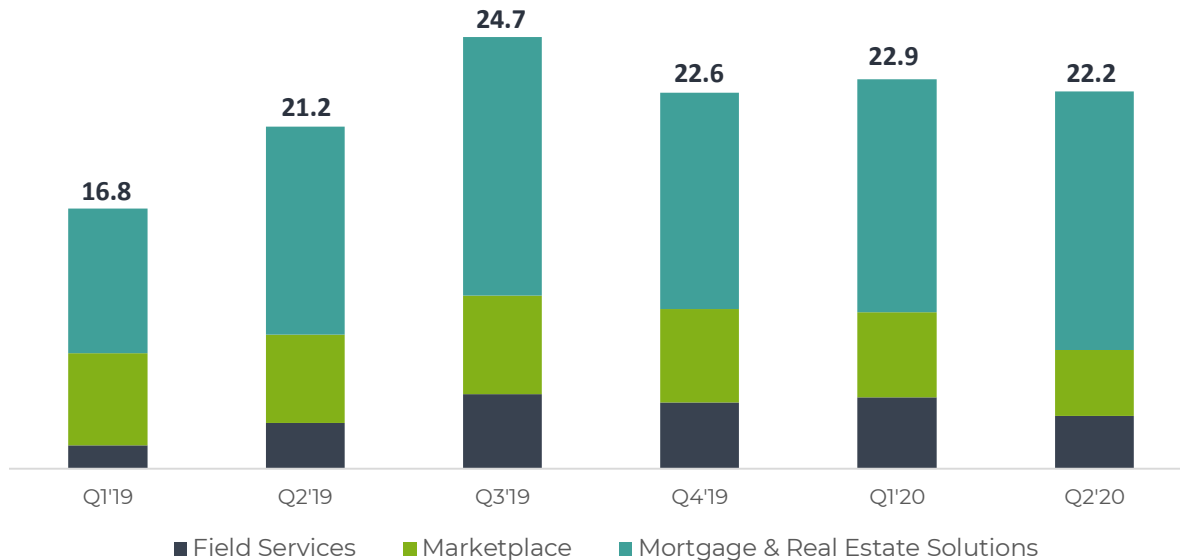
Note: n/m – not meaningful

² This is a non-GAAP measure defined and reconciled in the Appendix

DIVERSIFYING AND GROWING REVENUE BASE

Despite the impact of forbearance programs and foreclosure and eviction moratoriums related to the COVID-19 pandemic, we're winning default related business and developing an attractive and growing customer base for our default and origination related services

Core Businesses¹ Service Revenue from customers other than Ocwen, NRZ and RESI
(\$ in millions)



- Q2 '20 service revenue from customers other than Ocwen, NRZ and RESI was 5% higher than Q2 '19

¹Core Businesses are Field Services, Marketplace and Mortgage and Real Estate Solutions

OCWEN REFERRAL TRANSITION NOTIFICATION

- Ocwen recently advised Altisource that one of its MSR investors directed them to begin to move field services referrals to another service provider beginning in July
- We believe the MSR investor providing this direction to Ocwen is NRZ and that the referrals are being moved to service businesses that NRZ either owns or in which it has invested
- We estimate that field services revenue from the NRZ portfolios represented approximately \$58 million, or 29% of Altisource's service revenue, for the first half of 2020
- Without providing the timing or specific services impacted, Ocwen also communicated to Altisource that the same investor plans to direct them to transition certain other default related service referrals to other providers
- We estimate that revenue from these certain other default related services represented approximately \$21 million, or 10% of Altisource's service revenue, for the first half of 2020
- Given the difficulty in predicting the timing of the anticipated service provider changes, the 2021 forecast assumes that we do not generate any revenue from these NRZ portfolios except for revenue earned from our Cooperative Brokerage Agreement with NRZ
- We believe these actions violate our agreements with Ocwen, and we are currently in discussions with Ocwen to address this matter and have reserved all rights

2021 SCENARIOS

Scenarios are based on the anticipated impact of the COVID-19 pandemic, lower revenue from the Ocwen serviced portfolios, cost reduction measures, and revenue growth from our sales pipeline

	2021 Potential Scenarios	
	Scenario A	Scenario B
Service Revenue (\$ millions)	\$ 250	\$ 270
Adjusted EBITDA (\$ millions)	\$ 35 - \$ 40	\$ 38 - \$ 43
Adjusted EBITDA Margin %	14%-16%	14%-16%

OTHER KEY ASSUMPTIONS:

- Federal foreclosure and eviction moratoriums extend through August 2020
- Majority of forbearance programs expire between April and June 2021
- The delinquency levels in Ocwen's portfolios remain higher than before the pandemic
- Ocwen does not acquire additional servicing
- No revenue from NRZ portfolios except for revenue earned from the Cooperative Brokerage Agreement
- Revenue from customers other than Ocwen, NRZ and RESI benefit from growth with existing customers and new wins from our pipeline
- 2021 Total Originations are 8% to 12% lower than 2020 with refinancing representing 40% to 50% of total¹

¹ Based on 2021 forecasts prepared by FreddieMac (June 2020) and the Mortgage Bankers Association (July 2020)

STRATEGIC BUSINESS OBJECTIVES

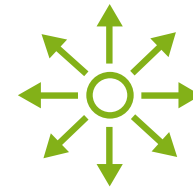
To address the short to medium term pressure on our default related business as a result of the COVID-19 pandemic and lower than previously anticipated Ocwen revenue, we are focused on preserving cash, positioning our default related businesses for when demand returns and grows, and growing our origination related businesses



**PRESERVE
CASH**



**POSITION THE
DEFAULT RELATED
BUSINESSES FOR
THE LONGER-TERM
OPPORTUNITY**



**CONTINUE TO
GROW OUR
ORIGINATION
RELATED
BUSINESSES**



ONE SOURCE FOR MORTGAGE SERVICES

Altisource offers a robust suite of products to support both origination and default customers. We believe Altisource is one of only a few companies that provide this breadth of services on a national scale

DEFAULT SOLUTIONS

Foreclosure & Pre-Marketing

Marketing

Disposition

Workflow

Our Complete Suite of Default Solutions



(FIELD SERVICES)

Springhouse
AN ALTISOURCE® BUSINESS UNIT

(VALUATIONS SERVICES)



(ONLINE MARKETING
PLATFORM)



(BROKERAGE)

PremiumTitle™
AN ALTISOURCE® BUSINESS UNIT

(CLOSING & TITLE SERVICES)

EQUATOR
AN ALTISOURCE® BUSINESS UNIT

(DEFAULT SERVICING
PLATFORM)

We are confident in Altisource's long-term potential and believe we will benefit tremendously as delinquent loans begin to move through the normal default lifecycle

LONGER TERM OPPORTUNITIES

As the overall market for default related services stabilizes at a much higher rate than pre-COVID pandemic and originations remain strong, we believe Altisource is well positioned to become a stronger, more diversified, and fast-growing company

- External Environment:

- June 2020 30+ day delinquency rates (excluding foreclosures) increased 104% over the past 12 months to 7.6% and 90+ day delinquency rates (excluding foreclosures) increased 306% over the past 12 months to 3.5%
- For every one percent increase in delinquency rates, we estimate the addressable market for Altisource's default related services increases by approximately \$700 million once foreclosure moratoriums and forbearance programs expire
- Unemployment rate of 11.1% in June 2020, with continuing claims of 17 million and 19 continuous weeks of weekly initial claims in excess of 1 million as of July 18, 2020
- As a result of the governmental moratoriums and forbearance programs, second quarter 2020 foreclosure starts were down to approximately 18,400 from 120,500 in the second quarter of 2019, an 85% decline, and second quarter 2020 lender completed foreclosures (REO) were down to approximately 8,000 from 32,000 in the second quarter of 2019, a 75% decline
- While delinquency rates have increased, industry wide default referrals are down substantially due to governmental moratoriums and forbearance programs which temporarily prevent servicers from pursuing foreclosure of delinquent loans

- Internal Preparation:

- Continuing to develop our robust sales pipeline for our diverse suite of default and origination related services
- Enhancing our technology to improve the efficiency of our Field Services business and extend the reach of our Hubzu marketplace, and positioning Altisource's default related services for higher demand
- Planning to reduce our cost structure to address the near-term pressure from continued forbearance programs and moratoriums and the transition of certain referrals by one of Ocwen's MSR investors to another provider



ONE SOURCE FOR MORTGAGE SERVICES

Altisource offers a robust suite of products to support both origination and default servicing customers. We believe Altisource is one of only a few companies that provide this breadth of services on a national scale

