

ASX ANNOUNCEMENT

11 February 2015

Collection House reports continued solid earnings growth in first half results

Collection House Limited (ASX Code: CLH) today announced a first half Net Profit After Tax of \$11.2m, an increase of 19.1 percent, on its prior half results. Revenue is reported at \$63.8m – an increase of 22.7 percent on the prior half.

Annualised Return on Equity also increased to 14 percent, a ten year high.

An interim fully franked dividend of 4.4 cents per share was declared, being a 12.8 percent increase on the previous interim dividend (3.9 cents).

Other highlights of the report include Purchased Debt Ledger (PDL) collections growth of 25.2 percent to \$64.4m and record first-half PDL acquisitions of \$40.5m.

Key Financial Highlights

\$m	1H11	1H12	1H13	1H14	1H15	%
Revenue	38.7	44.4	47.3	52.0	63.8	22.7
Profit Before Tax (including significant items)	7.4	9.2	11.6	13.3	15.9	19.4
Taxation	(2.3)	(2.9)	(3.5)	(3.9)	(4.7)	
Nat Profit After Tax	5.1	6.4	8.1	9.4	11.2	19.1
PDL Cash Collections	39.7	43.9	48.7	51.5	64.4	25.2
EPS (c)	5.3	6.4	7.3	7.6	8.6	13.7
DPS (c)	3.1	3.2	3.6	3.9	4.4	12.8
EBIT Margin	26.1%	27.7%	31.2%	30.8%	29.5%	
Return on Equity (Annualised)	10.5%	11.9%	12.6%	13.2%	14.0%	
Net Debt/Net Debt + Equity	43.8	44.7	45.5	36.9	40.4	

Managing Director and CEO Matthew Thomas said the Company was satisfied with the results, which demonstrate that investments made in asset growth during 2014 are achieving their expected return.

“We’re in a robust financial position at mid-year and we have made significant achievements in all areas of the business,” Mr Thomas said.

“Investments in IT enhancements to our C5 platform have resulted in greater operational efficiencies across the organisation.”

As previously announced, Collection House has secured almost 8,000 square metres of prime office space for a new Head Office, with relocation expected to commence in June 2015.

Overseas, continued improved productivity within the expanded Manila operations has reaffirmed the Company's intention to continue expansion in the Philippines.

Collection House Group Chair Mr David Liddy said, "The first-half results demonstrate successful strategic execution of the Company's growth strategy.

"This will continue as we further leverage our core strengths in compliance, innovation and data analytics. We are in a secure position and the Company is on track to deliver continued strong growth and stable returns for shareholders into the second half of 2015." Mr Liddy said.

Collection House remains on track to achieve its earnings guidance (NPAT within range of \$21-22m).

Teleconference

A teleconference will be held on Thursday 12 February 2015 at 10.00am (Brisbane time).

The teleconference will be hosted by Matthew Thomas, MD and CEO and Adrian Ralston, CFO.

Contact details to join the teleconference are as follows:

The Australian toll free number is 1800 908 299

The New Zealand toll free number is 0800 452 795

The USA toll free number is 1855 624 0077

For more information please contact:

Matthew Thomas
Managing Director and CEO
Collection House Limited
Ph: 07 3100 1245

Disclaimer

This information should be considered along with the information disclosed in the Appendix 4D, Financial Reports and Results presentation.

Collection House Group - Overview

Collection House Limited

Debt collection and receivables management



CLH Legal Group

Legal services including insolvency administration



Lion Finance

Debt purchasing and recovery



CashFlow Financial Advantage

Licensed intermediary for the provision of credit



Collective Learning & Development

Credit management and related training services



Midstate CreditCollect Pty Ltd

Debt collection services, specialising in Local Government



Collection House Limited

Level 7, 515 St Pauls Terrace
Fortitude Valley QLD 4006 Australia

p. +61 7 3292 1000
f. +61 7 3832 0222

PO Box 2247
Fortitude Valley BC QLD 4006