

First Quarter 2014 Supplementary Information

24 April 2014

Forward-looking Statements

This presentation and the accompanying earnings release contains forward-looking statements. These statements may be identified by words such as “anticipate,” “intend,” “expect,” “may,” “could,” “should,” “would,” “plan,” “estimate,” “seek,” “believe” and similar expressions. We caution that forward-looking statements are qualified to certain risks and uncertainties that could cause actual results and events to differ materially from what is contemplated by the forward-looking statements. Factors which could cause actual results to differ materially from these forward-looking statements may include, without limitation, general economic conditions, conditions in the markets in which Altisource is engaged, behavior of customers, suppliers and/or competitors, technological developments and regulatory rules. In addition, financial risks such as currency movements, liquidity and credit risks could influence future results. The foregoing list of factors should not be construed as exhaustive. **Altisource disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.**

Quarterly Highlights

- Net Income Attributable to Altisource for the quarter was \$39.6 million or \$1.61 per diluted share, an increase of 44% and 46%, respectively, from the same quarter in 2013
- Service Revenue for the quarter was \$210.0 million, an increase of 65% from the same quarter in 2013
- Operating cash flow for the quarter was \$36.3 million, a 280% increase from the same quarter in 2013
- Adjusted earnings per share¹ for the quarter was \$1.97 per diluted share, an increase of 73% from the same quarter in 2013
- The average number of loans serviced by Ocwen on REALServicing® for the quarter was 1.9 million, an increase of 119% from the same quarter in 2013
- Altisource repurchased 0.3 million shares of common stock under the stock repurchase program during the quarter at an average price of \$109.97 per share

Note:

¹ Adjusted earnings per share is a non-GAAP measure defined and reconciled in the Appendix

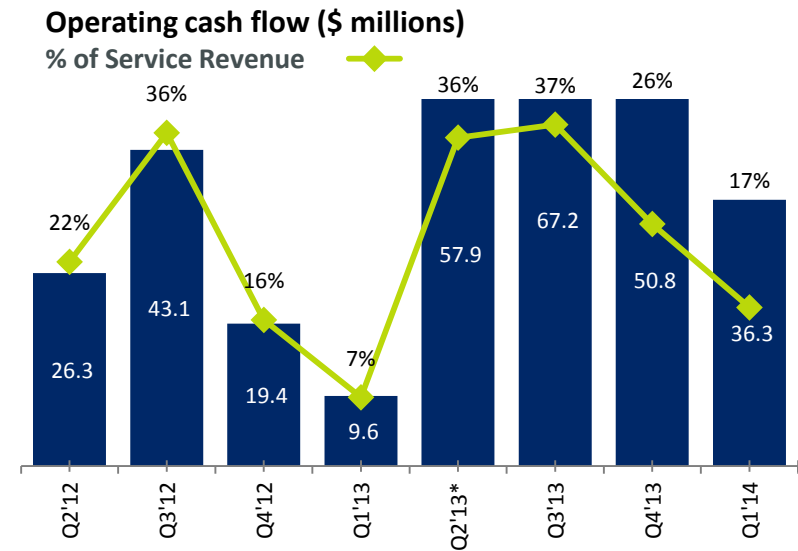
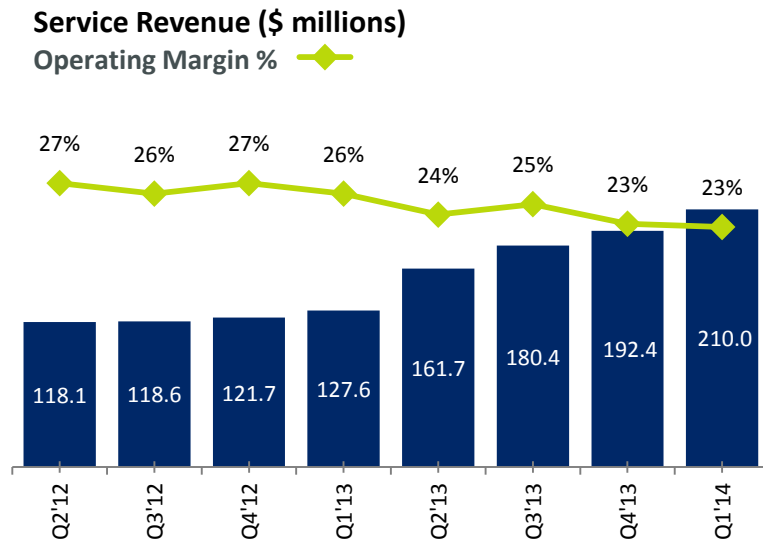
First Quarter 2014 Financial Results