ORIGINATION SOLUTIONS



Our Complete Suite of Origination Solutions

 AN ALTISOURCE® BUSINESS UNIT (VALUATIONS SERVICES)	 AN ALTISOURCE® BUSINESS UNIT (CONSTRUCTION RISK MANAGEMENT)	 AN ALTISOURCE® BUSINESS UNIT (SCALABLE WORKFORCE)	 AN ALTISOURCE® BUSINESS UNIT (CLOSING & TITLE SERVICES)	 AN ALTISOURCE® BUSINESS UNIT (CONTINUOUS THIRD-PARTY RISK OVERSIGHT)	 AN ALTISOURCE® BUSINESS UNIT (CERTIFIED LOAN PROGRAM)	 (MORTGAGE COOPERATIVE)
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In addition to market tailwinds from the low interest rate environment, we believe we have a large opportunity to grow our origination related businesses by capturing greater wallet share from the Lenders One mortgage cooperative members and converting our sales pipeline

PROGRESS WITH SELECT CUSTOMER WINS

Notified of win	Customer description ¹	Service	Agreements executed	Agreements in negotiation	Anticipated "Go Live" Date	Began receiving referrals in	Est. Stabilized revenue opportunity ²
1Q'19	Servicer	Field Services (pre-foreclosure)	✓			Q3'19	Medium
Q4'18	Top 25 Servicer	Field Services	✓			Q2'20	Large
Q4'18		Hubzu Foreclosure Auctions	✓		Q3'20		
Q4'18	Servicer	Hubzu REO Auctions	✓			Q3'19	Medium
Q4'19	Lender	Trelix underwriting	✓			Q4' 19	Medium
Q4'19		Title (refinance)	✓			Q4' 19	
Q4'19	Servicer	Hubzu Foreclosure Auctions Hubzu REO Auctions	✓			Q3' 20	Medium
Q4'19	Lender	Trelix processing	✓			Q4' 19	Medium
Q1'20	Lender	Title (construction)	✓			Q1' 20	
Q1'20	Government Agency	Field Services	✓		Q3' 20		Large
Q1'20	Lender	Trelix processing, underwriting, closing	✓			Q1' 20	Medium
Q1'20	Channel Partner	Title (default)	✓			Q1' 20	Medium
Q1'20	Top 25 Servicer	Hubzu Foreclosure Auctions		✓	Q3' 20		Medium
		Hubzu REO Auctions					
Q1'20	Servicer	Hubzu Foreclosure Auctions Field Services		✓	Q3' 20		Medium
Q1'20	Lender	Trelix underwriting		✓	Q3' 20		Medium
Q1'20	Channel Partner	Verification Services	✓		Q3' 20		Large
Q2 '20 WINS							
Q2'20	Top 10 Servicer	Call Center Services	✓		Q4' 20		Medium
Q2'20	Servicer	Field Services	✓		Q4' 20		Small
Q2'20	Asset Manager	Hubzu	✓		Q4' 20		Small
Q2'20	Lender	Trelix - Underwriting	✓		Q3' 20		Medium
Q2'20	Lender	Trelix - Underwriting	✓		Q4' 20		Small
Q2'20	Lender	Trelix - Loan Set Up	✓		Q3' 20		Small
Q2'20	Lender	Trelix - Processing	✓			Q3' 20	Small
Q2'20	Lender	Trelix - Underwriting		✓	Q3' 20		Large
Q2'20	Lender	Trelix - Underwriting	✓		Q3' 20		Small
Q2'20	Servicer	Field Services - REO	✓		Q4' 20		Small
Q2'20	Channel Partner	Castleline		✓	Q4' 20		Large

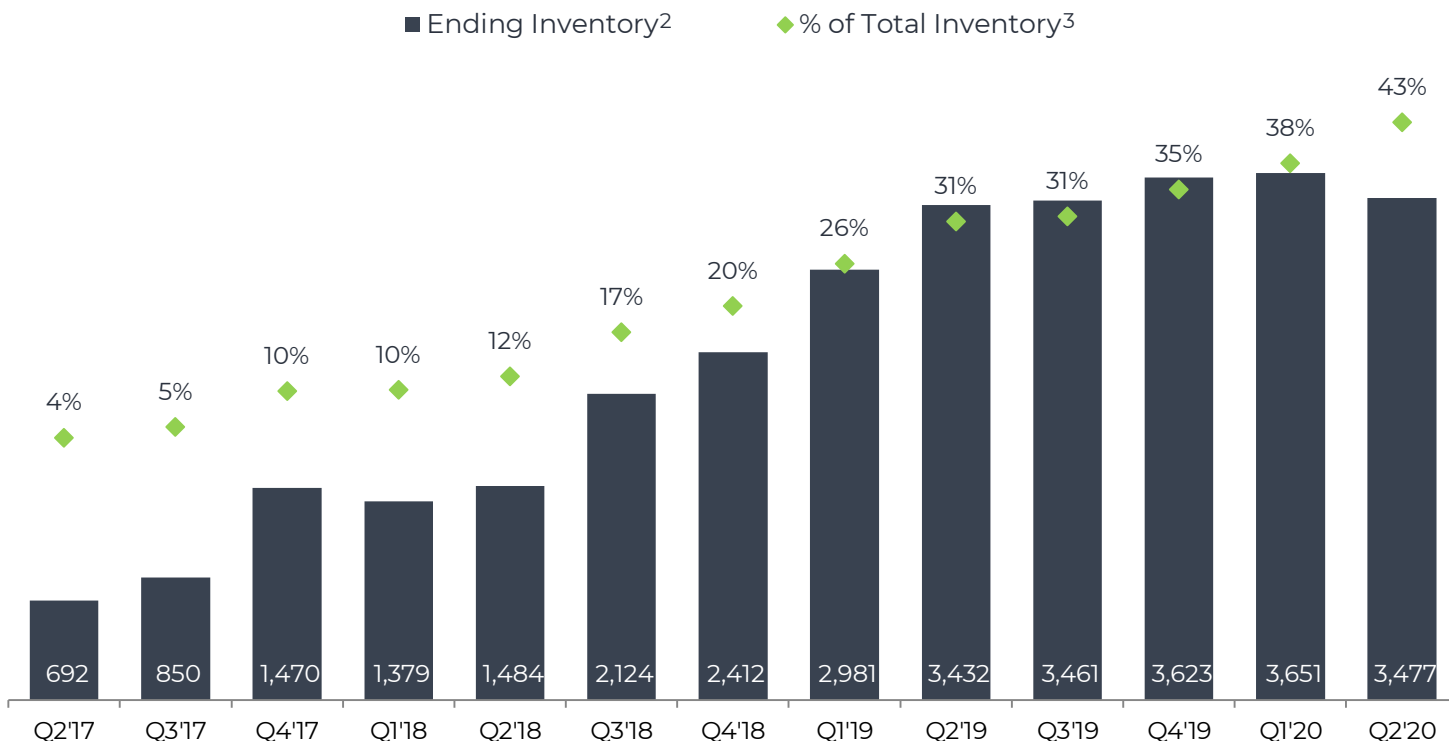
¹ Servicer size based on information from Inside Mortgage Finance (June 2020)

² Estimated stabilized annual revenue opportunity categories:

- Very Large: Estimated stabilized annual revenue opportunity of greater than \$25 million
- Large: Estimated stabilized annual revenue opportunity of \$5 million – \$25 million
- Medium: Estimated stabilized annual revenue opportunity of \$1 million – \$4.9 million

HUBZU¹ INVENTORY

Hubzu inventory from customers other than Ocwen, NRZ and RESI has grown 402% since June 30, 2017 and represents 43% of total Hubzu inventory as of June 30, 2020



¹ Hubzu is a collection of businesses that includes asset management, real estate brokerage, auction and Hubzu.com

² Ending Inventory represents Hubzu inventory from customers other than Ocwen, NRZ and RESI at the end of the period

