Investor Briefing

Full Year 2016 Results

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30 AUGUST 2016

Helping Australians “always get it right” on the boring but important stuff…

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1. **FY16: Stabilised business and returned to growth**
2. The numbers
3. Growth trajectory to continue

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FY16 Snapshot

- Achieved guidance of $16.9m EBIT (normalised)
- Renewed senior leadership team
- Company returned to growth, stability and profitability in second half
- Strong diversification of revenue from new verticals
- Undertook buyback and initiated dividends

Note: Guidance was set at $15m-$18m normalised EBIT (Reported EBIT adjusted for restructure costs)

Solid growth across core metrics

UNIQUE VISITORS

↑ 1m

TO

9m

SALES UNITS

↑ 10%

TO

397k

CUSTOMER LEADS

↑ 7%

TO

4m

EBIT

↑ 23%

to $15m

CONVERSION

rates stable at

9.9 %

REVENUE/SALE

increased by 2 %

$466

REVENUE

↑ 9%

to $172m

Broadband

Car

Credit Cards

Energy

Health

Home & Contents

Home Loans

Life

Mobile Phones

Travel Insurance

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* All metrics exclude Money business and financial figures shown are on a reported basis

Return to growth, profitability and stability

Key Strategic Initiatives

Pillar	Initiative	Outcome
CUSTOMERS	Invested in enhanced customer experience	• Created convenient touchpoints • Extended contact centre hours
BRAND	Invested in marketing	• Delivered new creative platform • Diversified customer lead sources via strategic marketing initiatives
PARTNERS	Invested in cross-serve capabilities	• Expanded the iSelect market place – new verticals • Increased focus on cross-serve, iSelect's cross-selling initiative
PEOPLE	Invested in iSelect contact centre	• Launched the 'iSelect Academy' • Tailored consultant recruitment, training & development • New office in East Bentleigh, Victoria
PLATFORMS	Invested in R&D and core systems to build scalable technology	• Salesforce as new CRM system • Integrated telephony technology • Expansion of the proprietary iConnect Platform

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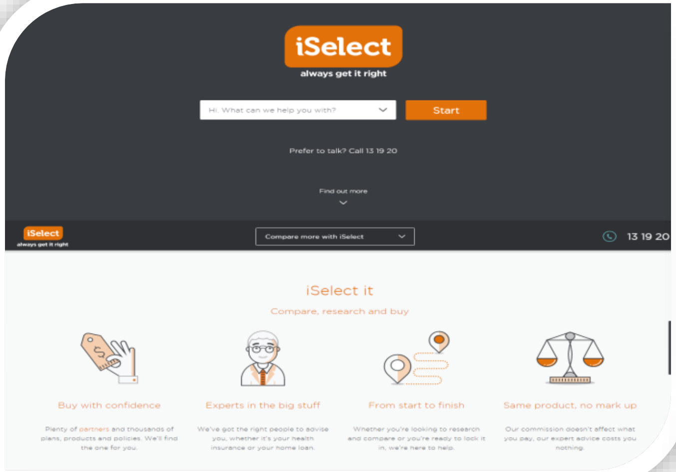
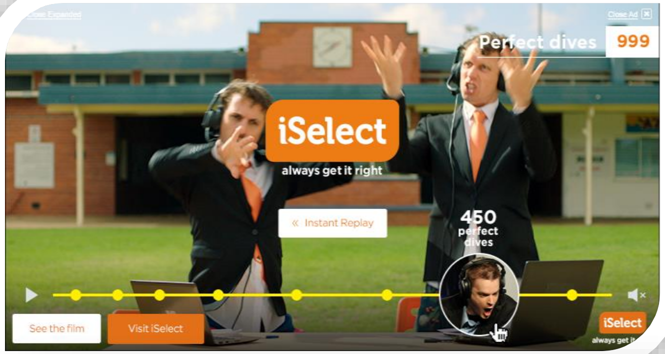
Refreshed brand position – prompted brand awareness at 87 %

