

**Credit Corp Upgrades Full Year 2016 Results Guidance**  
**Thursday 5 November 2015**

Credit Corp Group Limited (ASX:CCP) (the Company or Credit Corp) today reported strong performance over the first four months of the 2016 financial year and as a result provided updated full year guidance in accordance with the following table.

**Full Year 2016 Outlook**

	Issued Aug-15	Updated Nov-15
PDL acquisitions	\$90 - \$120m	\$125 - \$145m
Net lending	\$30 - \$40m	\$30 - \$40m
NPAT	\$40 - \$42m	\$42 - \$44m
EPS (basic)	86 - 91 cents	91 - 95 cents

In the Company's core debt purchasing business, a combination of strong Purchased Debt Ledger (PDL) acquisitions and the rollout of further operational improvements has produced record collection results. Collections over the first four months to October are up by 10 per cent over the same period in the prior year.

Operational improvements and continued leadership in sustainability and compliance represent a compelling value proposition for Credit Corp's clients. This has resulted in favourable outcomes in recent forward flow renewals. The committed pipeline of full year PDL acquisitions now stands at \$105 million, which is \$40 million higher than the same point in the prior year.

In Credit Corp's lending business, the loan book continues to grow strongly and is presently tracking ahead of expectations. Growth is primarily occurring in the personal loan product in the amounts of \$2,000 to \$5,000. The decision to cease issuing small amount credit contracts (SACCs) from March 2016 will not affect the company's ability to meet current year loan growth targets.

Despite unchanged external conditions, solid progress is being made in the United States. A substantially improved operating model has been successfully trialled for purchases made over the first four months of the current financial year. Early performance suggests that a 35 per cent improvement in collection efficiency can be achieved. Legal collections are now tracking in line with internal targets. If these early results can be confirmed, increased PDL purchasing at current pricing will bring the US business to breakeven in future years.

Credit Corp is pleased to advise a strengthened relationship with its principal banker, Westpac. Continued growth has necessitated a short-term increase in Credit Corp's borrowing facility by \$10 million to \$85 million. This short-term increase will provide the company with the opportunity to review its long-term borrowing alternatives in light of the strong growth outlook across all its businesses.

This media release should be read in conjunction with the Annual General Meeting materials released today, including the CEO presentation.

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