³ Total Inventory represents all Hubzu inventory at the end of the period

APPENDIX

**FINANCIAL
PERFORMANCE**

16

**OPERATING
METRICS**

19

**NON-GAAP
MEASURES**

21

**LINE OF
BUSINESS
OVERVIEWS**

29

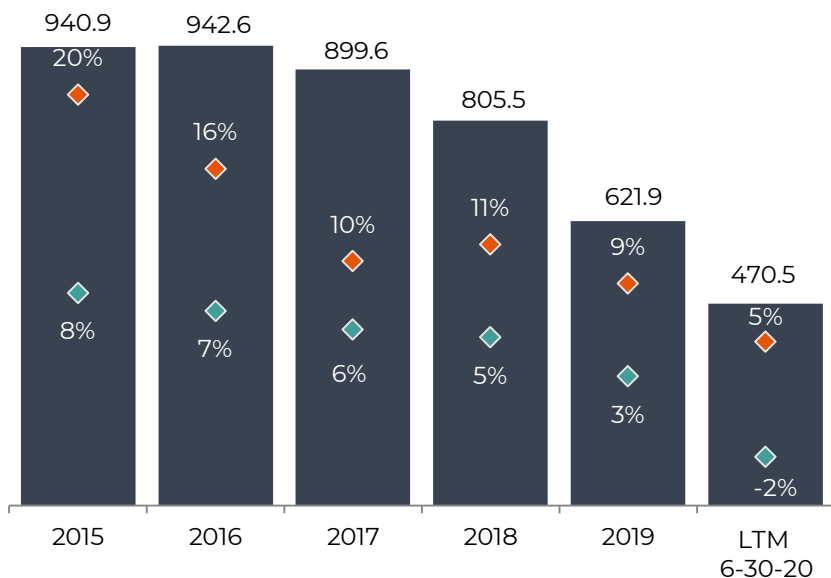
**INVESTOR
RELATIONS
INFORMATION**

32

FINANCIAL PERFORMANCE

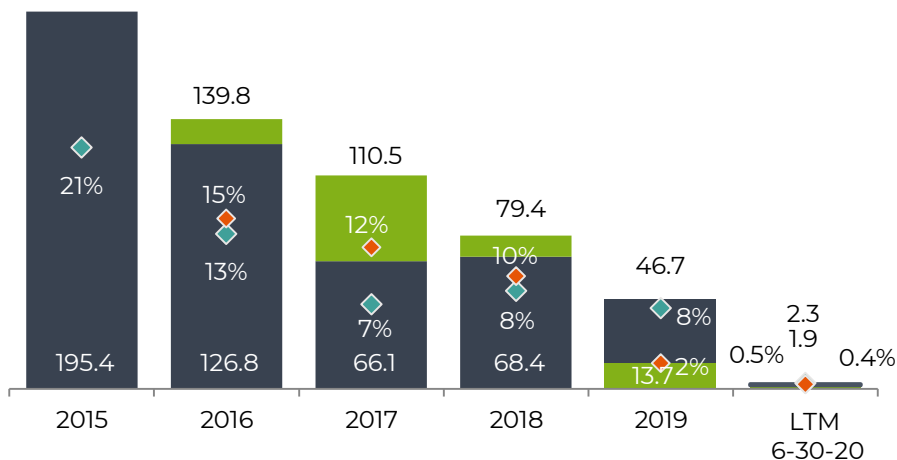
Service Revenue (\$ millions)

- ◆ Operating Income (Loss) Margin%
- ◆ Adjusted Operating Income¹ Margin%



Cash Flows From Operating Activities (\$ millions)

- Cash Flows From Operating Activities - > ◆ Amount as a % of Service Revenue
- Adjusted Cash Flows From Operating Activities¹ - > ◆ Amount as a % of Service Revenue

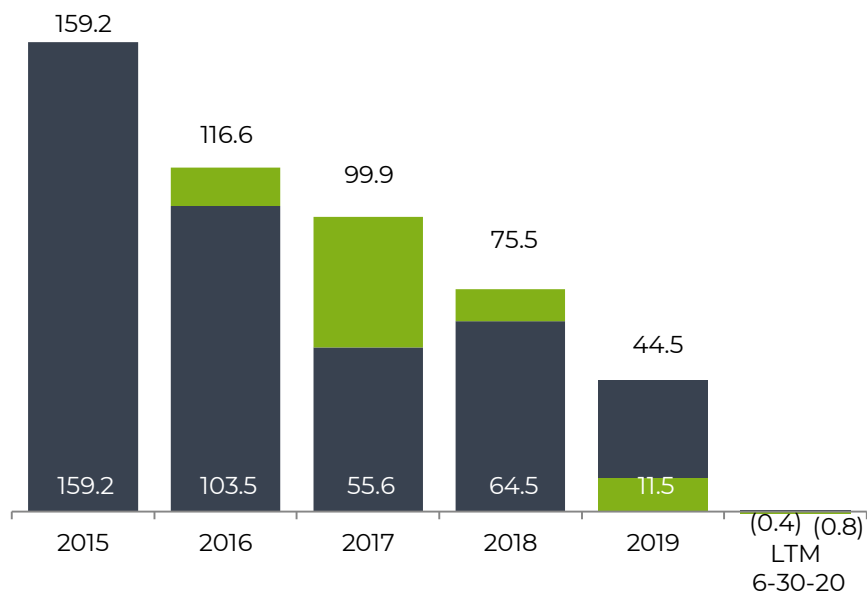


¹ This is a non-GAAP measure defined and reconciled in this Appendix

FINANCIAL PERFORMANCE

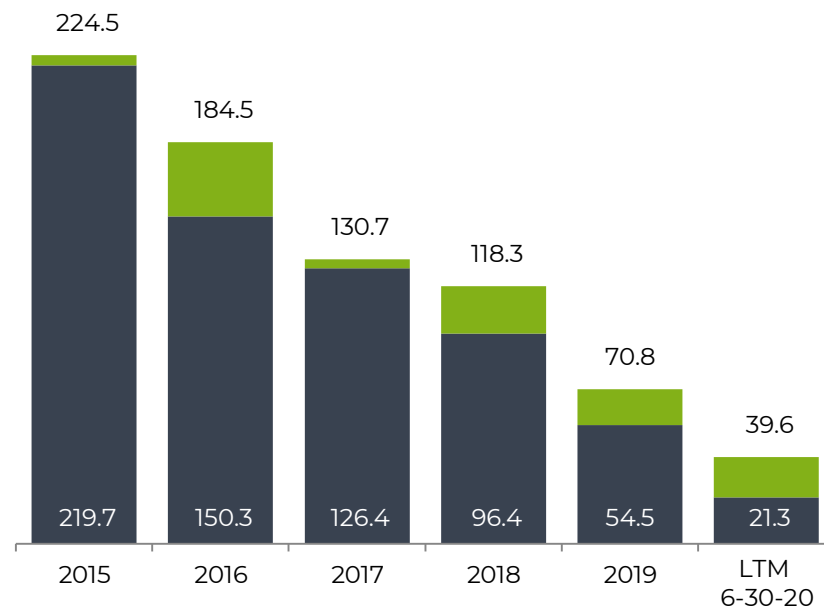
Cash Flows From Operating Activities Less Capital Expenditures (\$ millions)

- Cash Flows From Operating Activities Less Capital Expenditures¹
- Adjusted Cash Flows From Operating Activities Less Capital Expenditures¹



EBITDA (\$ millions)

