

FY15 Results Presentation

4 August 2015

Thomas Beregi, CEO
Michael Eadie, CFO



Leveraging our leadership in the credit-impaired consumer segment **Credit Corp Group**

Core Australian debt buying business



- Largest participant in market
- CAGR in NPAT of 23% over the 6 years to FY15
- Generating acceptable returns with limited gearing



Credit-impaired consumer lending

- Apply experience with credit-impaired consumers
- Sustainable and responsible products
- Segment not serviced by mainstream credit issuers



US debt buying

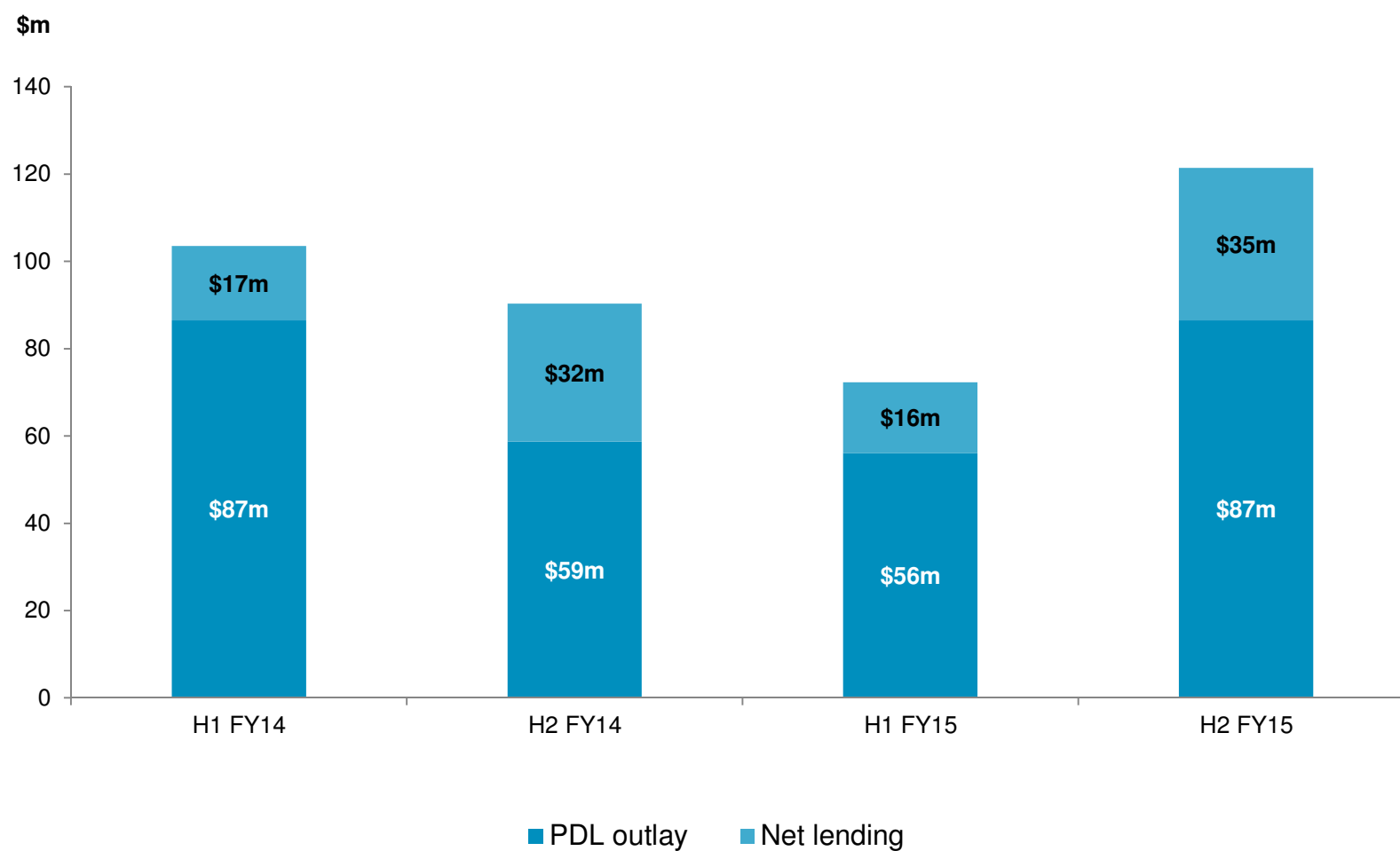
- Much larger than the Australian market
- Apply our strengths as the US market transitions

Lending drives growth...