\$ millions (except EPS)	Q1 2014	Q1 2013	B/(W) Q1 2013	Q4 2013	B/(W) Q4 2013
Revenue	\$239.3	\$148.8	61%	\$222.6	7%
Service Revenue	\$210.0	\$127.6	65%	\$192.4	9%
Pretax Income ¹	\$43.2	\$30.7	41%	\$38.6	12%
Net Income – Altisource	\$39.6	\$27.5	44%	\$35.5	12%
GAAP Earnings Per Share – Diluted	\$1.61	\$1.10	46%	\$1.42	13%
Adjusted Earnings Per Share – Diluted ²	\$1.97	\$1.14	73%	\$1.77	11%

¹ Pretax Income includes \$0.5 million, \$1.0 million and \$0.7 million of income attributable to non-controlling interests for Q1 2014, Q1 2013 and Q4 2013, respectively

² Adjusted earnings per share is a non-GAAP measure defined and reconciled in the Appendix

Historical Performance

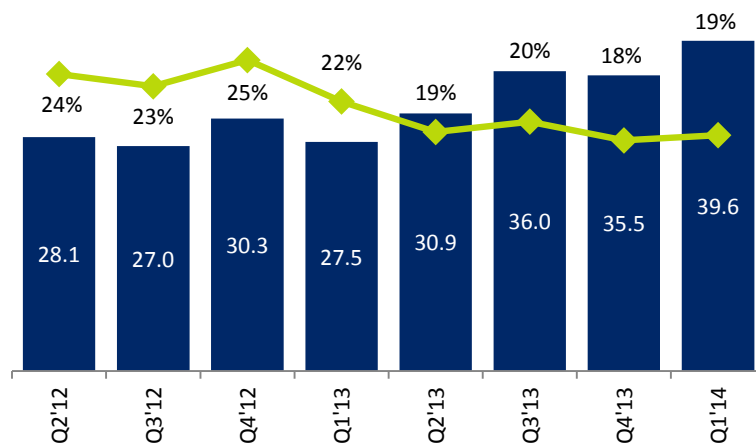


* Includes \$25.0 million of receivables collected on April 1, 2013

Historical Performance

Net Income Attributable to Altisource (\$ millions)

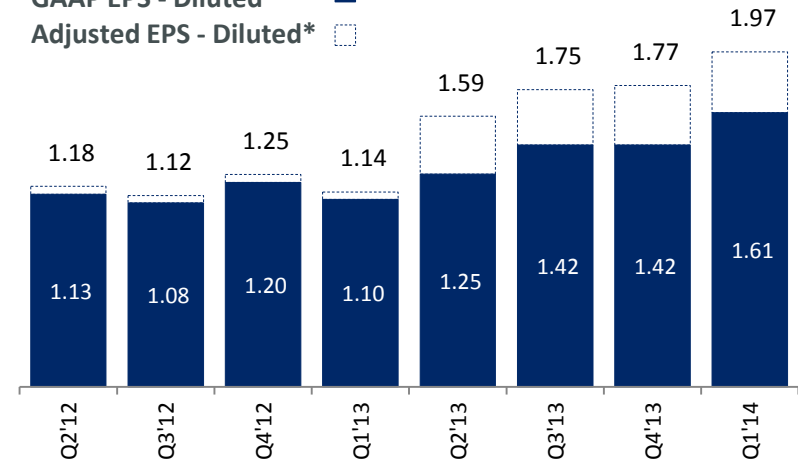
% of Service Revenue 



Earnings Per Share - Diluted (\$)

GAAP EPS - Diluted 

Adjusted EPS - Diluted* 



* Adjusted earnings per share - Diluted is a non-GAAP measure defined and reconciled in the Appendix

Share Repurchases

In February 2014, we were authorized to purchase up to an additional 3.4 million shares of our common stock in the open market

