



JUSTKAPITAL

Litigation Partners Limited

29 April 2016

ASX Announcement (ASX: JKL)

Market Update

The directors of JustKapital Litigation Partners Limited (JKL:ASX) are pleased to provide an update on its businesses as at 31 March 2016.

The Macquarie Medico Legal business (MML) was purchased by the Group on 22 January 2016 and has now been integrated into the JKL Group.

MML provides expert medical reports for lawyers and their clients in litigation involving compensation for motor vehicle accidents, medical and third party negligence claims.

MML's trading results from 22 January 2016 to 31 March 2016 (unaudited) is as follows:

	\$M
Gross revenue	2.31
Provisions and adjustments	(0.26)
Net revenue	2.05
Cost of sales	(1.14)
Gross Margin	0.92
Operating costs (including integration costs)	(0.22)
EBITDA	0.70

If the (unaudited) trading results to 31 March 2016 continued on an annualized basis, the MML business is achieving revenue growth of around 20% compared to FY2015 and an EBITDA greater than \$4M.

MML's cashflow from 22 January 2016 to 31 March 2016 (unaudited) is as follows:

	\$M
Receipts (collection of MML's debtors purchased)	1.57
Payments for medico reports (costs of sales*)	(1.24)
Payments for operating expenses (including integration costs)	(0.35)
Net operating cashflow	(0.02)

* This is related to the gross sales generated in the period which are expected to be collected over a period of between 18 months and two years.



MML's gross debtors were \$19.65M as at 31 March 2016 (the gross debtors purchased were \$18.99M).

As previously announced, the Group has secured a \$20M debt facility for its disbursement funding business, including the MML business. As at 31 March 2016, \$7.73M had been drawn down under that facility, with the balance of the facility available for funding future medical reports (subject to continuing to complying with the terms of the facility).

Now that the MML business has been integrated with the Group, we are now focused on growing the MML business in conjunction with the complete disbursement funding offering (see ASX announcement of 26 April 2016).

The litigation funding business continues to field numerous enquiries for future funding opportunities. The two cases which have been funded by the Group continue to progress through the courts, whilst the case conditionally funded against Slater & Gordon is advancing.

Authorised by:

Philip Kapp
Executive Chairman

About JustKapital Litigation Partners Limited

JustKapital Litigation Partners Limited (ASX: JKL) is a leading Australian litigation funding business offering finance to corporate and individual plaintiffs with meritorious claims, but lacking the resources to pursue them. Cases pursued include business to business claims, breaches of fiduciary duties, continuous disclosure and intellectual property rights and claims for liquidators, anti-competitive behaviour, misleading and deceptive conduct and professional negligence.

For media enquiries:

Michael Mullane
Partner
Cannings Corporate Communications
Tel: +61 2 8284 9990

For investor enquiries:

Philip Kapp
Executive Chairman
JustKapital Litigation Partners Limited
Tel: +61 2 9696 0220