FY15 Financial Results

	FY15	FY14	\$ Change	% Change
Debt Purchasing	\$155.1m	\$154.6m	+\$0.5m	
Lending	\$36.0m	\$19.4m	+\$16.6m	
Total Revenue	\$191.1m	\$174.0m	+\$17.1m	+ 10% ↑
Debt Purchasing	\$56.0m	\$55.5m	+\$0.5m	
Lending	\$1.4m	(\$3.5m)	+\$4.9m	
NPBT Total	\$57.4m	\$52.0m	+\$5.4m	+10% ↑
NPAT	\$38.4m	\$34.8m	+\$3.6m	+ 10% ↑
EPS (basic)	83.0cps	75.4cps	+7.6cps	+ 10% ↑
Dividend	44.0cps	40.0cps	+4.0cps	+ 10% ↑

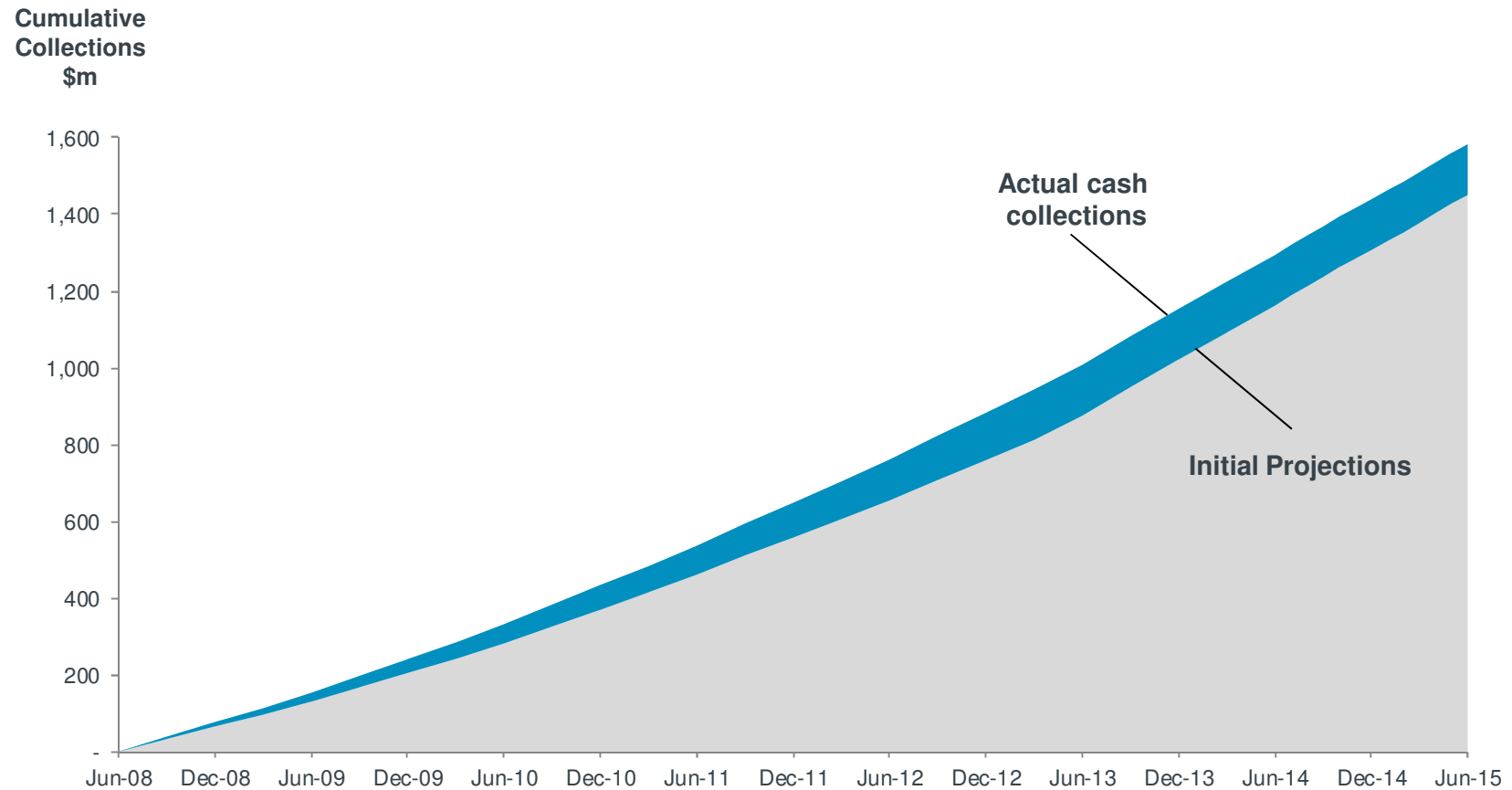
... sustained by strong H2 investment...



