

**NEW GROWTH INITIATIVES, KEY EXECUTIVE APPOINTMENTS
AND TRADING UPDATE**

ThinkSmart Limited (ASX:TSM) a leading provider of point of sale financing today announces:

- Launch of two new products consistent with strategy to expand addressable market and grow distribution,
- Appointment of a new CFO and expanded management team to support growth agenda for the business,
- A trading update on FY11 preliminary results and FY12 outlook.

Launch of two new products consistent with strategy to expand addressable market and grow distribution

In line with ThinkSmart's strategy to expand its addressable market and grow its distribution in existing territories, ThinkSmart today announces two new growth initiatives to be launched on 20 February:

- Fido, a new consumer payment plan product for the Australian market, and
- ThinkSmart Business Leasing, a business to business leasing product for the UK market.

Leveraging the success of the patented QuickSmart technology, ThinkSmart will target both consumers and retailers in traditionally higher margin categories through the Fido product. This will enable ThinkSmart to expand into new retail categories suited to payment plans such as furniture, sports equipment and jewellery. The Fido product will enable ThinkSmart to significantly expand its distribution through many more retailers including multichannel retailers and will expand its addressable market to drive growth in the business.

The value proposition for retailers lies in the ability of the Fido product to sell an increasing volume of high margin products by making the purchases affordable for consumers. Fido gives consumers the ability to purchase products on a "no interest ever" basis, through a simple payment plan.

ThinkSmart Business Leasing is a new business leasing product for equipment priced over £250, suitable for a wide range of categories including medical and dental equipment, professional/trade and power tools, auto and professional photography equipment.

ThinkSmart Business Leasing is expected to further enhance the strong trajectory in the UK business and expand ThinkSmart's product offering into the B2B equipment rental market. This will significantly widen the UK market reach by moving into broader categories and is a compelling product with an e-signature enabled, online process.

Commenting on the potential for the new products, ThinkSmart Executive Chairman and CEO Mr Ned Montarello said "The competitive landscape for both of these products is less cluttered, generating growth prospects at healthy margins."

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Mr Montarello added that ThinkSmart is making good progress with the company's growth agenda. "Fido and ThinkSmart Business Leasing are important parts of our growth agenda over the next three years. We are well progressed in our plans to grow and diversify our business by dramatically increasing our addressable market and expanding our distribution footprint."

New CFO and expanded management team to support growth agenda for the business

ThinkSmart has made a number of senior appointments to ensure the business has the right team in place to support the new growth initiatives detailed above.

ThinkSmart has appointed Mr Alistair Stevens as Chief Financial Officer and Company Secretary. Mr Stevens previously served as Deputy CFO of BSKyB plc, one of the top 30 companies in the UK by market capitalisation, having worked at BSKyB for 13 years. His appointment is effective as of April 2012 and he will be based at ThinkSmart's head office in Perth.

Commenting on Mr Steven's appointment, Mr Montarello said "We are very pleased to have secured an executive of Alistair's standing who brings strong finance experience coupled with great commercial acumen."

ThinkSmart has also appointed Mr Andrew Deller as Managing Director of the UK business. Mr Deller has over 20 years experience in operational, product, marketing and management roles in banking and consumer finance, including 10 years at Egg, the UK's first internet bank. Andrew commenced in his new role in January. Mark Randerson will also join the UK business from online retailer Shop Direct Group as Head of Sales and Business Development, UK. ThinkSmart has also appointed Matthew Dunstan from iiNet as Head of Sales and Business Development, Australia.

Mr Montarello said the investments in the team will support the business through its next stage of growth and diversification. "Andy Deller's background in product innovation, marketing and multichannel consumer finance through his time at Egg will be of huge benefit as we expand and diversify the business in the UK. We are also pleased to have two new talented sales and business development executives in Mark Randerson and Matthew Dunstan to support the growth initiatives underway in the UK and Australian markets."

Trading Update

Based on preliminary unaudited accounts, ThinkSmart expects to report normalised FY11 NPAT of approximately A\$7.4 million which includes the effects of transition to the new funding arrangements. This result excludes the NPAT impact of approximately A\$500k one-off costs associated primarily with the exit of its Spanish and Italian operations as a result of its end of year review which was foreshadowed in the 1H11 results. The result represents an increase of 9% on FY10 reported NPAT and 16% on a constant currency basis.

The guidance and summary provided in this update are subject to the finalisation of ThinkSmart's financial statements and reports for FY11, and completion of the review by external auditors. ThinkSmart will release its audited FY11 results on 22 February 2012.

As previously disclosed, ThinkSmart is in the process of transitioning to a new funding model with its Australian funding partners, Westpac and Bendigo & Adelaide Bank. As part of this transition, ThinkSmart will formally adopt lease accounting from 1 March 2012 in accordance with AASB117. The transition to lease accounting will result in ThinkSmart recognising revenue more evenly over the

period in which it is earned, improving transparency and reducing the volatility of earnings due to seasonal and cyclical factors.