Brand Repositioned

Relaunched Website & Online Presence





1.3m viewers watched the final and 1.2m app downloads

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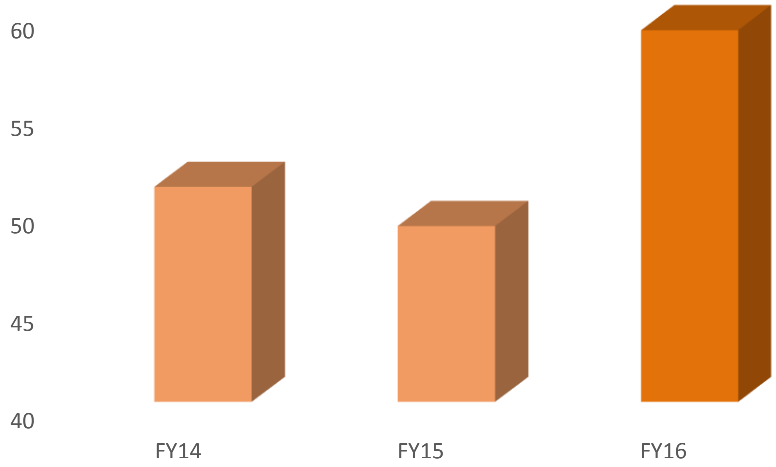
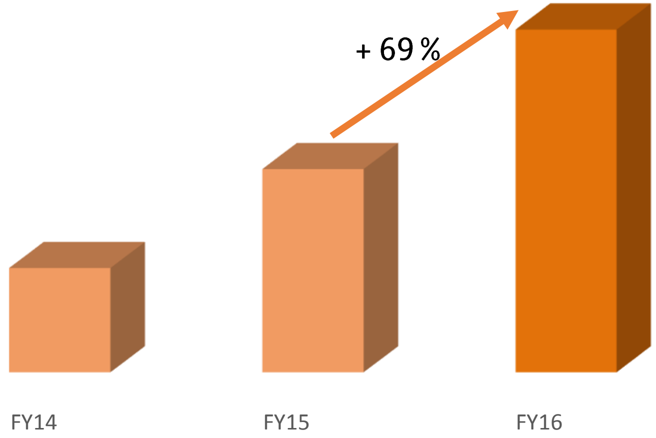
Enhancing customer experience

Customer Advocacy at record levels



Health Net Promoter Score at record high of 59

Cross-serve strategy successful



FY16 cross-serve improvements delivered superior outcomes

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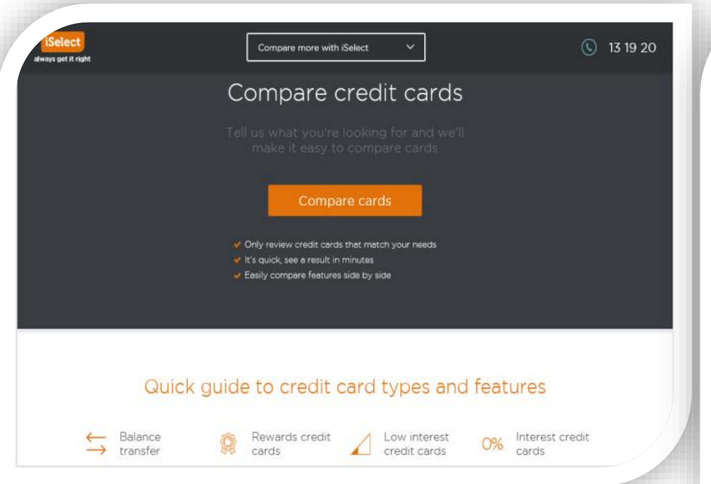
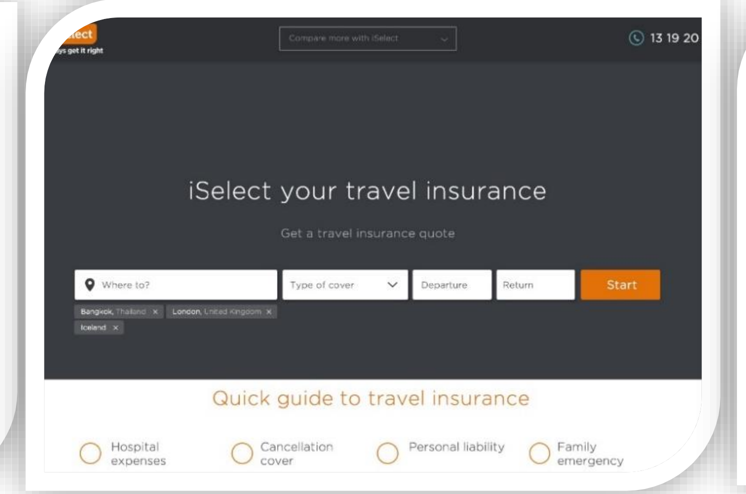
Expanding the iSelect Market Place