... and solid asset growth

\$ million	FY15	FY14	FY13
Pre-tax operating cash flow	215.6	200.5	173.6
Tax payments	(26.5)	(16.2)	(15.4)
PDL acquisitions, lending and capex	(191.3)	(197.3)	(148.5)
Net operating (free) cash flow	(2.2)	(13.0)	9.7
PDL and consumer loan carrying value	244.3	203.7	161.1
Net bank debt	58.5	35.7	4.9
Net debt / carrying value (%)	23.9%	17.5%	3.0%

Operational metrics maintained - pricing discipline and accuracy

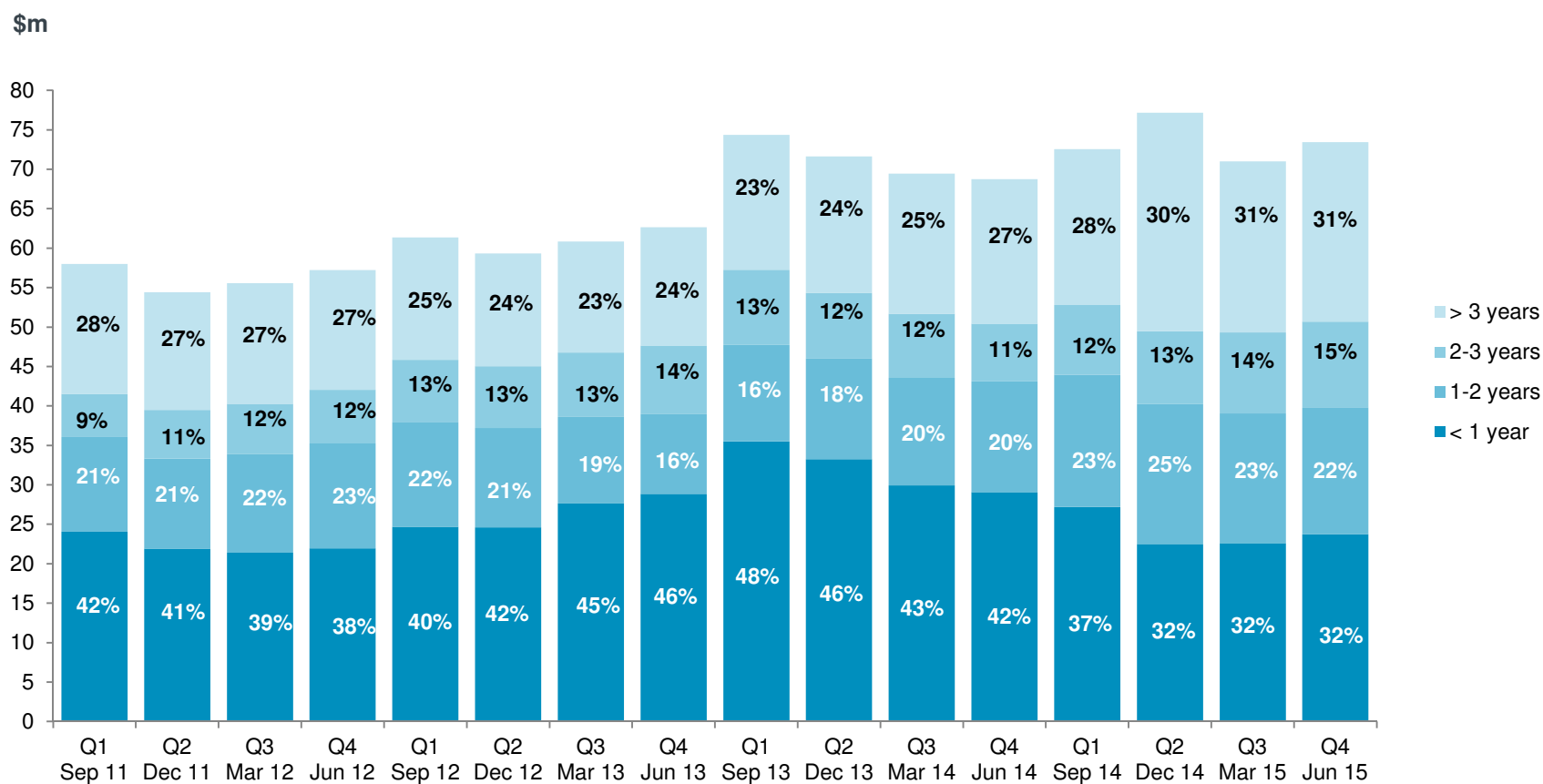


Note: For all PDLs held at June 2008, initial projections represent the forecast at June 2008

Operational metrics maintained - collection life-cycle

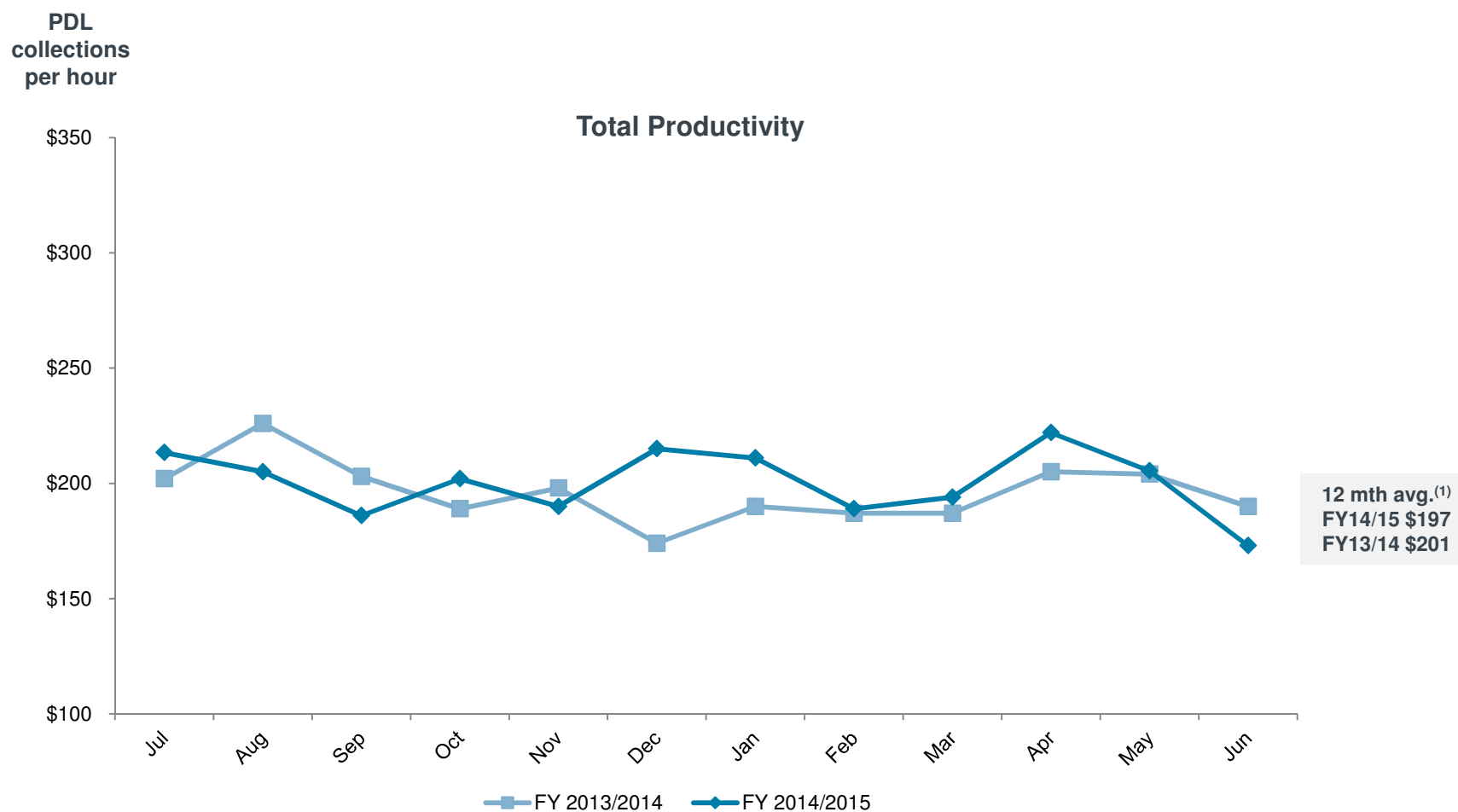
- Full year collections in line with prior year

