

30 August 2016

## **iSelect returns to growth and achieves FY16 guidance**

**30 August 2016 (Melbourne):** iSelect Limited (ASX: ISU) is pleased to announce its results for the year ended 30 June 2016 (FY16) that saw the company return to growth in the second half following the implementation of a revitalised operational strategy.

### **FY16 results achieved guidance**

- Revenue up 9% to \$171.9 million
- Statutory earnings
  - EBITDA up 16% to \$21.5 million
  - EBIT up 23% to \$15.0 million
  - NPAT up 34% to \$12.9 million
- Normalised EBIT of \$16.9 million (excludes restructuring costs of \$1.9 million) – comfortably achieved guidance
- Strong balance sheet with \$87.6 million cash and no debt
- Bought back 23.01 million shares
- Final **fully franked** dividend declared of 1.5 cents per share, bringing the total FY16 dividend to 2.5 cents per share **fully franked**

### **FY16 saw a strong return to growth in the second half**

Commenting on the FY16 result, CEO Scott Wilson said:

“Over the year we have reset the business with a new management team, strategy, operational structure and brand position. The results from this strategy flowed through in the second half, returning the company to growth and providing strong momentum into this financial year.

“The return to solid growth in the health business in the second half demonstrates that we have successfully addressed the strategic and operational issues experienced in the first half, with new structures and systems put in place. This rebound in performance demonstrates the resilience of the business model.

“We have also continued to diversify our business, with the Credit Card vertical recently launched. Our Energy, Telecommunications, Life and General Insurance businesses have all grown strongly and now account for around half our total revenue.

iSelect is much more than just an online comparison website. Our expansion into new verticals will create a much wider and compelling offer to existing and new customers and deliver on our vision to become Australia’s Life Admin Store.”

### **Strong Executive Team now in place**

The renewal of iSelect’s senior executive team has been completed with the recent appointments of Darryl Inns as Chief Financial Officer and Geraldine Davys as Chief Marketing Officer.

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Notes: All comparisons are to FY15. All references to dollars or \$ are Australian dollars.



Speaking on the company re-set over the past 12 months, Chairman Chris Knoblanche AM said:

“Scott and the strengthened executive team, backed up by over 700 talented team members, have done an outstanding job in stabilising the business and returning it to profitability. The Board and I have total confidence that the right strategy is now in place to ensure iSelect’s continued growth and future success”.

**Strong balance sheet with \$87.6 million cash and no debt underpins continued capital management initiatives**

In light of iSelect’s strong balance sheet and substantial cash balance, the Company has bought back 23.01 million shares during FY16 and has obtained the approval from shareholders to buy-back a further 25.5 million shares.

**Initiated dividend payments in FY16**

In line with the Company’s strategic capital management strategy and reflecting the strength of iSelect’s balance sheet, earnings and growth opportunities, the Board has declared a final fully franked dividend of 1.5 cents per share, bringing the full year dividend to 2.5 cents per share fully franked. The final dividend has a record date of Tuesday, 6 September 2016 and payment date of Thursday, 29 September 2016.

As part of the company’s strategic capital management plan, the Board has also adopted a formal dividend policy. Going forward, the Board intends to pay a dividend equivalent to a range between 40% and 60% of reported net profit after tax (NPAT) subject to the availability of franking credits and cash reserves.

**Continued growth expected**

Commenting on the outlook for iSelect in the 2017 financial year, Mr Wilson said:

“We are seeing strong growth across all our existing businesses, including newly launched credit cards. With travel insurance and mobiles coming soon, our expanded product and service offering will better meet the constantly evolving needs of our customers.

“Our strong operating cashflows and attractive returns on investment will enable iSelect to further invest in technology, infrastructure and people over the current year. This way we can ensure we have the right systems in place to provide a truly effortless customer experience.

“Our strong balance sheet and substantial cash balance ensures we are well placed to maintain our current growth momentum. Based on our current plans we expect to generate EBIT in the 2017 financial year in the range between \$21 million and \$24 million, and deliver continued growth in shareholder returns.”

**-ENDS-**

**Investor and analyst conference call**

The Company will be holding an investor and analyst conference call at **11.00AM AEST today**.

Participants can dial +61 2 9007 8048 or 1800 908 299 (toll free) to join the call. When prompted, please provide **CONFERENCE ID: 338245**

**Website link:**

Participants can access and register for the live event 15 minutes prior to the scheduled start time at the following link: <http://goo.gl/vLTLun>



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**About iSelect**

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At iSelect, we get that most people find insurance, utilities and personal finance boring. But we understand that it's really important to always get these things right. As Australia's life admin store, iSelect gives customers the confidence to make the right call on some of the things that matter most.

Last year, more than 9 million Australians visited our website and we provided recommendations to over 6 million customers. But we are much more than just another online comparison website. Our highly-trained experts at iSelect HQ help customers to choose and buy from thousands of available policies, products and plans. And we provide our advice at no cost to the customer.

We compare and sell some of Australia's biggest brands but are proud to be 100% independently owned. From health and life insurance through to energy and broadband, as well as car insurance and home loans, iSelect helps Australians take care of the boring but important stuff. [www.iselect.com.au](http://www.iselect.com.au)