Category Extensions

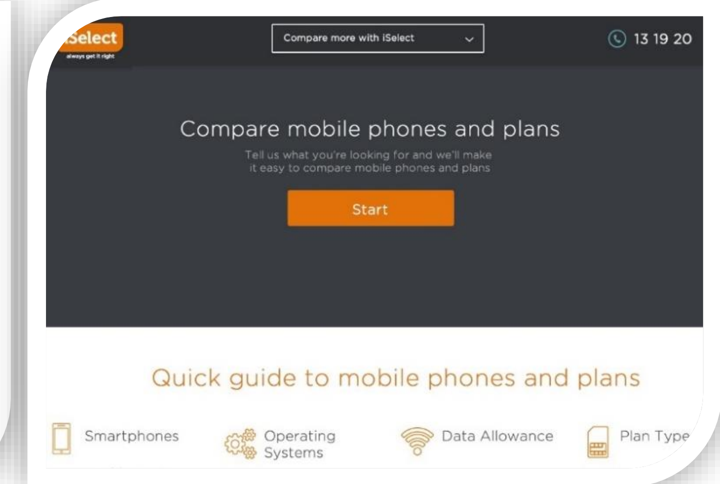
Credit Cards (launched)



Travel Insurance (coming soon)



Mobile Phones (coming soon)



New Partners across categories

GMHBA

AIG®

tomi®

YourPorter
Connections, powered by iSelect

FOXTEL™

INSUREANDGO

sumo POWER

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1. FY16: Stabilised Business and returned to growth

2. **The numbers**

3. Growth trajectory to continue

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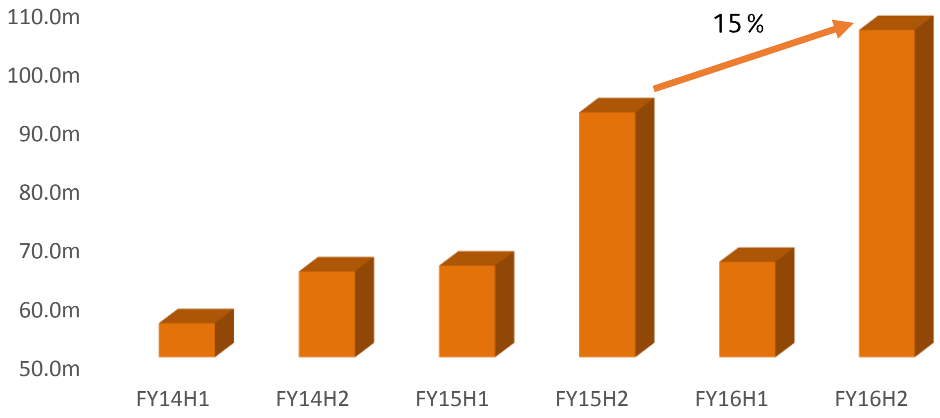
FY16 results – EBIT up 23 %

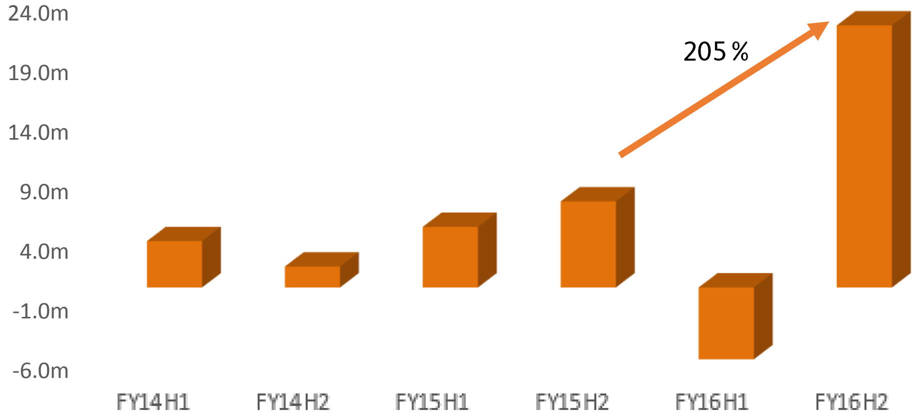
INCOME STATEMENT	REPORTED			REPORTED	
$m, YE 30 June	FY16	FY15	Change	H2 16	H1 16
REVENUE	171.9	157.2	9 %	105.7	66.2
EBITDA	21.5	18.6	16 %	25.1	(3.6)
EBIT	15.0	12.3	23 %	21.9	(6.9)
NPAT	12.9	9.6	34 %	17.1	(4.2)
NPAT Margin	*8 %*	*6 %*		*16 %*	*(6 %)*