PDL collections by date of purchase



Operational metrics maintained - productivity

Debt purchase productivity (direct collection staff only)



(1): Weighted average productivity.



Operational metrics maintained - payers base

Total Portfolio	Jun-15	Dec 14	Jun 14	Dec 13	Jun 13
Face value	\$4.9bn	\$4.8bn	\$4.7bn	\$4.5bn	\$4.0bn
Number of accounts	703,000	698,000	744,000	759,000	711,000

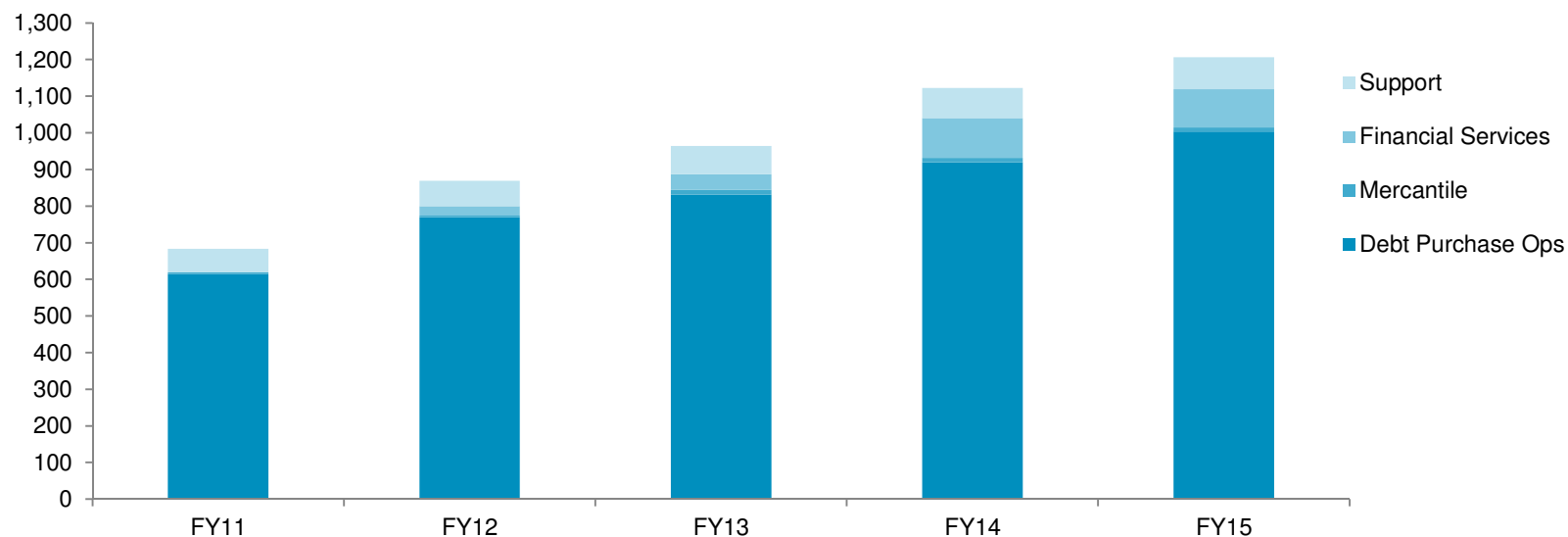
Payment arrangements

Face value	\$1,044m	\$963m	\$909m	\$791m	\$742m
Number of accounts	133,000	125,000	120,000	111,000	106,000
% of PDL collections	75%	73%	73%	71%	72%