	Treasury Stock	Stock Options	Common stock outstanding
As of December 31, 2013	2,784,130	2,589,343	22,628,618
Stock repurchased	325,146		(325,146)
Stock options granted, net of forfeitures		(13,751)	N/A
Stock options exercised	(28,538)	(28,538)	28,538
Restricted stock vested	(5,360)		5,360
As of March 31, 2014	3,075,378	2,547,054	22,337,370

Altisource's ability to repurchase shares is limited to the following amounts as of March 31, 2014:

- Luxembourg law: \$15 million
- Senior Secured Term Loan: \$95 million
- Shareholder authorization: 3.3 million shares

Growth Initiatives

Marketplace: Real Estate

- Supporting Ocwen
- Expanding Hubzu to other institutions and the non-distressed home sale market
- Providing asset management services to the single family rental market

Marketplace: Mortgage

- Supporting Ocwen
- Growing our origination related services through our access to approximately 14% of the U.S. origination market through Lenders One
- Developing NextGen REALServicing technology

Distribution and Transaction Solutions

- Developing NextGen REALDoc®, REALTrans®, REALRemit® technologies, among others
- Deploying platform business process outsourcing offerings leveraging our next generation software with traditional BPO services

Appendix

Operating Metrics	10
Service Revenue Scenarios	13
Non-GAAP Measures	15
Investor Relations Information	16

Operating Metrics

	Q2'12	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14
Default Related Services:								
Service revenue per delinquent loan per quarter								
Non-GSE	\$ 374	\$ 362	\$ 346	\$ 354	\$ 371	\$ 395	\$ 363	\$ 362
GSE	\$ 118	\$ 151	\$ 197	\$ 160	\$ 240	\$ 189	\$ 160	\$ 138
Average number of delinquent loans serviced by Ocwen on REALServicing								
Non-GSE (in thousands)	214	215	225	235	285	303	355	369
GSE (in thousands)	15	20	20	19	12	11	18	36
Provisional loan count on REALServicing as at the end of the period								
Non-GSE (in thousands)	703	697	691	963	948	1,279	1,408	1,466
GSE (in thousands)	87	87	90	84	56	83	361	554
Originations Related Services:								
Service revenue (in millions) ¹								
Mortgage Services	\$ 7.6	\$ 9.4	\$ 10.5	\$ 9.9	\$ 10.1	\$ 8.7	\$ 5.4	\$ 6.4
Technology Services	\$ 0.7	\$ 0.8	\$ 0.8	\$ 0.8	\$ 1.0	\$ 0.8	\$ 0.6	\$ 0.7
Customers with a signed service agreement	108	128	158	165	180	190	192	195
Lenders One Membership	232	241	241	252	249	250	271	271
Estimated U.S. origination market share for Lenders One members ²	10.3%	11.2%	10.7%	11.2%	11.9%	12.5%	13.3%	13.6%
Hubzu:								
Number of houses sold	7,273	6,154	5,016	5,530	6,554	6,127	6,596	6,705

See next page for notes

Operating Metrics

	Q2'12	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14
Technology Services:								
Service Revenue per loan per quarter	\$ 10	\$ 9	\$ 12	\$ 12	\$ 13	\$ 11	\$ 9	\$ 9
Average number of loans serviced by Ocwen on REALServicing (in thousands)	745	804	809	864	1,042	1,237	1,541	1,894

Residential Asset Business:

Altisource Residential's current portfolio

Loans	1,332	5,020	8,054	Note 4
REO	40	114	262	
Days delinquent - % of portfolio ³				
Current	7%	3%	3%	
30 - 59	2%	1%	0%	
60 - 89	2%	1%	0%	
90 +	34%	19%	19%	
Foreclosure	52%	74%	75%	
REO	3%	2%	3%	

Financial Services Segment:

Service revenue (in millions)	\$ 16.1	\$ 15.3	\$ 14.9	\$ 16.1	\$ 23.0	\$ 27.2	\$ 26.2	\$ 24.3
Operating margin	6.1%	3.2%	7.1%	9.1%	25.0%	28.2%	27.5%	20.6%

¹ Originated related service revenue is generated from Lenders One members and other customers, with the majority being generated from Lenders One members

² Estimated U.S. residential mortgage originations based on Mortgage Bankers Association forecast; reported herein on a 1 quarter trailing basis.

