

**GENEVA FINANCE ANNOUNCES HALF-YEAR RESULTS:
AFTER-TAX PROFIT UP 56% ON 2015**

Geneva Finance has announced an after-tax profit of \$2,357,000 for the six months to 30 September 2016, an increase of 56% on the same period in 2015, while revenue from ordinary activities was \$7,536,000, a 31% gain on 2015.

Managing Director, David O'Connell said, "This result, which confirms the company is now positioned for a period of sustainable profitability, has been achieved contemporaneously with the payment of the group's maiden dividend of 1.5 cents per share, and the seven-for-one share consolidation.

"Individually and collectively these three outcomes have added shareholder value and demonstrate the board's commitment to balance the requirements of the company, to finance its expansion and a desire to reward our shareholders for their ongoing support."

The group's pre-tax profit of \$1.8m (up 72% on last year) comprised a trading entity pre-tax profit of \$2.6m, less group overheads of \$0.9m. A deferred tax asset of \$0.6m was recognised during the period, resulting in the after-tax profit of \$2.4m.

"Sustained lending growth growth, 12.5% up on last year (which was 26% and 61% up on March 15 and March 14 respectively), has seen the receivables ledger increase to \$55.3m which – in conjunction with maintenance of interest yields and control of asset quality – resulted in a \$2.0m profit from lending for the six months. This is a 73% increase on last year," Mr O'Connell said.

Quest Insurance Group Limited (Quest) Premiums increased 70% to \$1.6m due for the most part to the reintroduction of Mechanical Breakdown Insurance and the recommencement of Comprehensive Vehicle Insurance in the second half of 2015. The profit after tax improvement to \$445k (+43%), is a result of this revenue growth in conjunction with a rise in investment income. Operating costs and claims incurred were within expectations.

Increased lending (+12.5%) and insurance sales (+70%) contributed to slightly higher operating costs of 11%, to \$3.5m, on the previous year.

Group total asset grew by 26% to \$76m (the company's equity to total assets ratio amounts to 28.7% vs. 29.3% in the prior year).

Mr O'Connell said the group is in the process of upgrading its loan management, sales delivery and collections platforms.

"This has been a focus of the last six months and will continue to be so for the next twelve months and beyond as we see increased use of technology as essential to delivering on our goal of 'making life easier' for our customers, improving customer service levels and supporting the expansion of the group's lending, insurance and collections services."

"Delivering a \$2.4m profit for the six months (56% up on last year), coupled with the group's conservative debt ratios and now sustainable profitability, reinforces that the group is well positioned for the right acquisition opportunity." Mr O'Connell said.

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About Geneva Finance Limited

Geneva Finance is a 100% New Zealand-owned finance company that provides finance and financial services to the consumer credit and small to medium business markets.

The company provides hire purchase finance, and personal loans secured by registered security interests over personal assets such as motor vehicles and household goods (e.g. furniture and appliances). Geneva Finance has been providing funding for family vehicles at competitive rates and a quick approvals process since 2002.

Geneva Finance Limited (GFL) is a listed company on the New Zealand Stock Exchange (NZX alternative market, NZAX).