REVENUE



- EBIT improved by 23 % , up 205 % 2nd half on prior comparative period
- Strong revenue growth, contributed from Non-Health verticals
- Improved cost management and focus on efficiencies
- NPAT improvement of 34 % , after first half loss

EBIT



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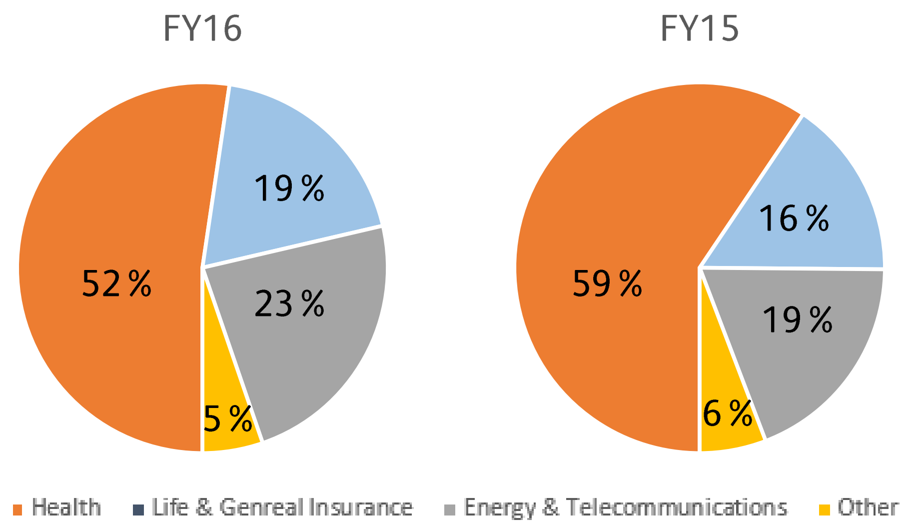
Growth in diversified product offering

SEGMENT REVENUE - REPORTED ($m)

Segment	FY16	FY15	Change
Health	90.0	93.5	(4%)
Life & General Insurance	32.7	24.7	33%
Energy & Telecommunications	40.2	30.0	34%
Other	9.0	9.0	(1%)
TOTAL	**171.9**	**157.2**	**9%**



- Total revenue growth up 9%
- Non-Health businesses now represent 48% of total revenue
- Upfront revenue now 82% of total revenue

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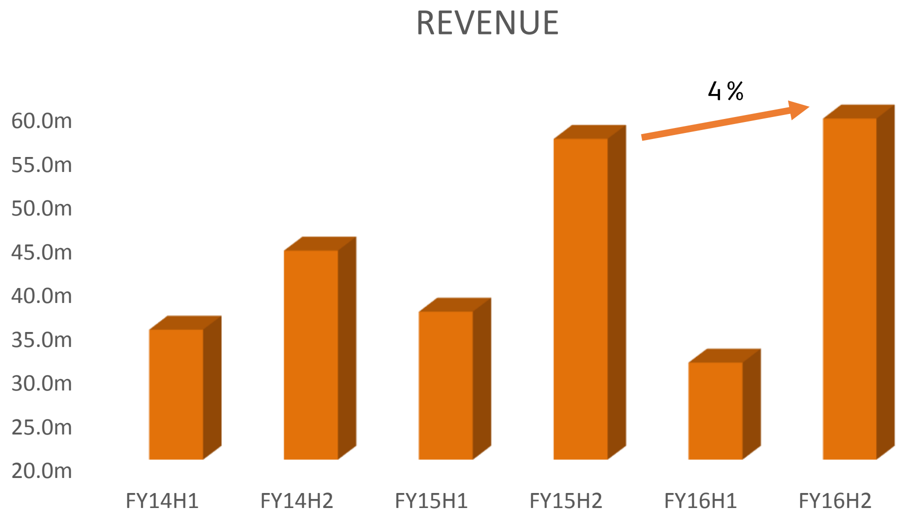
Return to growth for Health in H2

REPORTED ($m)

