



THINKSMART ASX INVESTOR PRESENTATION

Results for 12 Months to 30 June 2015



A hand holding a smartphone over a payment terminal with a blue light. The background is blurred, showing a retail environment with shelves and products.

SUPERIOR PERFORMANCE IN RETAIL FINANCE

ThinkSmart is a financial technology company and leader in digital, paperless, retail point of sale finance in the UK, since 2003

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2015 RESULTS

Results for 12 Months to 30 June 2015

Highlights
About ThinkSmart
Dixons Update
Funding
Share Buy Back
Group Financial Results
Investing For Growth
Summary & Guidance



Highlights: 1 July 2014 to 30 June 2015



Group Results

- \$3.5m NPAT for period in line with updated market guidance issued on 5th June 2015
- \$16.8m Cash assets
- 53% growth in EPS - 2.73 cents earnings per share up 0.95 cents on 12 months to 30 June 2014* (from continuing operations)

Capital Structure

- A total of \$32m Surplus Capital has now been returned to Shareholders, by way of Special Dividend and Share Buy-Backs, following the sale of the Australian and New Zealand business and completion of the \$21m Off-Market Buy-Back Tender, completed 27 January 2015
- Post Buy-Back there are 96.2m shares in issue
- Based on the 2014/2015 full year performance, on-going strong cash position and franking account balance, the Board has declared a 3.5c per share fully franked dividend. This will result in the Group's current franking account balance being significantly reduced such that future dividends may be unfranked or only partially franked

Continuing Operations UK

- 33% growth in UK business volumes on 12 months to 30 June 2014
- Assets under management grew by 14% on a constant FX basis in the last 12 months to \$56.5m
- Active customer base grew by 14%
- UK net assets increased by 38% to \$36.4m

Group Corporate

- 15% Reduction in Group corporate costs on the 12 months to 30 June 2014
- \$0.5m interest earned on cash balance

Guidance

- Strong double digit year on year percentage growth in Group Operating NPAT**

* The results for the 12 months 30 June 2014 are unaudited and used for comparison purposes only due to the change in the year end reporting period

** Group Operating NPAT excludes any exceptional items arising from non-operating activities

Highlights: 1 July 2014 to 30 June 2015



Key Facts and Insights

- ThinkSmart has extended its contract with the recently expanded and market leading Dixons Carphone Group, which builds on the 12 - year mutually beneficial partnership. The agreement extends ThinkSmart's B2B (SmartPlan) and B2C (Upgrade Anytime) contract with Dixons Carphone, subject to usual terms and conditions, to at least January 2019
- ThinkSmart has been approved by the Financial Conduct Authority to operate a leasing business under the new regulatory requirements, one of the first companies to be authorised in the UK
- An application to operate in the UK consumer credit market is now being processed
- £10m Additional funding facility now completed with Santander complementing existing £60m Secure Trust Bank facility, providing a multi funder platform

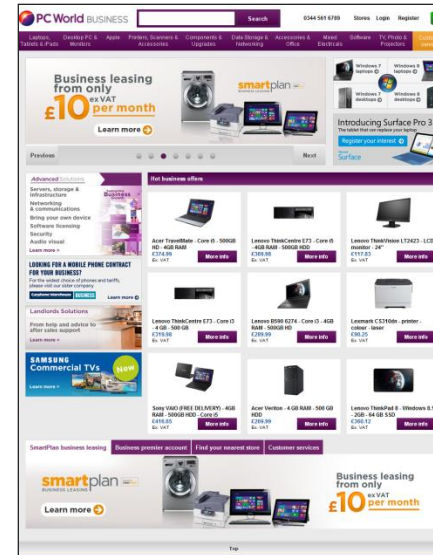
Investment in Capabilities for Growth

- A new multi-leasing customer account proposition is in development which will enable customers to make a single application and receive a credit limit which will enable them to lease multiple products over time, without making additional applications. The new account proposition is planned for launch in 2015
- Significant reinvestment to enhance our unique sector leading software and processing IP together with paperless transactions, online basket integration and a planned mobile smartphone application for release later this year
- Focussing on the release and distribution of our leading integrated online basket and mobile finance solutions for retailers
- Optimisation of our credit scoring and decision engine capabilities to maximise volumes and manage risk