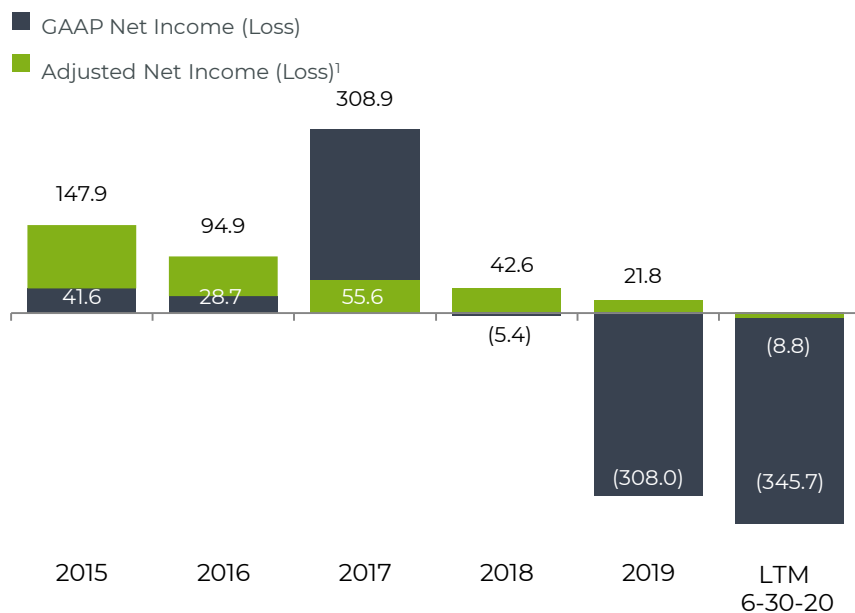
- EBITDA¹
- Adjusted EBITDA¹



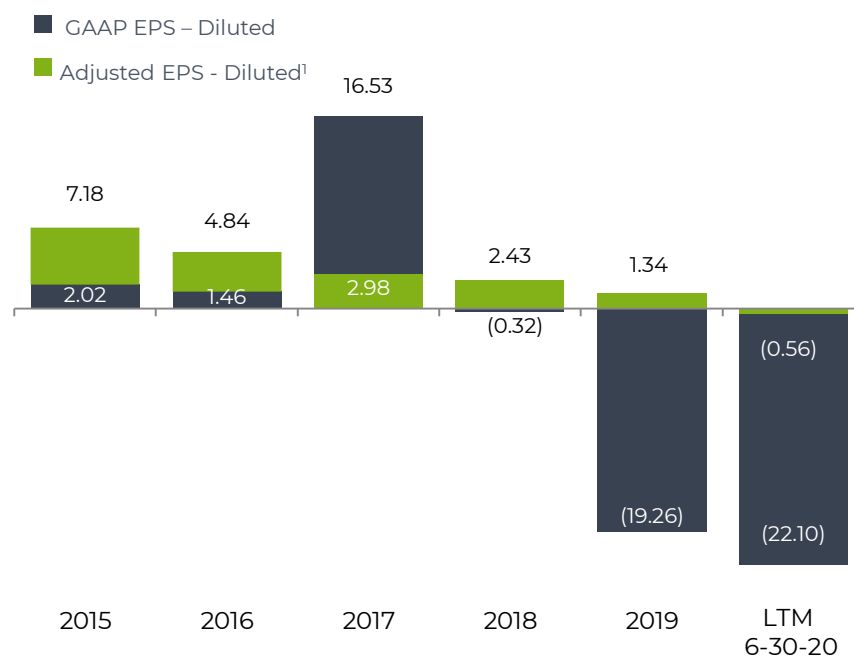
¹ This is a non-GAAP measure defined and reconciled in this Appendix

FINANCIAL PERFORMANCE

Net Income (Loss) Attributable to Altisource (\$ millions)



Earnings (Loss) per Share - Diluted (\$)



¹ This is a non-GAAP measure defined and reconciled in this Appendix

OPERATING METRICS

	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20
Ocwen Serviced Portfolio¹:									
Default Related Services excluding mortgage charge-off:									
Service revenue ² per delinquent loan ³ per quarter									
Non-GSE	\$ 837	\$ 874	\$ 883	\$ 816	\$ 735	\$ 723	\$ 786	\$ 668	\$ 359
GSE ⁴	\$ 88	\$ 91	\$ 88	\$ 36	\$ 58	\$ 99	\$ 82	\$ 65	\$ 14
Average number of delinquent loans serviced by Ocwen ^{5,6}									
Non-GSE (in thousands)	153	144	141	139	136	137	133	129	185
GSE (in thousands)	15	14	13	19	19	20	19	20	49
Average delinquency rate of loans serviced by Ocwen ⁶									
Non-GSE	17.8%	17.3%	17.5%	16.1%	16.6%	17.6%	17.6%	17.5%	25.8%
GSE	5.9%	5.4%	5.3%	3.0%	3.0%	3.1%	3.0%	3.3%	7.9%
Provisional loan count serviced by Ocwen as of the end of the period ⁶									
Non-GSE (in thousands)	853	825	800	854	801	775	751	731	711
GSE (in thousands)	258	246	238	636	624	635	620	615	617
Servicer Technologies and IT Infrastructure Services:									
Service revenue per loan per quarter	\$11	\$13	\$10	\$6	\$5	\$2	\$0	\$1	\$0
Average number of loans serviced by Ocwen (in thousands) ^{5,6}	1,123	1,084	1,048	1,502	1,445	1,425	1,384	1,352	1,337

¹ Includes the MSR's acquired (or to be acquired) by NRZ from Ocwen

² Includes service revenue related to the portfolios serviced or subserviced by Ocwen when a party other than Ocwen/NRZ selects Altisource as a service provider. Service revenue generated from certain services is not recorded separately for non-GSE and GSE loans. For these services, service revenue has been allocated between non-GSE and GSE loans based on estimates

³ Delinquent loans include loans that are delinquent for more than 30 days including loans in bankruptcy, foreclosure and REO

⁴ Throughout this presentation, GSE loans also include Government National Mortgage Association (Ginnie Mae)

⁵ Average loans serviced for Q2'20 is provisional and subject to change

⁶ Amounts presented herein for Q2'18 through Q4'18 are based on loans serviced by Ocwen on REALServicing. Amounts presented herein for Q1'19 through Q2'20 are based on all loans serviced by Ocwen, regardless of the servicing system, and include loans from Ocwen's acquisition of PHH; information contained herein is based upon information reported to us by Ocwen. Delinquency rates include loans in forbearance programs

OPERATING METRICS

	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20
Hubzu:									
Service revenue (in millions) ^{1,2}	\$ 45.5	\$ 37.5	\$ 33.4	\$ 32.2	\$ 28.1	\$ 22.2	\$ 27.8	\$ 23.1	\$ 14.5
Number of homes sold on Hubzu:									
Ocwen serviced portfolios ³	4,374	4,018	3,577	3,279	2,700	2,081	2,585	2,107	1,465
Front Yard Residential	138	69	34	90	52	30	23	6	3
All other ⁴	288	257	369	444	413	584	530	575	447
Total	4,800	4,344	3,980	3,813	3,165	2,695	3,138	2,688	1,915

¹ Revenue from Ocwen/NRZ homes sold on Hubzu is also reflected in service revenue per delinquent loan per quarter reported in the previous slide

² Includes brokerage and fees generated from the sale of homes under the Company's buy-renovate-lease-sell program (program ended in June 2019, brokerage and fees generated are included in Q2'18 through Q2'19 service revenue)

³ Includes the portfolios acquired (or to be acquired) by NRZ from Ocwen

⁴ Includes homes sold under the Company's buy-renovate-lease-sell ("BRS") program only when those homes are sold through Hubzu (program ended in June 2019, homes sold are included in Q2'18 through Q2'19; the second quarter 2019 bulk sale of BRS homes is not included herein)

NON-GAAP MEASURES

Adjusted operating income (loss), pretax income (loss) attributable to Altisource, adjusted pretax income (loss) attributable to Altisource, adjusted net income (loss) attributable to Altisource, adjusted Earnings (Loss) per Share – Diluted, adjusted cash flows from operating activities, cash flows from operating activities less capital expenditures, adjusted cash flows from operating activities less capital expenditures, EBITDA, adjusted EBITDA, and net debt less marketable securities, are non-GAAP measures used by our Chairman and Chief Executive Officer (our chief operating decision maker), existing shareholders and potential shareholders to measure Altisource's performance.

- Adjusted operating income (loss) is calculated by removing intangible asset amortization expense, share-based compensation expense, gain on sale of businesses, loss on BRS portfolio sale, sales tax accrual, net of reimbursement, restructuring charges, goodwill and other assets write-off from business exits, Pointillist losses, litigation settlement loss, impairment loss and gain on Equator earn out liability, from income (loss) from operations
- Pretax income (loss) attributable to Altisource is calculated by reducing net income attributable to non-controlling interests from income (loss) before income taxes and non-controlling interests
- Adjusted pretax income (loss) attributable to Altisource is calculated by removing non-controlling interests, intangible asset amortization expense, share-based compensation expense, gain on sale of businesses, loss on BRS portfolio sale, sales tax accrual, net of reimbursement, restructuring charges, loss on debt refinancing, goodwill and other assets write-off from business exits, Pointillist losses, unrealized (loss) gain on investment in equity securities, litigation settlement loss, impairment loss and gain on Equator earn out liability, from income (loss) before income taxes and non-controlling interests
- Adjusted net income (loss) attributable to Altisource is calculated by removing intangible asset amortization expense (net of tax), share-based compensation expense (net of tax), gain on sale of businesses (net of tax), loss on sales of BRS portfolio sale (net of tax), sales tax accrual, net of reimbursement (net of tax), restructuring charges (net of tax), loss on debt refinancing (net of tax), goodwill and other assets write-off from business exits (net of tax), Pointillist losses (net of tax), unrealized (loss) gain on investment in equity securities (net of tax), certain income tax related items, net, litigation settlement loss (net of tax), impairment loss (net of tax) and gain on Equator earn out liability (net of tax), from net income (loss) attributable to Altisource