Health	FY16	FY15	Change
Revenue	90.0	93.5	(4%)
EBITDA	15.0	22.5	(34%)
Customer Leads (000s)	1,272	1,399	(9%)
Sales Units (000s)	117	137	(14%)
RPS $	894	759	18%
Conversion	9.2%	9.8%	(0.6 pp)



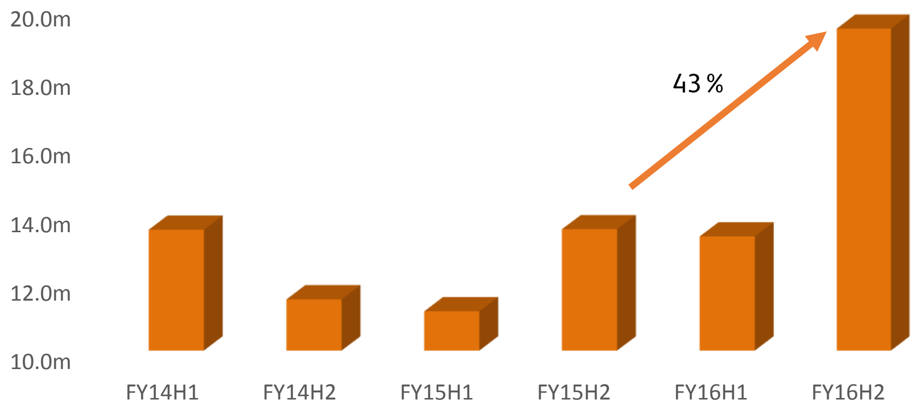
- Strong second half result after poor first half performance, up 4% on H2's prior comparative period
- EBITDA improving in the second half due to stronger controls around Contact Centre and Marketing
- Leads down on prior period in line with softening of the Health market
- Gross Written Premium (GWP) and RPS growth as a result of renewed focus on customer needs

EBITDA growth in Life and General Insurance

REPORTED ($m)

Life and General Insurance	FY16	FY15	Change
Revenue	32.7	24.7	33 %
EBITDA	11.9	7.8	53 %
Customer Leads (000s)	778	828	(6 %)
Sales Units (000s)	48	35	39 %
RPS $	578	645	(10 %)
Conversion	6.2 %	4.2 %	2.0 pp

REVENUE



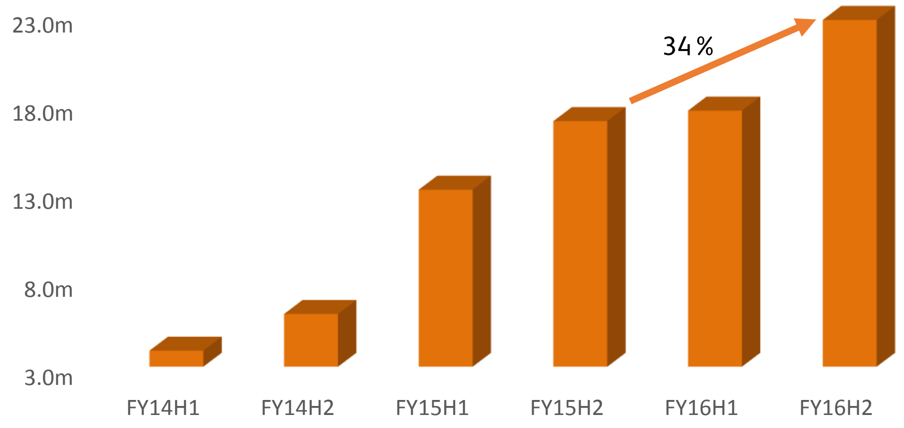
- Significant revenue growth up 33 % on FY15, driven by conversion improvements
- EBITDA expansion through cost efficiencies realised
- Expansion of the Car provider panel delivered strong sales unit increases

Strong revenue growth in Energy & Telco

REPORTED ($m)

Energy and Telecommunications	FY16	FY15	Change
Revenue	40.2	30.0	34 %
EBITDA	1.7	1.7	2 %
Customer Leads (000s)	1,762	1,315	34 %
Sales Units (000s)	230	189	22 %
RPS $	204	184	11 %
Conversion	13.1 %	14.4 %	(1.3 pp)

REVENUE



- Significant revenue growth up 34 % on FY15 driven by increased marketing investments
- RPS up 11 % due to customer segmentation and optimised targeting
- EBITDA reinvested in people and marketing to accelerate growth
- Conversion decline due to change in mix towards Telecommunications
- Energy Watch strong performance and contribution to Group