ThinkSmart: 'A financial technology company and leader in digital, paperless, retail point of sale finance'



- ThinkSmart is an intermediate finance company which markets finance products to both B2B and B2C customer segments via UK national retail distribution, pre dominantly with the Dixons Carphone Group, a 12 year relationship extended to 2019
- Dixons Carphone plc is Europe's leading specialist electrical and telecommunications retailer and services company, with over 2,300 stores in 9 countries, employing over 40,000 people
- ThinkSmart is committed to extending the model to new sectors, categories and distribution partners where consumer leasing has wide appeal, as supported by national surveys and insight
- Our propositions leverage ThinkSmart's unique sector leading software and processing IP together with paperless transactions, online basket integration and a planned mobile smartphone application later this year
- Development of a new multi leasing account proposition is currently in advanced stages and will be launched in 2015



SmartPlan Business Leasing –
Since 2003

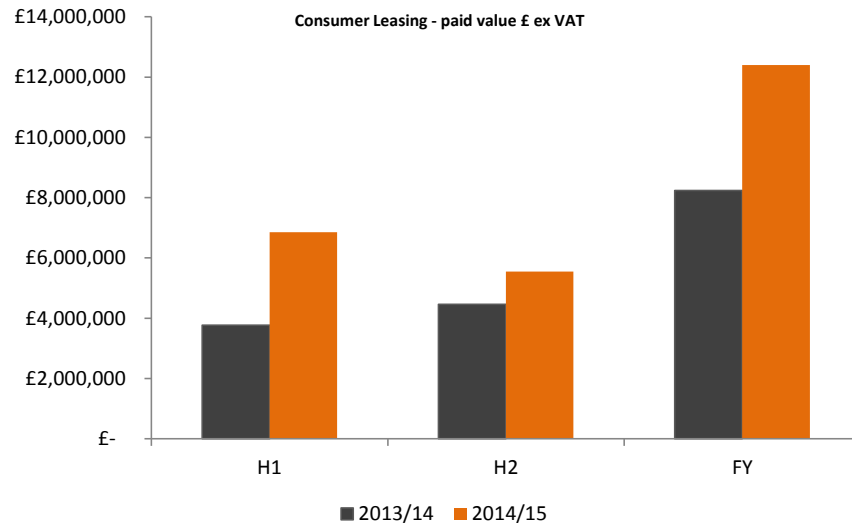
*Upgrade Anytime –
New Consumer Leasing
Proposition Launched mid 2014*

Dixons Update: Consumer Leasing

Upgrade Anytime: 'Strong Volume Growth Up 50%'

Performance

- The 2 year consumer leasing proposition Upgrade Anytime launched May 2014. It allows customers the flexibility to add services and upgrade whenever they want to the latest technology, and has delivered strong growth in volumes
- Both new originations and repeating customers have shown strong growth with volumes up 50% on 12 months to 30 June 2014
- New category group 'Large Screen Televisions' continues to perform well
- Services attach rate is significant
- Consumer leasing drives early upgrades which brings forwards sales and shortens the replacement cycle
- Consumer leasing builds long term customer relationships and value with high levels of repeats
- Significant proportion of customers repeat at 24 months, with higher transaction values than the first origination
- Customer satisfaction and advocacy is high amongst both new and repeating customers



Dixons Update: Business Leasing

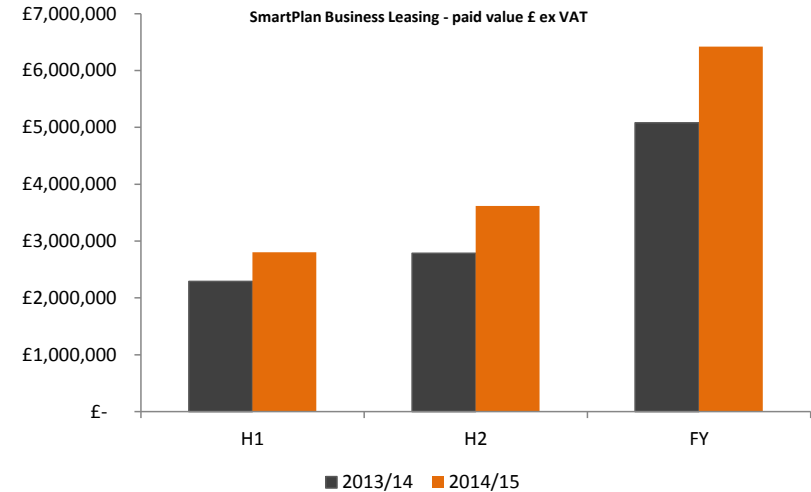
SmartPlan: 'New Originations up 26%'