Q4'13 market share was revised to reflect final Lenders One member production information

³ Percentages may not add up to 100% due to rounding

⁴ Altisource Residential has not yet publicly released this information. Accordingly, it is not reported herein

Operating Metrics

Notes:

Default related Service revenue:

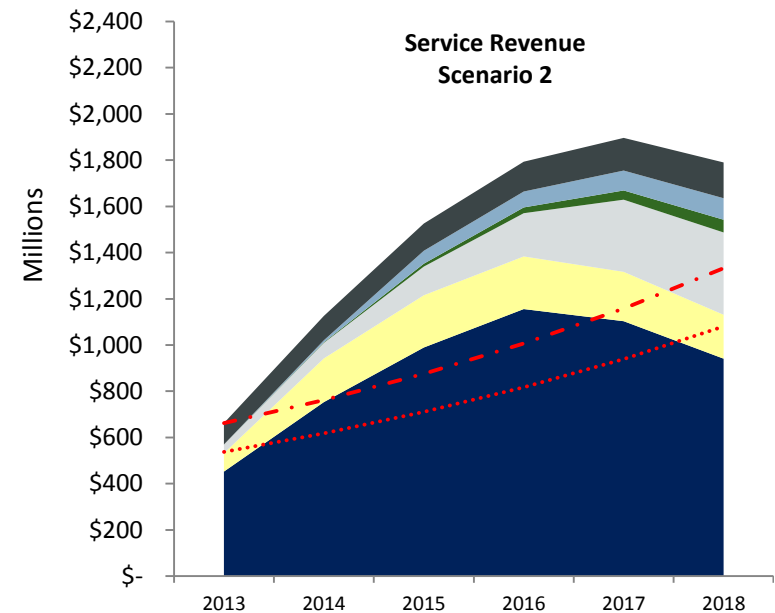
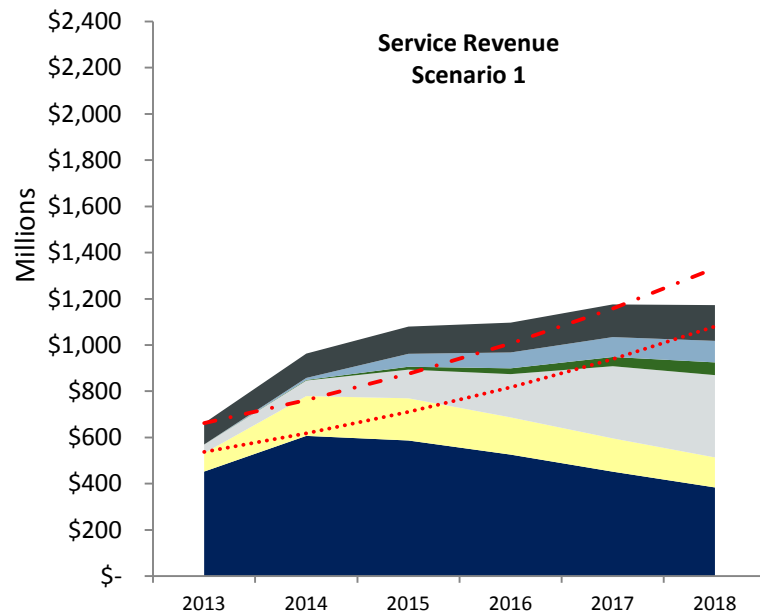
1. Service revenue per delinquent loan is measured for the quarter
2. Average loans serviced for Q1'14 is provisional and subject to change
3. Service revenue generated from certain services is not recorded separately for non-GSE and GSE loans. For these services, Service revenue has been allocated between Non-GSE and GSE loans based on estimates
4. Default related Service revenue per delinquent loan per quarter excludes Service revenue generated from loans not on REALServicing of \$917,000, \$1,523,000, \$3,740,000, \$2,816,000 and \$1,434,500 in Q1'13, Q2'13, Q3'13, Q4'13 and Q1'14, respectively

Technology Services Service revenue:

5. Service revenue per loan is measured for the quarter
6. Average loans serviced on REALServicing for Q1'14 is provisional and subject to change

Service Revenue Scenarios

Creating a stable, long-term revenue stream for Altisource as delinquency rates decline. The scenarios are for illustrative purposes only, are not updated every quarter and do not represent a forecast



Note: The above scenarios do not assume any reinvestment of the cash generated from the businesses

