FLEXIGROUP

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

FLEXIGROUP LIMITED ("FXL")

FLEXIGROUP'S LAY-BUY EXPRESS ROLLED OUT TO TOYS"R"US IN AUSTRALIA

Sydney, 26 July 2011

FlexiGroup Limited ("ASX:FXL") today announces the successful rollout of its *Lay-Buy Express* processing service in a number of retail stores including the Toys"R"Us group in Australia.

FlexiGroup's *Lay-Buy Express* service offers all of the traditional features of Lay-by, but affords consumers the benefit of self managing their repayments in their own time with multiple payment options and online tracking of their payment history providing, an anywhere anytime solution.

This service also delivers significant value to the retailer. It removes the operational and financial administration costs associated with Lay-by's, and at the same time helps reduce the amount of inventory that might otherwise come back onto the shelves as old stock.

John Delano, FlexiGroup Chief Executive Officer said; "The take up from customers where our *Lay-Buy Express* service has been rolled out has exceeded our expectations. Transaction volumes from this new service amounted to more than 10% of all transactions, in addition to underlying growth, produced by Certegy Ezi-Pay, a division of FlexiGroup in the month of June."

Mr Delano added "We have re-invigorated an age old product by utilising on-line technology. We have deliberately created a service that equally provides benefits to retailers and their customers. *Lay-Buy Express* is a payment method that has passed the test of time, it simply needed to be re-engineered for today's shoppers and the ever increasing needs for efficiency from retailers."

Toys"R"Us Managing Director – Australia, Tom Via, said: "Toys"R"Us is pleased to offer this new service to our customers. The initial response from our guests has been very encouraging and the flexibility the service provides is certainly perceived as a benefit."

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Notes to Editor:

FlexiGroup is a leading provider of vendor and retail point-of-sale finance and telecommunication services. Offering lease, rental, interest free and mobile broadband plans, performance has been characterised by solid, profitable growth as the company has expanded its business through acquisition, product innovation and diversification.

FlexiGroup operates in Australia, New Zealand and Ireland within a diverse range of commercial and consumer industries including: IT, electrical appliance, telecommunications, home improvement, solar systems, medical, furnishings and travel. FlexiGoup markets its financial and telecommunication products under the following brands; Flexirent, EzyWay, Flexiway, Certegy Ezipay, Flexi Commercial and BLiNK.

Key to FlexiGroup's success are the long standing relationships developed with a number of successful retailers. FlexiGroup has a distribution network of approximately 11,000 active retailers. Key retailers include Harvey Norman, Noel Leeming, Apple Resellers, Midas, Modern Group, The Good Guys, and Bing Lee together with more recent vendor partnerships with Comscentre and M2.

John DeLano joined FlexiGroup in September 2003 as Managing Director. Prior to joining FlexiGroup, John was Managing Director of Avis Australia, and also served in a senior role as Travel Services International in the USA, a publicly-listed company.

The Board of FlexiGroup is chaired by Margaret Jackson (also a Director of Billabong International Limited), and includes John Skippen, formerly Finance Director of Harvey Norman Holdings Limited, Rajeev Dhawan, a partner of Equity Partners, and Andrew Abercrombie, a founding director and major shareholder in the company.