Performance

- New Origination volumes grew by +26% on 12 months to 30 June 2014
- Successful Autumn and Spring Business Campaigns, with new originations up driven by Partner promotional focus. Best March trading for 7 years
- Significant proportion of customers repeat showing strong customer advocacy

Growth Opportunity

- Business Leasing propositions for new customer segments will be launched later this year
- Designed around customer insight, new features expected to appeal to new / different business customer segments not currently served
- Renewed Partner focus and dedicated ThinkSmart Field Team



Funding: New £10m 5 Year Revolving Credit Facility Signed with Santander to Finance Lease Receivables

- New funding facility signed on 15 December 2014 with Santander, one of the largest Global banks, to finance up to 50% of Upgrade Anytime consumer lease receivables for Dixons Carphone
- Complements existing £60m facility with Secure Trust Bank and delivers multi-funder platform for UK business in line with strategy to capture opportunities and growth in new sectors
- ThinkSmart will be the lessor for leases financed through the Santander, resulting in lease receivables together with related bank debt on ThinkSmart's balance sheet
- As at 30 June 2015 ThinkSmart is showing \$4.3m lease receivable asset and \$4.1m (£2m) corporate debt on its balance sheet through new facility with Santander
- Reduced funding cost will improve margin, however lease accounting means income and costs will be recognised over 24 month term of each lease rather than upfront



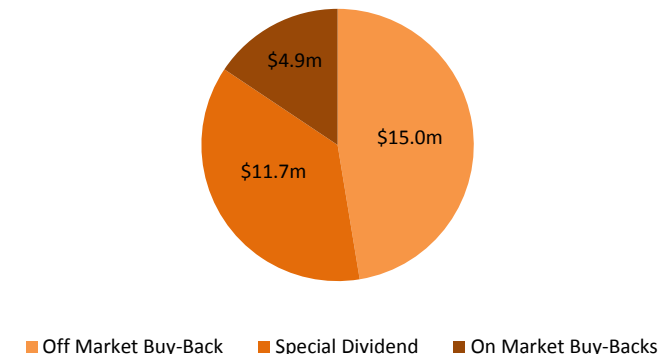
Share Buy-Back:

Efficient return of \$32m surplus capital delivering more effective capital structure

- Following shareholder approval at the Extraordinary General Meeting on 22 December 2014, ThinkSmart completed its Off Market Share Buy-Back Tender on 27 January 2015
- The Buy-Back Tender allowed the Company to establish a more efficient capital structure by effectively returning surplus capital to shareholders, as well as distributing franking credits. The Company is in a strong position to pursue its next phase of growth
- The reduction in the number of issued shares, together with the increase in profit after tax, has resulted in an increase in the Earnings Per Share (EPS) for the Company from 1.78 cents per share (from continuing operations) for 12 months to 30 June 2014 to 2.73 cents per share for 12 months to 30 June 2015
- The number of shares in issue has reduced by 41% from 162.3m at 31 December 2013 to 96.2m at 31 January 2015



\$32m Surplus Capital Returned to Shareholders



A man and a woman are looking at documents together. The man is on the left, wearing a light blue shirt, and the woman is on the right, wearing a light blue shirt and a blue cardigan. They are both smiling and looking down at the documents. The background is blurred, showing what appears to be an office or meeting room.