Operational headcount to support asset growth

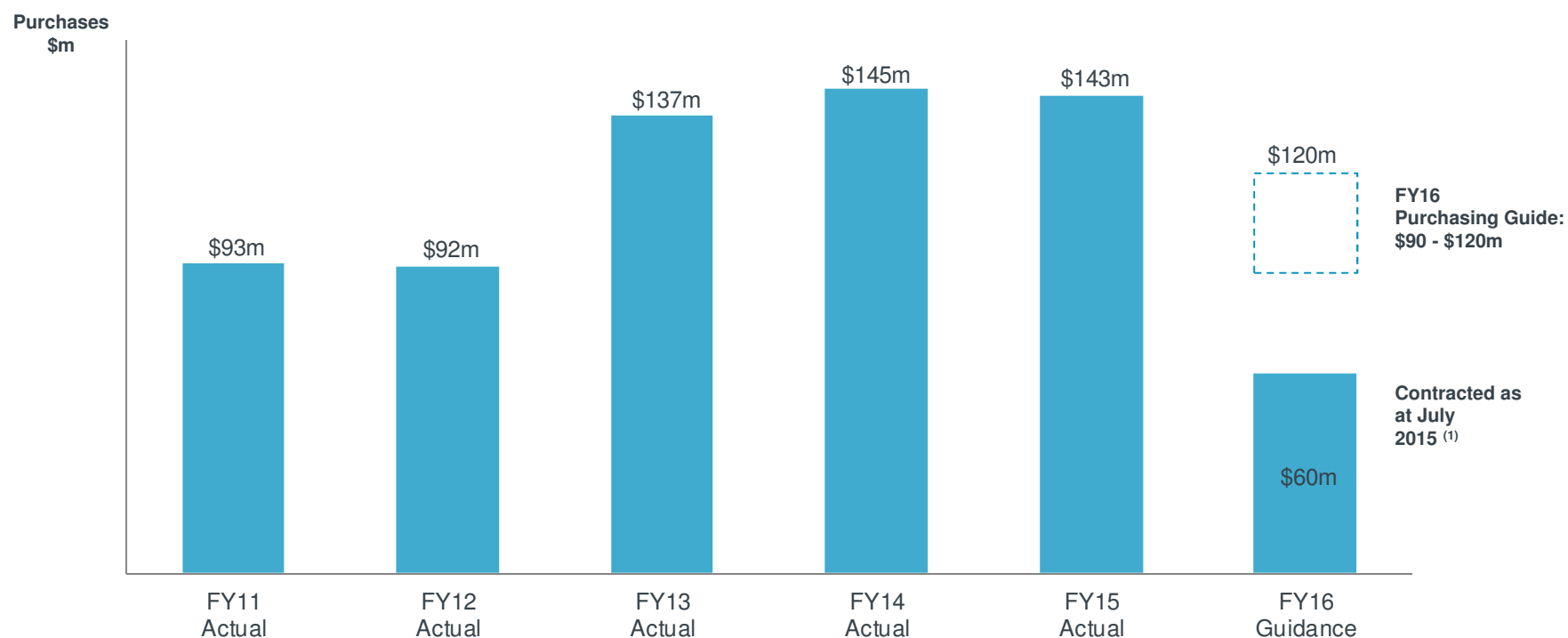
Period-end headcount (FTE)



Function	FY11	FY12	FY13	FY14	FY15
Debt Purchase Ops	615	770	831	919	1,004
Mercantile	4	4	13	12	11
Financial Services	-	26	43	109	104
Support	64	69	77	82	88
Total	683	869	964	1,122	1,207
Financial Services %	-	3%	4%	10%	9%
Support %	9%	8%	8%	7%	7%

Solid PDL acquisition pipeline

- Price increases moderated during FY15
- Expiring forward flows renewed and additional volumes secured
- Purchases priced to achieve hurdle return rate