NON-GAAP MEASURES

- Adjusted diluted earnings (loss) per share is calculated by dividing net income (loss) attributable to Altisource after removing intangible asset amortization expense (net of tax), share-based compensation expense (net of tax), gain on sale of businesses (net of tax), loss on BRS portfolio sale (net of tax), sales tax accrual, net of reimbursement (net of tax), restructuring charges (net of tax), loss on debt refinancing (net of tax), goodwill and other assets write-off from business exits (net of tax), Pointillist losses (net of tax), unrealized (loss) gain on investment in equity securities (net of tax), certain income tax related items, net, litigation settlement loss (net of tax), impairment loss (net of tax) and gain on Equator earn out liability (net of tax), by the weighted average number of diluted shares
- Adjusted cash flow from operating activities is calculated by removing the cash payment related to the litigation settlement loss, net of insurance recovery, the change in short-term investments in real estate and payment of sales tax accrual from cash flows from operating activities
- Cash flow from operating activities less capital expenditures is calculated by deducting capital expenditures from cash flows from operating activities
- Adjusted cash flow from operating activities less capital expenditures is calculated by removing litigation settlement loss, net of insurance recovery, the change in short-term investments in real estate, payment of sales tax accrual and capital expenditures from cash flows from operating activities
- EBITDA is calculated by deducting income tax benefit or adding income tax provision, interest expense (net of interest income), non-cash impairment losses, unrealized (loss) gain on investment in equity securities and depreciation and amortization, less non-cash gains associated with reductions of the Equator earn out liability, from GAAP net income (loss) attributable to Altisource
- Adjusted EBITDA is calculated by deducting income tax benefit or adding income tax provision, interest expense (net of interest income), non-cash impairment losses, unrealized (loss) gain on investment in equity securities, loss on debt refinancing, depreciation and amortization, litigation settlement losses net of insurance recovery, loss on BRS portfolio sale, sales tax accrual, net of reimbursement, restructuring charges, goodwill and other assets write-off from business exits, Pointillist losses, and share-based compensation less non-cash gains associated with reductions of the Equator earn out liability and gain on sale of businesses, from GAAP net income (loss) attributable to Altisource
- Net debt less marketable securities is calculated as long-term debt, including current portion, minus cash and cash equivalents and marketable securities
- The reconciliations of non-GAAP measures to GAAP measures are shown on slides 23 to 28

NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	2015	2016	2017	2018	2019	Q2'19	Q2'20	LTM 06/30/20	H1'19	H1'20
Income (Loss) from Operations	79.1	65.1	49.7	42.5	18.1	5.4	(17.8)	(8.6)	4.8	(21.9)
Add: Intangible asset amortization expense	41.1	47.6	35.4	28.4	19.0	3.5	2.8	13.9	12.2	7.0
Add: Share-based compensation	4.8	6.2	4.3	10.2	11.9	2.8	1.9	11.2	5.5	4.8
Less: Gain on sale of businesses	-	-	-	(13.7)	(17.8)	-	-	(17.8)	-	-
Add: Loss on BRS portfolio sale	-	-	-	-	1.8	1.8	-	-	1.8	-
Add: Sales tax accrual, net of reimbursement	-	-	-	6.2	0.3	-	-	(1.7)	2.1	-
Add: Restructuring charges	-	-	-	11.6	14.1	1.9	5.8	16.5	6.3	8.7
Add: Goodwill and other assets write-off from business exits	-	-	-	2.6	6.1	-	-	5.9	0.2	-
Add: Pointillist losses	-	-	-	-	-	-	2.4	5.1	-	5.1
Add: Litigation settlement loss ¹	-	28.0	-	0.5	-	-	-	-	-	-
Add: Impairment loss	71.8	-	-	-	-	-	-	-	-	-
Less: Gain on Equator earn out liability	(7.6)	-	-	-	-	-	-	-	-	-
Adjusted Operating Income (Loss)	189.2	146.9	89.3	88.3	53.4	15.5	(4.8)	24.4	32.8	3.7
Income (Loss) Before Income Taxes and Non-Controlling Interests	53.1	44.3	35.4	1.4	12.4	11.9	(33.7)	(38.4)	7.9	(42.9)
Less: Net (loss) attributable to non-controlling interests	(3.2)	(2.7)	(2.7)	(2.7)	(2.1)	(1.2)	(0.2)	(0.7)	(1.7)	(0.3)
Pretax Income (Loss) Attributable to Altisource	49.9	41.6	32.6	(1.3)	10.3	10.7	(33.9)	(39.1)	6.3	(43.2)
Add: Intangible asset amortization expense	41.1	47.6	35.4	28.4	19.0	3.5	2.8	13.9	12.2	7.0
Add: Share-based compensation	4.8	6.2	4.3	10.2	11.9	2.8	1.9	11.2	5.5	4.8
Less: Gain on sale of businesses	-	-	-	(13.7)	(17.8)	-	-	(17.8)	-	-
Add: Loss on BRS portfolio sale	-	-	-	-	1.8	1.8	-	-	1.8	-
Add: Sales tax accrual, net of reimbursement	-	-	-	6.2	0.3	-	-	(1.7)	2.1	-
Add: Restructuring charges	-	-	-	11.6	14.1	1.9	5.8	16.5	6.3	8.7
Add: Loss on debt refinancing	-	-	-	4.4	-	-	-	-	-	-
Add: Goodwill and other assets write-off from business exits	-	-	-	2.6	6.1	-	-	5.9	0.2	-
Add: Pointillist losses	-	-	-	-	-	-	2.1	4.4	-	4.4
Add: Unrealized loss (gain) on investment in equity securities	-	-	-	13.0	(14.4)	(11.8)	11.2	12.2	(14.0)	12.6
Add: Litigation settlement loss ¹	-	28.0	-	0.5	-	-	-	-	-	-
Add: Impairment loss	71.8	-	-	-	-	-	-	-	-	-
Less: Gain on Equator earn out liability	(7.6)	-	-	-	-	-	-	-	-	-
Adjusted Pretax Income (Loss) Attributable to Altisource	160.0	123.4	72.3	62.0	31.2	8.9	(10.0)	5.4	20.2	(5.6)

¹ Net of insurance recovery

Note: Numbers may not sum due to rounding

NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	2015	2016	2017	2018	2019	Q2'19	Q2'20	LTM 06/30/20	H1'19	H2'20
Net Income (Loss) Attributable to Altisource	41.6	28.7	308.9	(5.4)	(308.0)	(5.8)	(35.1)	(345.7)	(9.0)	(46.7)
Add: Intangible asset amortization expense, net of tax	38.2	36.8	27.5	19.9	14.3	2.5	2.8	10.4	9.4	7.0
Add: Share-based compensation, net of tax	4.5	4.8	3.3	7.1	8.9	2.0	1.7	8.5	4.2	4.4
Less: Gain on sale of businesses, net of tax	-	-	-	(9.3)	(10.6)	-	-	(10.6)	-	-
Add: Loss on BRS portfolio sale, net of tax	-	-	-	-	1.4	1.4	-	-	1.4	-
Add: Sales tax accrual, net of reimbursement, net of tax	-	-	-	4.6	0.2	-	-	(1.3)	1.5	-
Add: Restructuring charges, net of tax	-	-	-	9.0	10.7	1.5	5.4	12.6	4.9	7.8
Add: Loss on debt refinancing, net of tax	-	-	-	3.2	-	-	-	-	-	-
Add: Goodwill and other assets write-off from business exits, net of tax	-	-	-	2.0	4.6	-	-	4.4	0.2	-
Add: Pointillist losses, net of tax	-	-	-	-	-	-	1.6	3.4	-	3.4
Add: Unrealized loss (gain) on investment in equity securities, net of tax	-	-	-	9.6	(10.8)	(8.8)	11.2	9.1	(10.5)	12.6
(Less) Add: Certain income tax related items, net	-	-	(284.1)	1.6	311.2	13.2	0.5	300.3	13.2	2.4
Add: Litigation settlement loss ¹ , net of tax	-	24.6	-	0.3	-	-	-	-	-	-
Add: Impairment loss, net of tax	70.6	-	-	-	-	-	-	-	-	-
Less: Gain on Equator earn out liability, net of tax	(6.9)	-	-	-	-	-	-	-	-	-
Adjusted Net Income (Loss) Attributable to Altisource	147.9	94.9	55.6	42.6	21.8	5.9	(11.8)	(8.8)	15.2	(9.1)
Earnings (Loss) Per Share – Diluted	2.02	1.46	16.53	(0.32)	(19.26)	(0.36)	(2.25)	(22.10)	(0.56)	(3.00)
Add: Impact of using diluted share count instead of basic share count for loss per share	-	-	-	0.01	0.34	0.01	-	-	0.01	-
Add: Intangible asset amortization expense, net of tax per diluted share	1.85	1.88	1.47	1.14	0.88	0.15	0.18	0.67	0.57	0.45
Add: Share-based compensation, net of tax per diluted share	0.22	0.24	0.18	0.41	0.55	0.12	0.11	0.54	0.25	0.28
Less: Gain on sale of businesses, net of tax per diluted share	-	-	-	(0.53)	(0.65)	-	-	(0.68)	-	-
Add: Loss on BRS portfolio sale, net of tax per diluted share	-	-	-	-	0.09	0.09	-	-	0.08	-
Add: Sales tax accrual, net of reimbursement, net of tax per diluted share	-	-	-	0.26	0.01	-	-	(0.08)	0.09	-
Add: Restructuring charges, net of tax per diluted share	-	-	-	0.51	0.66	0.09	0.34	0.81	0.29	0.50
Add: Loss on debt refinancing, net of tax per diluted share	-	-	-	0.18	-	-	-	-	-	-
Add: Goodwill and other assets write-off from business exits, net of tax per diluted share	-	-	-	0.11	0.28	-	-	0.28	0.01	-
Add: Pointillist losses, net of tax, per diluted share	-	-	-	-	-	-	0.11	0.22	-	0.22
Add: Unrealized loss (gain) on investment in equity securities, net of tax per diluted share	-	-	-	0.55	(0.67)	(0.54)	0.72	0.58	(0.64)	0.81
Add (Less): Certain income tax related items, net per diluted share	-	-	(15.20)	0.09	19.12	0.80	0.03	19.20	0.80	0.15
Add: Litigation settlement loss ¹ , net of tax per diluted share	-	1.25	-	0.02	-	-	-	-	-	-
Add: Impairment loss, net of tax per diluted share	3.43	-	-	-	-	-	-	-	-	-
Less: Gain on Equator earn out liability, net of tax per diluted share	(0.34)	-	-	-	-	-	-	-	-	-
Adjusted Earnings (Loss) Per Share – Diluted	7.18	4.84	2.98	2.43	1.34	0.36	(0.76)	(0.56)	0.92	(0.59)

