



H1 FY16 Investor Presentation

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Divisions and Product Matrix

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BROKER












BRANCH



ONLINE

	BROKER	BRANCH	ONLINE
Brand			
Coverage	Broker representation across all states	Branded Branches across NSW, QLD, SA, TAS, VIC	National Online representation
Loan Range	\$2,000 - \$35,000 secured auto finance, 24 – 60 month terms	\$100 - \$5,000 unsecured loans, up to 24 month terms	Cash Train: \$200 - \$5,000 unsecured loans, up to 24 month terms Money3: Online access for consumers to Broker and Branch product offerings
EBITDA Contribution (pre Corporate Overheads)	69.8%	22.0%	8.2%

H1 FY16 Financial Highlights

-  Revenue increased 45.4% on prior corresponding period (PCP) to \$47.4M
-  NPAT increased 37.3% on PCP to \$10.0M
-  Basic EPS increased 13.3% on PCP to 7.6 cents per share
-  Broker division continues to drive growth in the loan book and delivered impressive revenue and EBITDA contribution
-  Branch division revenue remains consistent and continues to deliver solid EBITDA
-  Online division delivered an increasing EBITDA contribution
-  Dividend increased to 2.75 cents per share, fully franked (up 10% on PCP). DRP will continue to operate with 5% discount.
-  \$19.2m capital raising completed in December 2015 to enable to company to continue to grow in H2FY16
-  Board renewal and management changes focused on delivering long term shareholder value

H1 FY16 Results

	H1 FY16 \$	↑ ↓ %	H1 FY15 \$
Revenue	47,448,307	45.4	32,635,170
<i>Bad debts as % of revenue</i>	16.5%		14.5%
EBITDA	17,141,341	44.8	11,838,616
<i>EBITDA as % of revenue</i>	36.2%		36.5%
EBIT	16,506,996	42.8	11,562,760
<i>EBIT as % of revenue</i>	34.8%		35.7%
NPAT	10,001,953	37.3	7,285,649
<i>NPAT as % of revenue</i>	21.1%		22.3%
Basic EPS (cents)	7.60	13.3	6.71

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Divisional Analysis



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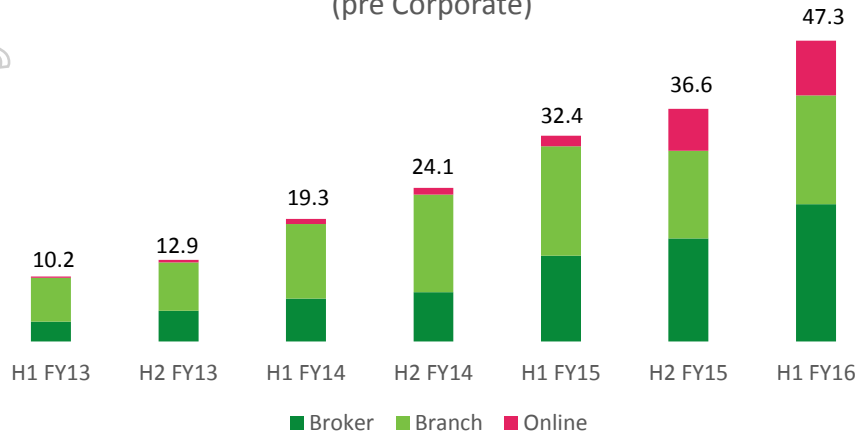
ONLINE

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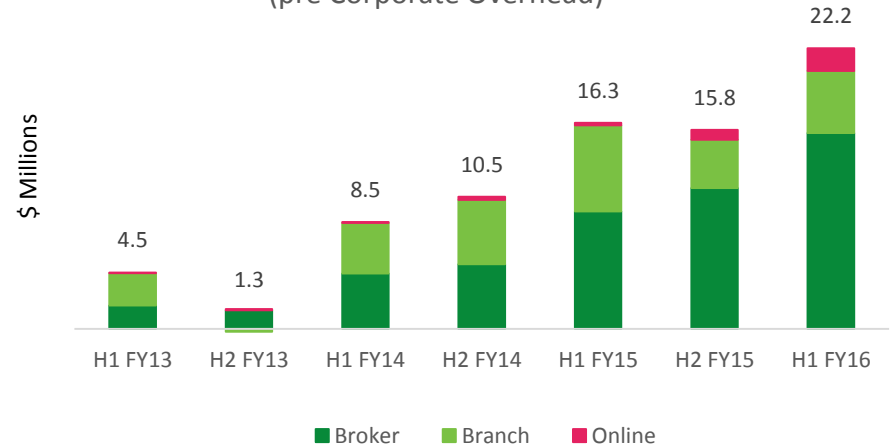
Key Financials Trends by Division

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Revenue
(pre Corporate)