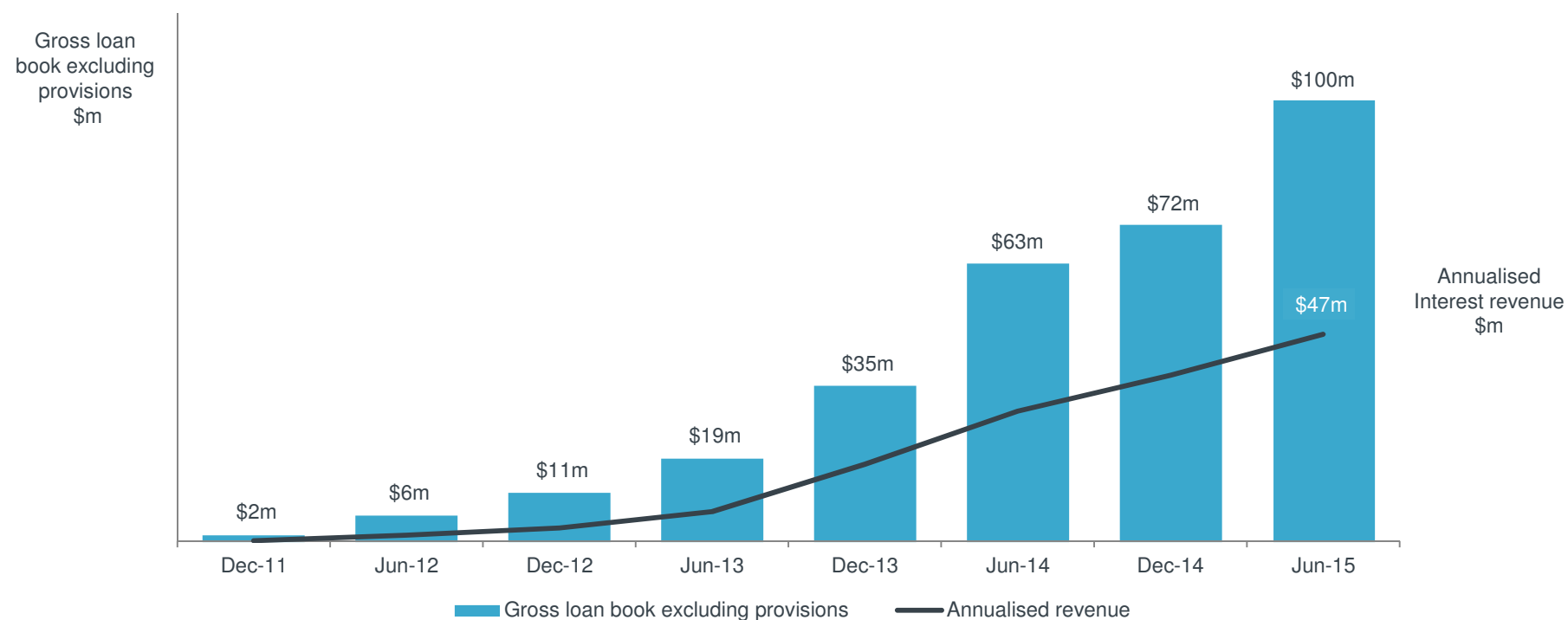


(1): Includes US purchases. Prior year \$36m.



Consumer lending book reaches \$100m milestone...

Momentum re-established in H2 FY15



...with the introduction of our new brand

Wallet Wizard

Sustainable online loans

- Merges Small Amount Credit Contract (SACC) and Personal Loan (PL) products
 - Seamless graduation into lower cost finance
 - Supported by a fast automated decision engine
- National advertising campaign launched on 19 April
 - TVC featuring Wallet Wizard character
 - Digital advertising

The sustainable and responsible alternative



Sustainable online loans

- Not a payday lender
 - Loan amounts up to \$5,000
 - Minimum term of 4 months up to 3 years (avg. SACC 8 months, PL 2.4 years)
 - Lower rates and fees, substantially below legislated caps
 - No early repayment fees
 - Capped cost recovery late payment charges (waived on advance contact)
- Delivered responsibly
 - Robust financial capacity assessment
 - Verification of income and expenses
 - Compliant suitability assessment

US market conditions remain unfavourable...

- Supply conditions constrained
 - Major credit issuers now unlikely to return to the market for 12 months
 - Despite recent regulatory settlement with JP Morgan Chase
- Focus on operational improvement
 - Solid telephone collection outcomes
 - Satisfactory payment arrangement growth
 - Scope to improve:
 - Efficiency
 - Legal collection performance

FY16 Initial Guidance

FY16 Initial Guidance	
PDL acquisitions	\$90 - \$120m
Net lending	\$30 - \$40m
NPAT	\$40 - \$42m
EPS (basic)	86 - 91 cents
Dividend per share	44 - 46 cents

Questions