



Armidale Investment CORPORATION

ASX Company Announcements

6 July 2016

The Manager
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Armidale Investment Corporation Limited (AIK) : Business Update

Hal Group Pty Limited Lease Origination FY2016 Exceeds Forecast

As previously announced, lease origination for FY2016 was forecast at \$31 million. The actual origination total for FY2016 was \$33.4 million, 7.7% above forecast and a 48.4% increase on the FY2015 origination total of \$22.5 million.

This continuing growth in origination is due to:

- The establishment of new channels to market which includes Platform Finance and Leasing Group Pty Limited;
- Further development of funding sources; and
- A committed and established team.

Hal Group Pty Limited (Hal) Tier 1 Funding Facility Operational

As previously announced, TL Rentals Pty Limited (TL Rentals), being the 100% subsidiary of Hal, executed a tier 1 facility in late June 2016. We are pleased to confirm that this facility is now operational with the first funding having occurred on 1 July 2016.

The new facility provides:

- A rolling 3 year term;
- An initial principal limit of \$20 million;
- A funding rate commensurate with other industry tier 1 lenders; and
- Funding for a wide classification of customer types.

Partial Acquisition Asset Finance Industry

As previously announced on 23 May 2016, AIK entered into a 6 week exclusive due diligence period and non-binding term sheets to acquire 50% of two Asset Finance Brokers and 80% of an Asset Finance Broker aggregation business.



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C O R P O R A T I O N

AIK's growth is expected to be through organic expansion in its operating lease portfolio and its Asset Finance Broking Operations as well as through acquisitions. The AIK board is committed to a broker accumulation strategy.

AIK is now reaching the end of the due diligence period. The outcomes to date are positive with no material matters discovered that would be likely to change the board's direction in continuing to complete the transaction subject to ASX review and any resultant shareholder and regulatory approvals.

Platform Finance and Leasing Group Pty Limited Aggregation

The volume of transactions processed for FY2016 is \$1.002 billion. This represents a 17.7% increase on the FY2015 total of \$851 million.

For further information please contact:

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