As outlined in our HY11 results presentation, the new funding model combined with lease accounting results in lower income recognition in the first year of its adoption. This is more than offset by a material increase in the second and subsequent years relative to the existing funding model.

ThinkSmart is currently in negotiations in relation to its warranty services contract which is due to expire on 31 March 2012 and represents approximately A\$1.2m in NPAT for the remaining nine months of 2012.

Assuming the warranty services contract is renewed, ThinkSmart expects that FY12 NPAT will be broadly unchanged from its statutory FY11 NPAT. Irrespective of the outcome of the warranty services contract renewal, ThinkSmart expects its 2012 result will represent significant underlying growth on a restated non lease accounting basis (like for like with FY11).

Further information:

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About ThinkSmart

ThinkSmart is a leading provider of point of sale financing solutions in Australian and the UK. The business processes high volumes of low ticket value consumer and small business finance transactions quickly and efficiently. ThinkSmart has a competitive advantage through its patented QuickSmart technology which enables online credit approval in just a few minutes.

ThinkSmart's suite of financing and rental products are sold under the RentSmart, iSmart, SmartPlan and Infinity brands. Products are available in retail stores, online and in multi-channel environments. The business has a strong presence in the personal computer, office equipment and consumer electronics markets and is expanding into new product categories.

ThinkSmart has partnerships with market leading retail groups including JB Hi-Fi, Officeworks, Dick Smith and Dixons Group in the UK. ThinkSmart's products are also available to thousands of retailers through the ThinkSmart Marketplace which provides a fast and efficient online product and payment service to affiliated retailers.

BIOGRAPHIES

Alistair Stevens: Biography:

Alistair Stevens has nearly 20 years experience in finance and accounting in the United Kingdom and Australia. He spent 13 years in various roles in the finance department at BSkyB PLC, most recently as Deputy Chief Financial Officer where his role spanned significant corporate, operational and commercial responsibilities. BSkyB PLC is one of the world's leading media companies and the 30th largest company in the UK by market capitalisation, with revenues of more than £7 billion.

Alistair spent the first six years of his career as an auditor at Coopers & Lybrand. He is a Chartered Accountant (ICAEW) and has a Bachelor degree with honours in English from the University of Leicester.

Andrew Deller: Biography:

Andrew Deller has over 20 years experience in operational, product, marketing and management roles in banking and consumer finance.

Andy spent 10 years in various roles at Prudential Bank and Egg, the UK's first internet bank renowned for breaking new ground in consumer finance. As the Group Marketing Director, Andy was responsible for the launch of Egg Money, a new platform and concept, allowing Egg customers to view all their finances in one place. The concept was extremely successful and was emulated by other providers in the UK.

After leaving Egg in 2006 Andy became Chief Executive of Dunbar Bank (part of Zurich) where he had a mandate to grow the business. Following funding issues brought about by the Global Financial Crisis, Andy has more recently been involved in restructuring the business.

Andrew began his career as a Corporate Banking Officer at Midland Bank and following this as Head of Operations at First Direct Bank in the UK. He has a Bachelor of Arts in Business Studies (Hons) from Manchester Polytechnic.

Matthew Dunstan: Biography:

Matthew Dunstan has a background in sales and marketing roles at prominent Australian companies. Most recently, he was the General Manager, Retail Sales and Marketing, at iiNet, Australia's second largest DSL Internet Service Provider and the leading challenger in the telecommunications market. At iiNet Matthew was responsible for the strategy and implementation of marketing, advertising and sponsorship and was accountable for \$400 million in annual revenue.

Before joining iiNet, Matthew worked at Telstra and American Express. He began his career at Bankwest where he worked for five years in various Marketing roles. Matthew has an MBA from Curtin University and a Bachelor of Business (Marketing and Management) from Edith Cowan University.

Mark Randerson: Biography:

Mark Randerson has over 20 years experience in marketing, encompassing strategic, operational and product development roles. He was most recently Director of Insurance at Shop Direct Group, one of the UK's leading online retailers. He was responsible for product development, sales, operational and governance processes, and paving the future road map of the business.

Prior to this, Mark was the Head of Group Distribution Companies and Development Functions at UKU Group, a fast growing business providing specialist insurance solutions both direct to consumers and through leading retail and consumer brands in the UK. In this role, Mark ran the centralised group functions of Strategy, Acquisitions, Marketing, Business Development, Call Centres, Client Servicing, Project Management and IT. Mark played an instrumental role in the transformation of the business from a small, speciality underwriter to a highly professional specialist insurer with a turnover of £150m.

Mark has held other management roles in marketing at various companies including BUPA, GE Corporate Finance and Halifax Insurance. He has an MBA in Strategic Marketing from the University Business School, Hull.