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Strong balance sheet with $87.6m cash

30 JUNE 2016 BALANCE SHEET - REPORTED

$m	FY16	FY15	Change
Cash	87.6	70.5	24 %
Receivables	43.9	73.8	(41 %)
Trail commission receivable	103.7	101.6	2 %
Other	63.3	61.3	3 %
Total assets	**298.5**	**307.2**	**(3%)**
Total liabilities	**63.9**	**60.3**	**6%**
Net assets	**234.6**	**246.9**	**(5%)**

- Strong cash position at $87.6m with cash at bank up 24 % on the previous year
- Reduction in receivables due to settlement of NIA outstanding balance of $41m
- Net assets reduced by $12.3m, primarily due to the share buyback

CASH FLOW STATEMENT - REPORTED

$m, Full Year	FY16	FY15	FY16 H2	FY16 H1
Operating Cash flow	**10.8**	**30.6**	**16.5**	**(5.7)**
Capital Expenditure	(7.7)	(4.4)	(4.8)	(2.9)
Free Cash	**3.1**	**26.2**	**11.7**	**(8.6)**
Investing/Financing cash flow	**14.0**	**(31.6)**	**(26.6)**	**40.6**
Net movement in cash	**17.1**	**(5.4)**	**(14.9)**	**32.0**
Cash at beginning	**70.5**	**75.9**	**102.5**	**70.5**
Cash at end	**87.6**	**70.5**	**87.6**	**102.5**

- Operating cash flow positive for the year as a result of H2 recovery
- Focus on free cash, $11.7m H2 achieved through disciplined capital expenditure
- Share buy back during H2

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Increasing dividend and successful share buyback

- On-market buy back continuing
  - Successfully bought back 23.01m shares as at 30 June 2016
  - Shareholder approval obtained to buy back a further 25.5m shares
- Final FY16 **fully franked** dividend of 1.5c – $3.6m[1]
- Total FY16 **fully franked** dividend of 2.5c – $6.1m[1]
- Dividend policy: 40 % – 60 % of reported NPAT (Board approved) subject to the availability of franking credits and cash reserves

1. Shares on issue as at 30 June 2016

1. FY16: Stabilised Business and returned to growth

2. The numbers

3. **Growth trajectory to continue**

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Transforming iSelect into Australia's Life Admin Store

Current State

Online comparison service

Aggregator

Broker

Intermediary

Future State

Australia's

LIFE ADMIN STORE

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Corporate Strategy

Vision

Australia's Life Admin Store

Corporate Strategy

- Diversify
- Efficient Market Place
- Customer First
- Employer of Choice
- Platforms and Tech

Initiatives

- Increase New Verticals
- Develop Leadership and Capability
- Diversify Customer Lead Sources
- Reduce Cost to Serve
- Expand Lifetime Value of Customer
- Investment in Best-in-class Platforms and Technologies

Levers & Tactics

- Cost Efficiency
- Strategic Partnerships
- Organic Growth
- Inorganic Growth

→ Increasing Shareholder Value

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Putting in place the right growth fundamentals

Grow Organisational Capability

PROFIT

HORIZON ONE

1. Contact centre reset ✓
2. Investment in scalable platform and technology (iConnect) ✓
3. New brand direction ✓
4. Develop core business and verticals ✓
5. New verticals ✓

HORIZON TWO

- Continue to diversify revenue, entering and expanding new verticals
- Turn iSelect into a verb – “Just iSelect it”
- Expand cross serve platform
- Loyalty program
- Investment in platform and technology

HORIZON THREE

- Diversified revenue across categories
- Best in class platform and technology
- 1 to many targeting via single view of the customer

Leveraging Data – enhancing our competitive advantage

Proprietary iConnect platform leveraging our big data

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Continued growth expected

BENEFITS FROM TRANSFORMATION FLOWING THROUGH...

- Confident growth momentum will continue in FY17 and beyond
- Health has returned to stability and momentum taken into FY17
- FY17 growth drivers: Energy, Telecommunications and General Insurance

GOING FORWARD....