Service Revenue Scenarios: Assumptions

Portfolio acquisition assumptions	Scenario 1	Scenario 2
Annual non-GSE portfolio acquisitions by Ocwen in 2014, 2015 and 2016 (no non-GSE portfolio acquisitions in 2017 and 2018)	None	\$100 billion

Assumptions applicable to all scenarios	2013 Actual	2014	2015	2016	2017	2018	2014 YTD Actual
Default related							
Non-GSE delinquency rate ^{1, 2}	27.8%	23.6%	20.2%	19.2%	18.9%	18.5%	24.8%
GSE delinquency rate ^{1, 2}	14.7%	10.8%	8.7%	8.1%	7.0%	6.0%	8.2%
Originations related							
U.S. loan originations (\$bn) ³	1,755	1,116	1,230	1,100	1,300	1,430	226
Lenders One share of U.S. loan origination market	12%	14%	16%	17%	18%	18%	14%
Origination related service revenue expressed as basis points of loans originated by Lenders One members ⁴	1.8	4.5	7.0	10.0	13.5	14.0	2.3
Hubzu – non-Ocwen properties sold	5	3,100	23,300	33,900	47,200	53,400	9
Financial Services – annual revenue growth rate⁵	45%	14%	12%	10%	10%	10%	5%

¹ Delinquency rate is calculated as the average % of total loans on REALServicing that are delinquent for more than 30 days, including loans in bankruptcy, foreclosure and REO

² Delinquency rates in 2014 and beyond are based on internal estimates

³ U.S. loan origination projections for 2014 and 2015 based on Mortgage Bankers Association January 14, 2014 forecast. U.S. loan origination projections for 2016 and beyond are based on internal estimates. U.S. loan origination projection for Actual 2014 YTD is based on the Mortgage Bankers Association April 8, 2014 forecast

⁴ Originated related service revenue is generated from Lenders One members and other customers, with the majority being generated from Lenders One members

⁵ 2014 YTD actual growth rate is calculated using annualized Q1 2014 service revenue compared to the full year 2013 service revenue

Non-GAAP Measures

Adjusted EPS is a non-GAAP measure used by our Chief Operating Decision Maker, existing shareholders and potential shareholders to measure Altisource's performance. Adjusted EPS is calculated by dividing net income plus intangible asset amortization expense (net of tax) by the number of diluted shares. The following is a reconciliation to diluted EPS

Reconciliation:	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014
GAAP Earnings Per Share – Diluted	\$1.13	\$1.08	\$1.20	\$1.10	\$1.25	\$1.42	\$1.42	\$1.61
Add: Per share impact of intangible asset amortization expense, net of tax¹	0.05	0.04	0.05	0.04	0.34	0.33	0.35	0.36
Adjusted EPS - Diluted	\$1.18	\$1.12	\$1.25	\$1.14	\$1.59	\$1.75	\$1.77	\$1.97

¹ Per share impact of intangible asset amortization expense, net of tax is calculated as follows:

Intangible asset amortization expense (in millions)	\$1.29	\$1.20	\$1.20	\$1.20	\$9.04	\$8.62	\$9.32	\$9.47
Tax benefit from intangible asset amortization expense (in millions)	(0.11)	(0.11)	(0.01)	(0.08)	(0.63)	(0.37)	(0.56)	(0.67)
Impact of intangible asset amortization expense, net of tax (in millions)	\$1.18	\$1.09	\$1.19	\$1.12	\$8.41	\$8.25	\$8.76	\$8.80
Diluted share count (in thousands)	24,846	25,016	25,162	25,058	24,823	25,333	25,005	24,662
Impact of intangible asset amortization expense, net of tax (per diluted share)	\$0.05	\$0.04	\$0.05	\$0.04	\$0.34	\$0.33	\$0.35	\$0.36

Investor Relations Information

About Altisource	We are a premier marketplace and transaction solutions provider for the real estate, mortgage and consumer debt industries offering both distribution and content. We leverage proprietary business process, vendor and electronic payment management software and behavioral science based analytics to improve outcomes for marketplace participants.	Exchange	NASDAQ Global Select
Contact Information	All Investor Relations inquiries should be sent to: shareholders@altisource.lu	Ticker	ASPS
		Headquarters	Luxembourg
		Employees	More than 8,400