¹ Net of insurance recovery

NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	2015	2016	2017	2018	2019	Q2'19	Q2'20	LTM 06/30/20	H1'19	H1'20
Cash Flows From Operating Activities	195.4	126.8	66.1	68.4	46.7	39.8	(9.6)	2.3	33.2	(11.2)
Add: Litigation settlement loss ¹	-	-	28.0	0.5	-	-	-	-	-	-
Add: Change in short-term real estate investments related to buy- renovate- lease- sell	-	13.0	16.4	10.5	(39.9)	(39.9)	-	(0.4)	(39.5)	-
Add: Payment of sales tax accrual	-	-	-	-	6.9	-	-	-	6.9	-
Adjusted Cash Flows From Operating Activities	195.4	139.8	110.5	79.4	13.7	(0.0)	(9.6)	1.9	0.6	(11.2)
Cash Flows From Operating Activities	195.4	126.8	66.1	68.4	46.7	39.8	(9.6)	2.3	33.2	(11.2)
Less: Capital Expenditures	(36.2)	(23.3)	(10.5)	(3.9)	(2.2)	(0.1)	(1.0)	(2.7)	(0.9)	(1.5)
Cash Flows From Operating Activities Less Capital Expenditures	159.2	103.5	55.6	64.5	44.5	39.7	(10.5)	(0.4)	32.2	(12.7)
Add: Litigation settlement loss payment ¹	-	-	28.0	0.5	-	-	-	-	-	-
Add: Change in short-term real estate investments related to buy- renovate- lease- sell	-	13.0	16.4	10.5	(39.9)	(39.9)	-	(0.4)	(39.5)	-
Add: Payment of sales tax accrual	-	-	-	-	6.9	-	-	-	6.9	-
Adjusted Cash Flows From Operating Activities Less Capital Expenditures	159.2	116.6	99.9	75.5	11.5	(0.2)	(10.5)	(0.8)	(0.4)	(12.7)
Net Income (Loss) Attributable to Altisource	41.6	28.7	308.9	(5.4)	(308.0)	(5.8)	(35.1)	(345.7)	(9.0)	(46.7)
Add (Less): Income tax provision (benefit)	8.3	12.9	(276.3)	4.1	318.3	16.5	1.1	306.5	15.3	3.5
Add: Interest expense, net of interest income	28.1	24.3	22.0	25.5	21.1	5.7	4.4	18.6	11.5	9.1
Add: Depreciation and amortization	77.6	84.4	71.8	59.2	37.5	8.4	6.4	29.6	22.7	14.8
Add: Unrealized loss (gain) on investment in equity securities	-	-	-	13.0	(14.4)	(11.8)	11.2	12.2	(14.0)	12.6
Add: Impairment losses	71.8	-	-	-	-	-	-	-	-	-
Less: Gain on Equator earn- out liability	(7.6)	-	-	-	-	-	-	-	-	-
EBITDA	219.7	150.3	126.4	96.4	54.5	13.0	(11.9)	21.3	26.4	(6.8)
Add: Share-based compensation	4.8	6.2	4.3	10.2	11.9	2.8	1.9	11.2	5.5	4.8
Less: Gain on sale of businesses	-	-	-	(13.7)	(17.8)	-	-	(17.8)	-	-
Add: Loss on BRS portfolio sale	-	-	-	-	1.8	1.8	-	-	1.8	-
Add: Sales tax accrual, net of reimbursement	-	-	-	6.2	0.3	-	-	(1.7)	2.1	-
Add: Restructuring charges	-	-	-	11.6	14.1	1.9	5.8	16.5	6.3	8.7
Add: Loss on debt refinancing	-	-	-	4.4	-	-	-	-	-	-
Add: Goodwill and other assets write- off from business exits	-	-	-	2.6	6.1	-	-	5.9	0.2	-
Add: Pointillist losses	-	-	-	-	-	-	2.1	4.3	-	4.3
Add: Litigation settlement loss ¹	-	28.0	-	0.5	-	-	-	-	-	-
Adjusted EBITDA	224.5	184.5	130.7	118.3	70.8	19.5	(2.1)	39.6	42.2	11.1

¹ Net of insurance recovery

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Note: Numbers may not sum
due to rounding

NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	2015	2016	2017	2018	2019	Q2'19	Q2'20	LTM 06/30/20	H1'19	H1'20
Calculation of the impact of intangible asset amortization expense, net of tax										
Intangible amortization expense	41.1	47.6	35.4	28.4	19.0	3.5	2.8	13.9	12.2	7.0
Tax benefit from intangible asset amortization	(2.9)	(10.8)	(7.8)	(8.5)	(4.7)	(1.1)	(0.0)	(3.5)	(2.8)	(0.1)
Intangible asset amortization expense, net of tax	38.2	36.8	27.5	19.9	14.3	2.5	2.8	10.4	9.4	7.0
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽¹⁾	16,557	15,549
Intangible asset amortization expense, net of tax per diluted share	1.85	1.88	1.47	1.14	0.88	0.15	0.18	0.67	0.57	0.45
Calculation of the impact of share-based compensation, net of tax										
Share-based compensation	4.8	6.2	4.3	10.2	11.9	2.8	1.9	11.2	5.5	4.8
Tax benefit from share-based compensation	(0.3)	(1.4)	(0.9)	(3.1)	(3.0)	(0.9)	(0.2)	(2.8)	(1.2)	(0.5)
Share-based compensation, net of tax	4.5	4.8	3.3	7.1	8.9	2.0	1.7	8.5	4.2	4.4
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽¹⁾	16,557	15,549
Share-based compensation, net of tax per diluted share	0.22	0.24	0.18	0.41	0.55	0.12	0.11	0.54	0.25	0.28
Calculation of the impact of the unrealized loss (gain) on investment in equity securities, net of tax										
Unrealized loss (gain) on investment in equity securities	-	-	-	13.0	(14.4)	(11.8)	11.2	12.2	(14.0)	12.6
Tax (benefit) provision from the unrealized loss (gain) on investment in equity securities	-	-	-	(3.4)	3.6	2.9	-	(3.0)	3.5	-
Unrealized loss (gain) on investment in equity securities, net of tax	-	-	-	9.6	(10.8)	(8.8)	11.2	9.1	(10.5)	12.6
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽¹⁾	16,557	15,549
Unrealized loss (gain) on investment in equity securities, net of tax per diluted share	-	-	-	0.55	(0.67)	(0.54)	0.72	0.58	(0.64)	0.81
Calculation of the impact of impairment loss, net of tax										
Impairment loss	71.8	-	-	-	-	-	-	-	-	-
Tax benefit from impairment loss	(1.2)	-	-	-	-	-	-	-	-	-
Impairment loss, net of tax	70.6	-	-	-	-	-	-	-	-	-
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽¹⁾	16,557	15,549
Impairment loss, net of tax per diluted share	3.43	-	-	-	-	-	-	-	-	-
Calculation of the gain on the Equator earn out liability, net of tax										
Gain on Equator earn out liability	(7.6)	-	-	-	-	-	-	-	-	-
Tax provision from gain on Equator earn out liability	0.7	-	-	-	-	-	-	-	-	-
Gain on Equator earn out liability, net of tax	(6.9)	-	-	-	-	-	-	-	-	-
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽¹⁾	16,557	15,549
Gain on Equator earn out liability, net of tax per diluted share	(0.34)	-	-	-	-	-	-	-	-	-