- Continued diversification and expansion of the number of new verticals
- Continued investment in data mining and technology in FY17
- Continued focus on growing free cash position
- Dividend policy: 40 % – 60 % of reported NPAT (Board approved) subject to the availability of franking credits and cash reserves
- FY17 guidance of $21m - $24m EBIT

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Questions

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Appendix

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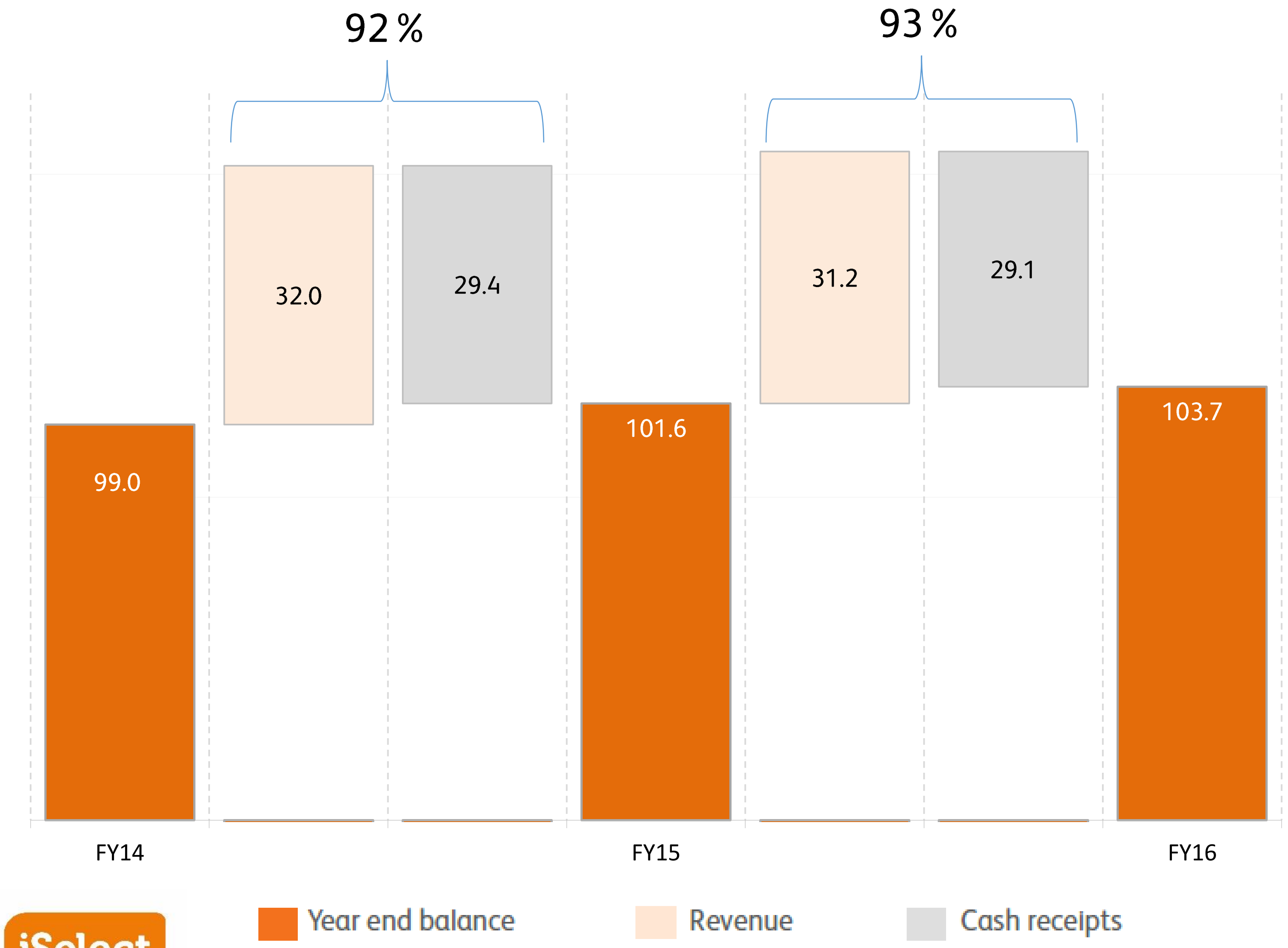
Trail book progression over time



- Upfront revenue mix remains high (c. 82 % of total revenue)
- Trail commission cashflow as a percentage of trail revenue increased to 93 %
- The Group specifically provides for known and expected risks to future cash flows. These risks include but are not limited to attrition and discount rates.
- The trail book balances shown are net of these risks.

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Any references to "Group" in this presentation refer to iSelect Limited and its controlled entities.

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It is to be read in conjunction with the iSelect Limited full year results filed with the Australian Securities Exchange on 30 August 2016.

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