

31 August 2015

Lodged to the ASX Online

The Manager
Company Announcements Office
ASX Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

Dear shareholders and investors

We are pleased to formally announce that our underlying earnings are in line and ahead of earlier guidance (Strategy Update issued to ASX on 17 August 2015). We indicated that FY15 unaudited Underlying Earnings Before Interest Depreciation and Amortisation (EBITDA) was circa \$1.0 million. The company can confirm that the audited underlying EBITDA result was positive \$1.3 million.

The company is in the process of lodging a private tax ruling application with the ATO in respect of tax deductions for acquired WIP assets. After advice from the company's tax advisors, no deferred tax asset has been recognised in the current period in respect of the potential tax deductions available, given insufficient certainty of treatment at this stage. However, should the company receive a favourable ruling, it will become entitled to significant future tax deductions that may potentially be recognized as a deferred tax asset. Accordingly, the tax benefit currently recognised as available to the company has been reduced from the unaudited guidance provided on 17 August 2015. The bottom line impact is to shift from a guidance of a better than \$1.0 million after tax loss to an audited after tax loss of \$2.55 million.

Having met our objective of an underlying breakeven, the Company is well placed to meet the challenges presented by recent changes to the lending industry. We look forward to delivering on our FY16 priorities and reporting these outcomes to you.

For and on behalf of
YELLOW BRICK ROAD HOLDINGS LIMITED



Mark Bouris
Executive Chairman