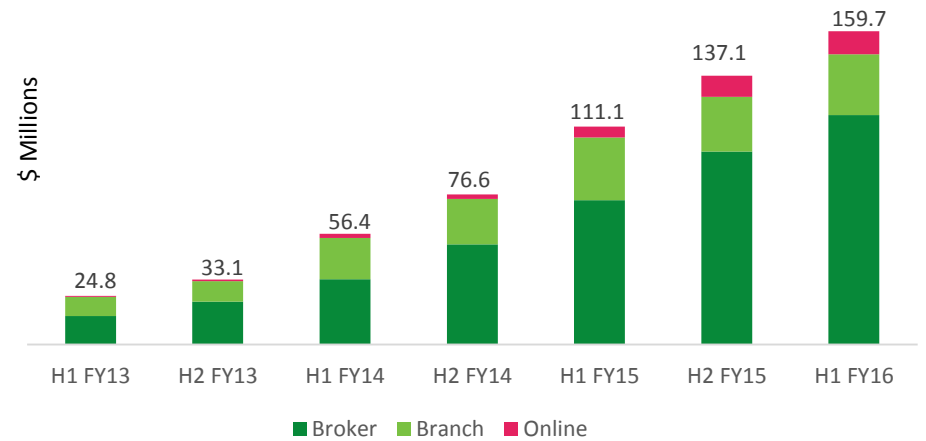


EBITDA Contribution
(pre Corporate Overhead)



- Revenue growth continues
- EBITDA growth for Broker the standout performer
- Online a rising star, delivering impressive returns since Cash Train acquisition
- Loan book growth underpinning future revenue growth

Net Receivables* (Loan Book)



H1 FY16 Results – Broker Division

	H1 FY16 \$	↑ ↓ %	H1 FY15 \$
Revenue	21,623,158	60.1	13,509,584
<i>Bad debts as % of revenue</i>	11.4%		13.4%
EBITDA	15,516,290	66.7	9,309,452
<i>EBITDA as % of revenue</i>	71.8%		68.9%
Number of loans	5,304	31.5	4,032
Average net loans receivable (loan book)	107,700,867	72.8	62,336,469

Financial Performance

- Growth in Broker loan book and revenue has been driven by expanding the broker network, increasing internal sales and repeat customers cycling through the loan period
- EBITDA as a percentage of revenue continues to improve, leveraging scale
- Bad debts as a percentage of revenue at expected levels
- Further opportunities to expand national broker footprint and increase product offerings providing significant future growth opportunities

H1 FY16 Results – Branch Division

	H1 FY16 \$	↑ ↓ %	H1 FY15 \$
Revenue	17,094,885	(0.8)	17,233,830
<i>Bad debts as % of revenue</i>	27.4%		18.4%
EBITDA	4,915,765	(27.9)	6,818,970
<i>EBITDA as % of revenue</i>	28.8%		39.6%
Number of loans	75,943	5.1	72,254
Average net loans receivable (loan book)	29,369,213	6.8	27,509,918

Financial Performance

- Mature Branch division with stable loan book
- Remains consistent contributor of revenue and delivering solid returns
- Bad debts as a % of revenue (post recoveries in Corporate) H1 FY16 20.1% (H1 FY15 14.4%)
- Several branches identified to merge with neighbouring branches, providing cost savings
- Opportunities to introduce new product offerings, review product mix, increase referral capability to Broker division

H1 FY16 Results – Online Division

	H1 FY16 \$	↑ ↓ %	H1 FY15 \$
Revenue	8,626,440	N/A*	1,632,271
<i>Bad debts as % of revenue</i>	22.0%		30.5%
EBITDA	1,808,545	N/A*	206,482
<i>EBITDA as % of revenue</i>	21.0%		12.6%
Number of loans	36,669	N/A*	5,831
Average net loans receivable (loan book)	11,303,701	N/A*	3,972,311

Financial Performance

- The acquisition of Cash Train in Dec 14 delivered significant strategic capability in online lending, previously a modest contributor to revenue and profit
- Cash Train integration almost complete, best practice online processes being leveraged across entire lending platform
- Cash Train profitable and growing contributor to group EBITDA
- Bad debts as a % of revenue improving, in line with expectations
- Poised well to continue to deliver growth, including cross selling opportunities to Broker division

Opportunities

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Increase market share

- Expand broker network
- Expand online presence
- Target niche customers



Operational Efficiencies

- Merge selected branches
- Consolidate loan management platforms
- Further develop online interfaces with key brokers to improve processing time

Product expansion

- Introduction of secured loan product for new assets
- Enhance unsecured loan offering
- Promote cross selling opportunities across all three distribution channels

Outlook

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Key Priorities

- Secure debt funding to continue growth of loan book
- Leverage online capability across all Money3 digital assets
- Improve operational performance in Branch Division



Unsecured Lending

- Range of options to exit SACC operations were considered – resolved not to pursue these options as they do not represent the best strategic or long term shareholder value
- Continue to review the composition and product mix of unsecured lending



Forecast

- Maintain FY16 full year guidance of NPAT of \$19.0M, up 36.3% on FY15 NPAT of \$13.9M

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