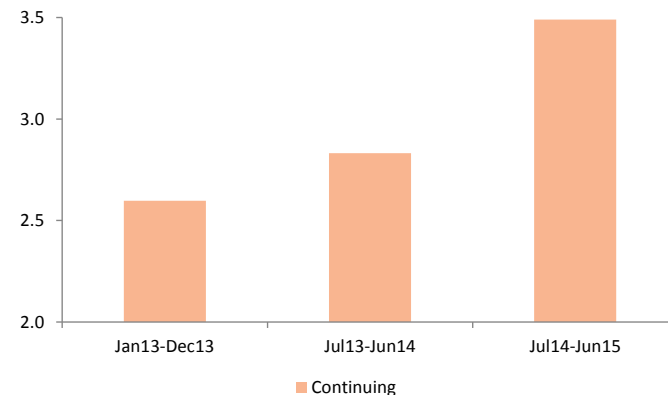
GROUP FINANCIAL RESULTS

Group Financial Results: NPAT \$3.5m in line with market guidance and up 23% on last year from continuing operations



- NPAT of \$3.5m in line with updated market guidance
 - Continuing operations \$3.5m NPAT for 12 months to 30 June 2015 up 23% on 12 months to 30 June 2014*
- Strong performance for UK market - profit of \$7.6m before tax reflecting:
 - Successful launch of 'Upgrade Anytime' delivered strong growth positively impacting volumes with 50% growth on same period last year
 - SmartPlan business leasing volumes also strong delivering 26% growth on same period last year
 - Profit impacted by increased costs from investment in product development, people, systems, funding platform as we build foundations for future growth and move to lease accounting for half of 'Upgrade Anytime' volumes
 - Working with partner to further focus, align and broaden the business (SmartPlan) offer in Dixons
- Group Corporate costs reduced by -15% to \$3.3m compared to the 12 months to 30 June 2014*
- In addition \$0.5m was earned in bank interest on the Group cash balance

NPAT (\$m)



Compared to same period last year and last reported 12 months

CONTINUING OPERATIONS	12 months to 30 Jun 15	12 months to 30 Jun 14	%	12 months to 31 Dec 13	%
Total Revenue (\$m)	25.0	20.9	20%	18.9	32%
Net Profit After Tax (\$m)	3.5	2.8	23%	2.6	34%
EPS Basic (cents per share)	2.73	1.78	53%	1.63	67%

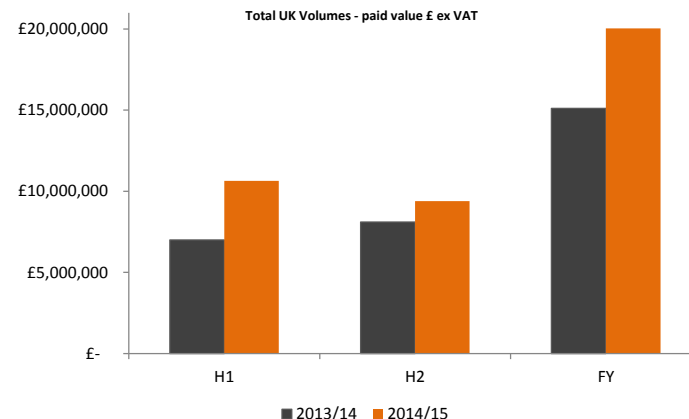
Chart and table only include results from continuing operations

* The results for the 12 months to 30 June 2014 are unaudited and used for comparison purposes only due to the change in the year end reporting period

UK Operations: Continued Growth with Volumes Up 33% in Both Business and Consumer



- Significant investment in unique leading proprietary systems, people, new product development and funding platform continues to support growth strategy and competitive advantage and is expected to increase in the year ahead
- Solid performance in UK market with new originations totalling £20m up 33% on same period last year on a constant currency basis due to:
 - Upgrade Anytime volumes up 50% on same period last year
 - SmartPlan volumes up 26% on same period last year
- Strong Cash flow generation of \$5.3m, net of intercompany loan movements
- \$7.6m UK profit contribution increased by \$0.2m on same period last year through FX benefit of weaker AUD to GBP together with margin on increased volumes and lower bad debts, partially offset by;
 - Increased investment in people to up-skill for growth
 - Lease accounting introduced from January 2015 for 50% of Upgrade Anytime contracts, which will provide a higher profit in the long term as the income is spread over the 2 year lease period
 - Increased customer cash back cost on higher volume of repeat business which will ultimately produce future incremental inertia and deferred service revenues and profit