(1) Calculated as the simple average of the quarterly basic share counts in each quarter of the twelve months ended June 30, 2020

NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	2015	2016	2017	2018	2019	Q2'19	Q2'20	LTM 06/30/20	H1'19	H1'20
Calculation of the impact of litigation settlement loss, net of tax										
Litigation settlement loss ¹	-	28.0	-	0.5	-	-	-	-	-	-
Tax benefit from litigation settlement loss ¹	-	(3.4)	-	(0.2)	-	-	-	-	-	-
Litigation settlement loss ¹ , net of tax	-	24.6	-	0.3	-	-	-	-	-	-
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽²⁾	16,557	15,549
Litigation settlement loss ¹ , net of tax per diluted share	-	1.25	-	0.02	-	-	-	-	-	-
Calculation of the impact of loss on BRS portfolio sale, net of tax										
Loss on BRS portfolio sale	-	-	-	-	1.8	1.8	-	-	1.8	-
Tax benefit from loss on BRS portfolio sale	-	-	-	-	(0.4)	(0.4)	-	-	(0.4)	-
Loss on BRS portfolio sale, net of tax	-	-	-	-	1.4	1.4	-	-	1.4	-
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽²⁾	16,557	15,549
Loss on BRS portfolio sale, net of tax per diluted share	-	-	-	-	0.09	0.09	-	-	0.08	-
Calculation of the impact of gain on sale of businesses, net of tax										
Gain on sale of businesses	-	-	-	(13.7)	(17.8)	-	-	(17.8)	-	-
Tax provision from gain on sale of businesses	-	-	-	4.3	7.2	-	-	7.2	-	-
Gain on sale of businesses, net of tax	-	-	-	(9.3)	(10.6)	-	-	(10.6)	-	-
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽²⁾	16,557	15,549
Gain on sale of businesses, net of tax per diluted share	-	-	-	(0.53)	(0.65)	-	-	(0.68)	-	-
Calculation of the impact of sales tax accrual, net of reimbursement, net of tax										
Sales tax accrual, net of reimbursement	-	-	-	6.2	0.3	-	-	(1.7)	2.1	-
Tax benefit from sales tax accrual	-	-	-	(1.6)	(0.1)	-	-	0.4	(0.5)	-
Sales tax accrual, net of reimbursement, net of tax	-	-	-	4.6	0.2	-	-	(1.3)	1.5	-
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽²⁾	16,557	15,549
Sales tax accrual, net of reimbursement, net of tax per diluted share	-	-	-	0.26	0.01	-	-	(0.08)	0.09	-
Calculation of the goodwill and other assets write-off from business exits, net of tax										
Goodwill and other assets write-off from business exits	-	-	-	2.6	6.1	-	-	5.9	0.2	-
Tax benefit from goodwill and other assets write-off from business exits	-	-	-	(0.7)	(1.5)	-	-	(1.5)	(0.1)	-
Goodwill and other assets write-off from business exits, net of tax	-	-	-	2.0	4.6	-	-	4.4	0.2	-
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽²⁾	16,557	15,549
Goodwill and other assets write-off from business exits, net of tax per diluted share	-	-	-	0.11	0.28	-	-	0.28	0.01	-

¹ Net of insurance recovery

(2) Calculated as the simple average of the quarterly basic share counts in each quarter of the twelve months ended June 30, 2020

NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	2015	2016	2017	2018	2019	Q2'19	Q2'20	LTM 06/30/20	H1'19	H1'20
Calculation of the impact of restructuring charges, net of tax										
Restructuring charges	-	-	-	11.6	14.1	1.9	5.8	16.5	6.3	8.7
Tax benefit from restructuring charges	-	-	-	(2.6)	(3.4)	(0.4)	(0.4)	(3.8)	(1.5)	(0.8)
Restructuring charges, net of tax	-	-	-	9.0	10.7	1.5	5.4	12.6	4.9	7.8
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽¹⁾	16,557	15,549
Restructuring charges, net of tax per diluted share	-	-	-	0.51	0.66	0.09	0.34	0.81	0.29	0.50
Calculation of the impact of certain income tax related items, net										
Luxembourg deferred tax valuation allowance and Luxembourg subsidiaries merger, net	-	-	(300.9)	-	291.5	-	-	291.5	-	-
Other income tax rate changes	-	-	6.3	-	14.0	12.3	-	3.1	12.3	1.4
Foreign income tax reserves/other	-	-	10.5	1.6	5.6	0.9	0.5	5.7	0.9	1.0
Certain income tax related items, net	-	-	(284.1)	1.6	311.2	13.2	0.5	300.3	13.2	2.4
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽¹⁾	16,557	15,549
Certain income tax related items, net per diluted share	-	-	(15.20)	0.09	19.12	0.80	0.03	19.20	0.80	0.15
Calculation of the impact of the loss on debt refinancing, net of tax										
Loss on debt refinancing	-	-	-	4.4	-	-	-	-	-	-
Tax benefit from the loss on debt refinancing	-	-	-	(1.2)	-	-	-	-	-	-
Loss on debt refinancing, net of tax	-	-	-	3.2	-	-	-	-	-	-
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽¹⁾	16,557	15,549
Loss on debt refinancing, net of tax per diluted share	-	-	-	0.18	-	-	-	-	-	-
Calculation of the impact of Pointillist losses, net of tax										
Pointillist losses	-	-	-	-	-	-	2.1	4.4	-	4.4
Tax benefit from Pointillist losses	-	-	-	-	-	-	(0.5)	(1.0)	-	(1.0)
Pointillist losses, net of tax	-	-	-	-	-	-	1.6	3.4	-	3.4
Diluted share count (in 000s)	20,619	19,612	18,692	17,523	16,277	16,477	15,601	15,641 ⁽¹⁾	16,557	15,549
Pointillist losses, net of tax, per diluted share	-	-	-	-	-	-	0.11	0.22	-	0.22

(1) Calculated as the simple average of the quarterly basic share counts in each quarter of the twelve months ended June 30, 2020

Reconciliation (\$ in millions)	12-31-14	12-31-15	12-31-16	12-31-17	12-31-18	12-31-19	06-30-19	06-30-20
Senior secured term loans	\$591.5	\$536.6	\$479.7	\$413.6	\$338.8	\$293.8	\$333.0	\$293.8
Less: Cash and cash equivalents	(161.4)	(179.3)	(149.3)	(105.0)	(58.3)	(82.7)	(85.4)	(68.2)
Less: Marketable securities	-	-	(45.8)	(49.2)	(36.2)	(42.6)	(43.7)	(30.0)
Net debt less marketable securities	\$430.2	\$357.3	\$284.6	\$259.4	\$244.3	\$168.5	\$203.9	\$195.6

Note: Numbers may not sum
due to rounding

FIELD SERVICES

Grew Field Services revenue from customers other than Ocwen, NRZ and RESI by 69% in the first half of 2020 compared to the first half of 2019

Business Overview

- Provides inspection, preservation and maintenance services for pre-foreclosure and post-foreclosure properties, and a vendor transaction, invoice and oversight workflow platform
- One of the leading providers and well positioned for potential growth from our scale, national footprint, consolidation of service providers and growing customer base

