

ASX Release
8 February 2016

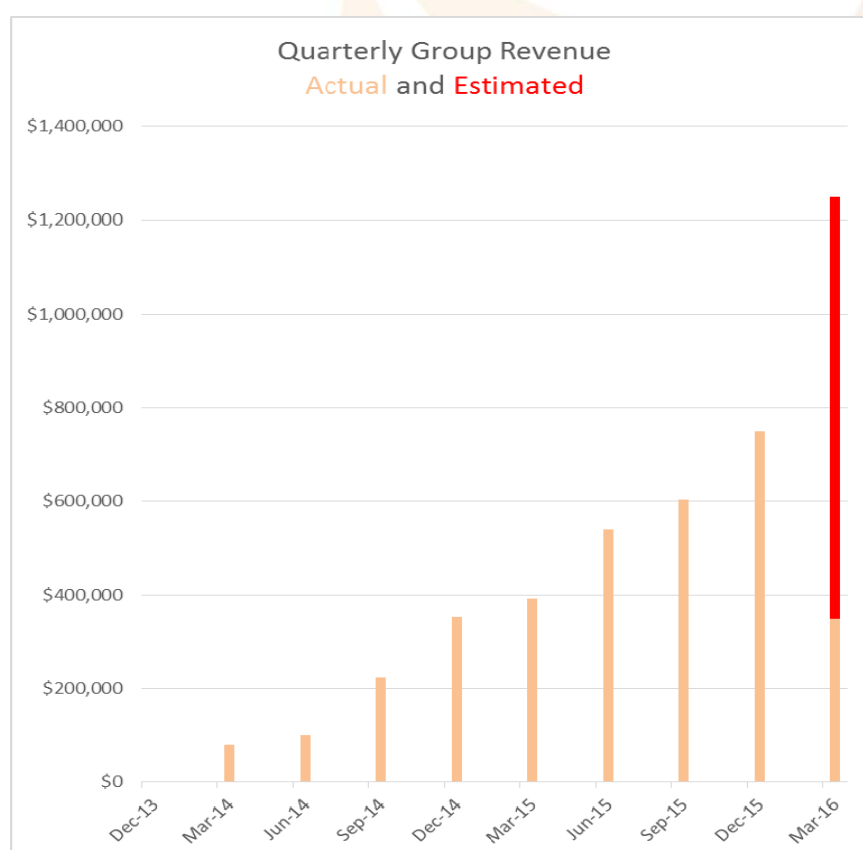
INVESTOR UPDATE

Stargroup continues to outperform

HIGHLIGHTS

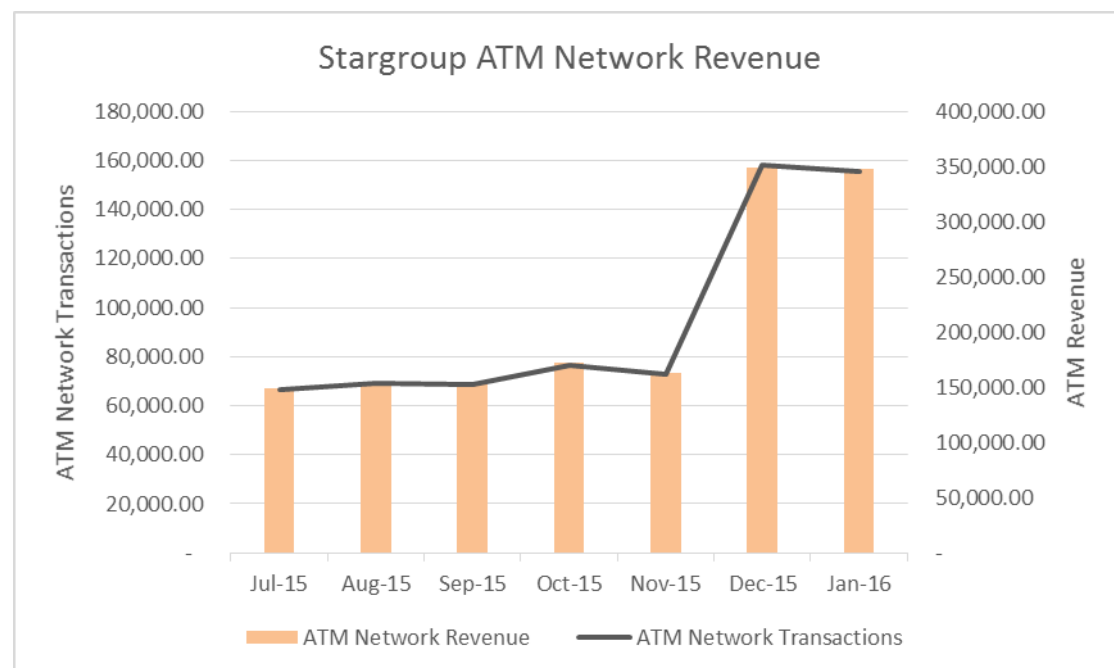
- 60% increase in gross ATM revenue expected in coming quarter
- 319% increase in the gross ATM revenue expected on a year on year comparison
- On track to deliver 9th consecutive record quarter of ATM network revenue
- Average monthly transactions among "industry best"

Stargroup Limited (**ASX : STL**) ("Stargroup or the Company") is pleased to announce that its ATM network has delivered another month of revenue growth and as a result, is on track to record another record quarter of revenue, the 9th in a row.



Mr Todd Zani, Stargroup's CEO and Executive Chairman said "We are encouraged by the revenue growth to date which continues to improve month on month and when coupled with Stargroup's recent ATM cost reduction measures bodes well for the performance of the ATM subsidiary. The main KPI for the ATM network, the quarterly average of transactions per ATM, is on track to outperform the previous quarterly average of 667 transactions per ATM which was considered "industry best"."

"Our focus is on the 'transactions per machine' metric as this is the best guide as to how well Stargroup is investing shareholder's capital. We expect to achieve significant upside in late Q1 and more so in Q2 2016, following the recent launch of our StarPOS business and the recycler ATM. Our anticipated Q1 performance and the overall outlook for the Company in 2016 is encouraging," said Mr Zani.



FURTHER INFORMATION

For further information, please contact:

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Financial technology company Stargroup Limited is the only ASX listed company deploying ATM machines in Australia and importantly, the only listed ATM company having a direct ownership interest in the manufacturer of its ATM technologies, namely NeolCP, a south Korean private company.

Stargroup Limited merged with iCash Payment Systems Limited (ASX:ICP) on 7 August 2015 and as part of the acquisition became the exclusive distributor of the cashPod ATM range including the recycler ATM, back office and payment technologies in Australia for the next 5 years.

Stargroup Limited, via its wholly owned subsidiary, StarPOS, is also an EFTPOS and payWave technologies provider via its leveraged wholesale Visa and Mastercard agreement and the launch of StarPOS occurred on 1 October 2015.

About NeolCP

Stargroup Limited owns 19.25% of NeolCP Korea Inc, a South Korean private company that provides integrated and innovative self-service solutions to the banking and retail market.

NeolCP has brought together a combination of innovation, expertise and quality service to become a global leader in the ATM manufacturing industry and a technology leader in cash management and cash handling solutions.

As at 31 December 2015, NeolCP had \$28.6 million in net assets and there is a three year dividend policy in place between NeolCP and Stargroup Limited.