Compared to same period last year and last reported 12 months

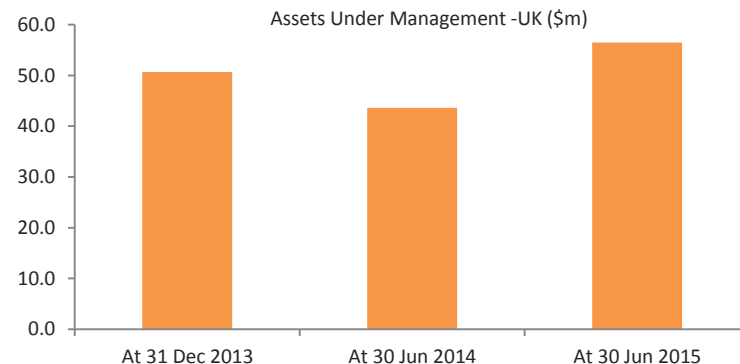
	12 months to 30 Jun 15	12 months to 30 Jun 14	%	12 months to 31 Dec 13	%
Volumes (Paid value) (\$m)	37.8	27.6	37%	25.9	46%
Segment Revenue (\$m)	24.5	20.5	19%	18.8	30%
Profit Contribution (\$m) ¹	7.6	7.4	2%	7.8	-3%
Closing AUM (\$m)	56.5	43.6	30%	50.7	11%

¹ Segment contribution before allocation of corporate overheads

UK Assets Under Management: Assets grown by 14% in 12 months to \$56.5m



- UK Assets Under Management increased by 14% on a constant FX basis in last 12 months
- On 12 months to 30 June 2014, new originations increased by 33% on a constant FX basis:
 - Upgrade Anytime up 50% to £12.4m
 - SmartPlan up 26% to £6.4m
- Active customers have increased by 14% mainly due to Upgrade Anytime volume growth
- ATVs reduced by -7% on a constant FX basis compared to 12 month to 30 June 2014 as a result of the increased mix of Upgrade Anytime consumer leases which have a lower ATV than SmartPlan business leases



Compared to same period last year and last reported 12 months

	12 months to 30 Jun 15	12 months to 30 Jun 14	%	Constant FX	12 months to 31 Dec 13	%	Constant FX
Closing Assets Under Mgmt (\$m)	56.5	43.6	30%	14%	50.7	11%	0%
Volumes (Paid Value) (\$m)	37.8	27.6	37%	33%	25.9	46%	26%
Active Customers (,000)	60.8	53.2	14%	14%	58.3	4%	4%
Average Transaction Value (\$)	1,336	1,398	-4%	-7%	1,079	24%	7%

Consolidated Balance Sheet: *Strong balance sheet with significant cash reserves*



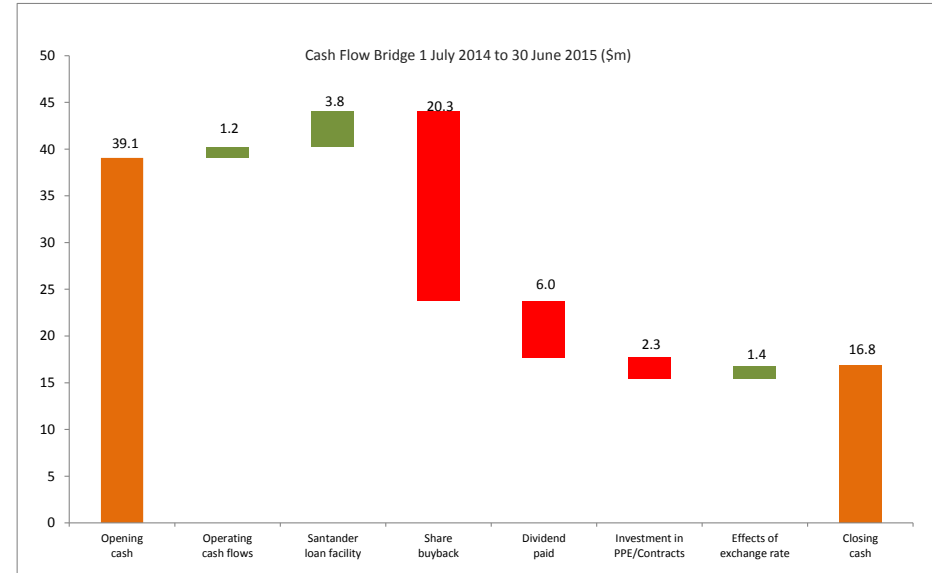
- Balance sheet reflects the successfully completed on and off Market Buy Backs totalling 63m shares for \$26m
- UK assets under management are 'not included on balance sheet' for STB funded leases with revenue accounted for as brokerage income
- \$4.1m corporate borrowings drawn on new UK Santander facility
- Available cash at the end of June 2015 of \$16.4m