Service Offerings

- | | |
|---|---|
| <div style="border: 1px solid black; border-radius: 10px; background-color: #008080; color: white; padding: 5px; text-align: center; width: fit-content; margin-bottom: 10px;"> <div style="display: flex; align-items: center; justify-content: center;"> <div style="background-color: white; border-radius: 50%; width: 20px; height: 20px; margin-right: 5px;"></div> <div> Inspection Services </div> </div> </div> | <div style="color: green; font-size: 24px; margin-bottom: 5px;">✓</div> <div>Exterior and interior inspections, loss draft inspections, property condition reports, etc.</div> |
| <div style="border: 1px solid black; border-radius: 10px; background-color: #008080; color: white; padding: 5px; text-align: center; width: fit-content; margin-bottom: 10px;"> <div style="display: flex; align-items: center; justify-content: center;"> <div style="background-color: white; border-radius: 50%; width: 20px; height: 20px; margin-right: 5px;"></div> <div> Preservation and Specialty Services </div> </div> </div> | <div style="color: green; font-size: 24px; margin-bottom: 5px;">✓</div> <div>Seasonal services, recurring maintenance, repairs, hazard repairs management, utility payments, property registration, etc.</div> |
| <div style="border: 1px solid black; border-radius: 10px; background-color: #008080; color: white; padding: 5px; text-align: center; width: fit-content; margin-bottom: 10px;"> <div style="display: flex; align-items: center; justify-content: center;"> <div style="background-color: white; border-radius: 50%; width: 20px; height: 20px; margin-right: 5px;"></div> <div> Community Engagement Services </div> </div> </div> | <div style="color: green; font-size: 24px; margin-bottom: 5px;">✓</div> <div>Relationships with homeowners associations, national and local non-profits, and other community stakeholders to effectively address local issues</div> |
| <div style="border: 1px solid black; border-radius: 10px; background-color: #008080; color: white; padding: 5px; text-align: center; width: fit-content; margin-bottom: 10px;"> <div style="display: flex; align-items: center; justify-content: center;"> <div style="background-color: white; border-radius: 50%; width: 20px; height: 20px; margin-right: 5px;"></div> <div> Automated Solutions </div> </div> </div> | <div style="color: green; font-size: 24px; margin-bottom: 5px;">✓</div> <div>Proprietary technology platforms to help effectively manage business needs</div> |
| <div style="border: 1px solid black; border-radius: 10px; background-color: #008080; color: white; padding: 5px; text-align: center; width: fit-content; margin-bottom: 10px;"> <div style="display: flex; align-items: center; justify-content: center;"> <div style="background-color: white; border-radius: 50%; width: 20px; height: 20px; margin-right: 5px;"></div> <div> Quality Control in the Field </div> </div> </div> | <div style="color: green; font-size: 24px; margin-bottom: 5px;">✓</div> <div>Regional field service managers to quality control check vendors' performance</div> |

Key Business Highlights and Market Opportunity

- **Strong Positioning:** Opportunity for growth as customers consolidate to vendors with a national footprint, strong performance and a robust compliance and control environment
- **Attractive Financial Profile:** Attractive margins and free cash flow conversion¹ through scale and global lower cost workforce
- **Countercyclical Upside:** Attractive client base and vendor consolidation positions the business for strong potential growth in a recessionary environment; immediate focus on providing services to FHA loan servicers as FHA loans typically have higher delinquency rates
- **Strong Momentum of Client Wins:** Diversifying the client base with leading bank and non-bank servicer clients
- **Comprehensive Product Offering:** A suite of pre-foreclosure and post-foreclosure field services with a mature compliance and vendor oversight program
- **High Barriers to Entry:** Significant investment required to a) develop the compliance and control environment and vendor network, and b) implement the vendor management and payment technology
- **Nationwide Presence:** A national footprint with an extensive and proven vendor network

MARKETPLACE

Grew Hubzu inventory from customers other than Ocwen, NRZ and RESI by 1% since June 30, 2019 with such inventory representing 43% of total Hubzu inventory as of June 30, 2020

Grew Hubzu revenue from customers other than Ocwen, NRZ and RESI by 19% in the first half of 2020 compared to the first half of 2019

Business Overview

- Provides residential asset management, brokerage, online marketing and disposition, and a workflow platform for foreclosures, short sales and real estate owned assets ("REO")
- One of the leading online auction marketplaces² in the distressed residential real estate space and we believe is well positioned for potential growth from our scale, national footprint and growing customer base

Service Offerings



- ✓ Nationwide online marketing and auction platform for short sales, foreclosure sales and REO sales
- ✓ Nationwide real estate brokerage (in-house listing agents)
- ✓ REO Asset Management



- ✓ Technology platform to help facilitate the management and sale of distressed loans and real estate in an efficient, transparent and compliant manner

Key Business Highlights and Market Opportunity

- **Strong Positioning:** One of the largest nationwide online marketplaces for single family residential short sales, foreclosure auction marketing and sales, and REO sales
- **Attractive Financial Profile:** Strong margins and free cash flow conversion³
- **Countercyclical Upside:** We believe our attractive client base positions the business for strong potential growth in a recessionary environment; immediate focus on providing foreclosure auction marketing and sale services to FHA loan servicers as FHA loans typically have higher delinquency rates
- **Strong Momentum of Client Wins:** Attractive and growing customer base that includes 4 of the top 5 Servicers³⁴ and the largest GSE, with an opportunity to cross-sell our suite of related services (e.g., valuation, title and closing, field services)
- **Growing Addressable Market:** Anticipate a growing addressable market for online auctions from adoption of online auction as a disposition strategy by FHA, GSEs and servicers, and the expansion of our foreclosure auction services to additional states
- **High Barriers to Entry:** High costs to a) develop the technology, b) acquire the supply of homes to sell, c) develop the buyer base to acquire homes, d) obtain and manage required regulatory licenses, and e) maintain the compliance and controls infrastructure
- **Strong Operational Performance:** Strong sale conversion rates; provides clients access to real-time data to monitor asset performance and auction process

¹ Marketplace operating income margin excludes certain costs included within corporate including cost of occupancy, technology infrastructure, functional support and executive leadership; actual margins may be impacted by COVID-19, product mix and service mix; March 2020 YTD operating income margin was 59%

² Source: "4 top online real estate auction websites" by Homes4Income, September 2018

³ Free cash flow defined as operating cash less capital expenditure

⁴ Based on UPB per Inside Mortgage Finance, March 2020

MORTGAGE & REAL ESTATE SOLUTIONS

Grew Mortgage and Real Estate Solutions revenue from customers other than Ocwen, NRZ and RESI by 30% in the first half of 2020 compared to the first half of 2019

Business Overview

- Provides a suite of solutions, services and technologies typically used in originating, buying, selling and servicing residential mortgages

Service Offerings

Direct and Reseller Services

PremiumTitle™

- ✓ Default related services to Ocwen and other servicers (e.g., valuation, title, trustee) and origination related services to Lenders One members and other originators (e.g., construction risk management, valuation, title, flood reseller)

Springhouse™

AN ALTISOURCE™ BUSINESS UNIT



Fulfillment Services



- ✓ Quality control, underwriting, closing and processing services, loan manufacturing insurance and reseller services to Lenders One members and other originators

TRELIX™

AN ALTISOURCE™ BUSINESS UNIT



Capital Markets



- ✓ Loan trading services to improve loan sale execution for the Lenders One members (i.e., the Preferred Investor Model)

Key Business Highlights and Market Opportunity

- **Strong Positioning:** Scale, global workforce and automation supports customer growth at competitive cost

- **Attractive Financial Profile:** Attractive margins and free cash flow conversion¹ through scale and global lower cost workforce

- **Countercyclical Upside:** Attractive client base and industry wide vendor consolidation positions the default related businesses for strong potential growth in a recessionary environment

- **Unique Products:** Offers unique risk mitigation and insurance products designed to help reduce customers' loan put back risk and drive business to other service offerings

- **Large Growth Potential:** As the manager of the Lenders One cooperative, Altisource has credible access to ~215 mid-tier mortgage bankers that originated over \$300 billion in residential mortgages in 2019; we believe this represents a largely untapped opportunity

- **Considerable Capital Markets Opportunity:** Tremendous potential to grow revenue and earnings by further improving Lenders One members' profitability through a more structured capital markets program

- **Attractive Customer Value Proposition:** A suite of related services that can be sold a-la-carte or as part of a bundle

INVESTOR RELATIONS INFORMATION

ABOUT ALTISOURCE

Altisource Portfolio Solutions S.A. is an integrated service provider and marketplace for the real estate and mortgage industries. Combining operational excellence with a suite of innovative services and technologies, Altisource helps solve the demands of the ever-changing markets we serve.

CONTACT INFORMATION

All Investor Relations inquiries should be sent to:
Investor.relations@altisource.com

EXCHANGE

NASDAQ Global Select Market

TICKER

ASPS

HEADQUARTERS

Luxembourg

EMPLOYEES

Approximately 3,000