Consolidated Balance Sheet	30-Jun-15	30-Jun-14	Change %
Cash and Cash Equivalents (Available)	16,396	38,498	-57%
Cash and Cash Equivalents (Restricted)	436	572	-24%
Trade and other receivables	1,014	1,092	-7%
Lease Receivable	4,662	0	100%
Deferred Tax Assets	57	342	-83%
Plant and Equipment	506	236	114%
Goodwill and Intangibles	17,431	16,216	7%
Other Assets	11,269	10,546	7%
Total Assets	51,771	67,502	-23%
Trade and other payables	2,374	3,247	37%
Deferred service income	5,202	4,975	-4%
Tax Payable	834	100	-88%
Other liabilities	230	233	1%
Other interest bearing liabilities	3,622	0	100%
Total Liabilities	12,262	8,555	43%
Total Equity	39,509	58,947	-33%

Note. all figures shown above in \$000

Cash Flow: *Generated operating cash inflows whilst returning surplus capital to share holders*

- Cash remains strong with total cash assets as at 30 June 2015 of \$16.8m
- Group operating cash inflow of \$1.2m generated in the 12 months to 30 June 2015
- UK Santander loan facility commenced drawdown, increasing cash by \$3.8m
- Investment in infrastructure continues with \$2.3m invested in the establishment of new funding facilities and IT infrastructure
- \$26.3m returned to shareholders by way of on market share Buy-Back (\$5m), off market share Buy-Back (\$15.3m) and special dividend (\$6m) in the 12 months to 30 June 2015
- Further weakening of AUD against GBP boosted sterling cash balances by \$1.4m in AUD equivalent





INVESTING FOR GROWTH

Investing for Growth: Strategic Development



PILLAR 1

- Leverage the growth potential with the largest existing partner Dixons, through range extension, online deployment and implementation of a new customer account proposition

PILLAR 2

- Leveraging its online basket, mobile application solutions and implementation of a new customer account proposition - extend the small ticket retail leasing model across new sectors and new distribution partners - beyond technology - both in the B2B and B2C markets

PILLAR 3

- Developing new propositions in new markets, in particular the business is positioned well for entry into broader consumer finance markets with entry being planned via both organic and inorganic routes

Also includes the potential for new partnerships and joint ventures and to take these propositions internationally



Investing for Growth: Strategic Development

CAPABILITIES

The three pillars of growth are underpinned by significant investment across Technology, Process and People. This program will be delivered through 2015 and will be completed by the end of 2015. It includes:

Technology :

Significant investments underway to further enhance the SmartCheck application software, back office systems and risk decisioning capability

Process:

Core operational processes are being developed and optimised to provide a fully scalable multi product multi retailer business model

People:

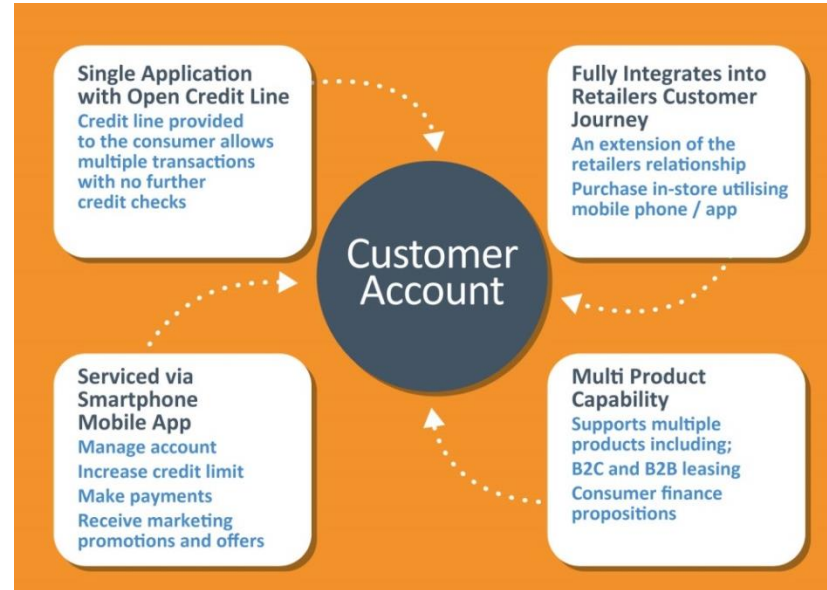
Strong management team now in place combining broad small ticket consumer finance capability and senior experience in the UK and European retail sector



Investing for Growth: Strategic Development

New product innovation to win share & diversify

- ThinkSmart is developing a differentiated platform to win share in the UK consumer finance and leasing market
- A market leading approach which enables retailers to build long-term consumer ownership, superseding conventional single transactions
- The platform allows the creation of a relationship on a consumer by consumer basis supported by the provision of an open credit line
- With a single application consumers can transact multiple times without an additional credit check
- The platform is capable of offering leasing, interest free finance, buy now pay later, hire purchase and fixed term interest bearing finance
- Ability to serve both B2B and B2C segments



ThinkSmart is developing a new differentiated platform to win share

Investing for Growth: Strategic Development

Market leading proprietary digital software

- SmartCheck application and decisioning capability integrates seamlessly into today's multi-channel retail customer journey
- Digital 'plug & play' finance in-basket technology, compatible with all leading ecommerce platforms
- Paperless and responsive, for superior customer experience across Smartphones and Tablets
- Mobile app, to support multi-channel purchase capability and a way for consumers to manage their account and receive relevant offers
- An innovative and differentiated product, creates long term, high value relationships with consumers





SUMMARY AND GUIDANCE

Summary & Guidance for 2015/16



- A strong year delivering \$3.5m NPAT in line with improved guidance
- Delivered through 33% growth in business volumes and 14% growth in assets under management and active customers
- Significant investment to further leverage unique sector leading software and processing IP together with paperless transactions, online basket integration and market innovative new customer account and mobile app
- Continued clear focus to build long term value in the UK, initially organically through product and market development with newly enlarged partner Dixons Carphone plc, Europe's leading specialist electrical and telecommunications retailer
- ThinkSmart has extended its contract with the recently expanded and market leading Dixons Carphone Group, which builds on the 12 - year mutually beneficial partnership. The agreement extends ThinkSmart's B2B (SmartPlan) and B2C (Upgrade Anytime) contract with Dixons Carphone, subject to usual terms and conditions, to at least January 2019
- Clear plans to exploit the significant potential to broaden distribution to new sectors, retailers and customers, indicated by market insight and leverage the scale opportunity created through investment in people, systems and process
- Funding in place to support growth initiatives
- Strong UK economy and a positive outlook for continued growth in retail sales, building consumer confidence and further reductions in unemployment
- Appointed Canaccord Genuity as strategic advisor to the Board, to assist in continuing to unlock value for the UK business
- Based on the 2014/2015 full year performance, on-going strong cash position and franking account balance, the Board has declared a 3.5c per share fully franked dividend. This will result in the Group's current franking account balance being significantly reduced such that future dividends may be unfranked or only partially franked
- Strong balance sheet with \$16.4m of available cash at the year end
- Strong double digit year on year percentage growth in Group Operating NPAT* expected to continue in full year 2016

* Group Operating NPAT excludes any exceptional items arising from non-operating activities



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