



Sydney – 5 June 2012

FXL ACQUISITION LOMBARD FINANCE SIGNS IKEA TO INTEREST FREE FINANCE PROGRAM

FlexiGroup (ASX:FXL) today announced that Lombard Finance has signed an agreement with IKEA to provide interest free finance to approved customers across Australia.

This new agreement follows FlexiGroup's announcement last week that it had acquired Lombard Finance and expanded into the Interest Free and Visa Card business.

Attached is the Lombard / IKEA Market Release issued today.

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Investors / Analysts

David Stevens
T: 02 8905 2045

Garry McLennan
T: 02 8905 2163

Media

Peter Brookes, Citadel
T: 0407 911 389



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ABOUT FLEXIGROUP

FlexiGroup is a diversified financial services group providing “no interest ever”, leasing, vendor programs, mobile broadband, lay-by and other payment solutions to consumers and businesses.

Through its network of 11,000 merchant, vendor and retail partners the Group has extensive access to three key markets, Business to Consumer, Business to Business and Retail to Consumers (and small business customers).

Performance has been characterised by solid profitable growth as the company has expanded and diversified its business through organic growth, acquisition and product innovation. This diversification strategy has been extended to the large, high growth online market with the 2012 acquisition of Paymate (an online payment processing business).

FlexiGroup operates in Australia, New Zealand and Ireland within a diverse range industries including: home improvement, solar energy, fitness, IT, electrical appliance, navigation systems, trade equipment and point of sale systems. Services are offered through four business units: Certegy (no interest ever & lay-by), Flexirent (lease), Flexi Commercial (vendor leasing programs) and Blink mobile broadband.

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 at Travel Services International in the USA, a publicly listed company.

The Board of FlexiGroup is chaired by Margaret Jackson, former Chairman of Qantas and previously a director of: Australian and New Zealand Banking Corporation, The Broken Hill Proprietary Company Limited and Billabong International Limited. The Board also includes John Skippen, former 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.



For immediate release, 5 June 2012

IKEA teams up with Lombard Finance to offer interest-free finance

For the first time in Australia, Swedish retail giant IKEA will offer an interest-free finance option to its customers via Lombard Finance, a division of the publicly-listed FlexiGroup.

From today, Lombard Finance will enable IKEA to offer its customers the benefit of six months interest-free credit for purchases of between \$300 and \$4,999; and a long term offering of 24 months interest-free for amounts from \$5,000 to \$20,000 on their first purchase.

Customers can then make on-going or repeat purchases with the same interest-free offer by simply swiping their Lombard Visa card.

Lombard Executive Paul Vanni, said that he was delighted with the IKEA partnership and is confident that customers will find the application and approval process genuinely user-friendly and time-efficient. "Our electronic signing process is a market first and will enable us to handle the anticipated high volumes effectively," he said.

IKEA Australia Chief Financial Officer Aaron Musca, said, "The development of this customer offer has been driven by consumer demand and IKEA's desire to deliver the best possible shopping experience and payment flexibility to its loyal customers.

"This interest-free offer will be available at every IKEA store in NSW, Victoria and Queensland, including our new flagship store at Tempe, NSW," he said.

The launch of IKEA's interest-free offer coincides with a TV, radio and press marketing campaign, focusing on the highly successful IKEA kitchen range.

About Lombard Finance

Australian-owned Lombard Finance is a division of FlexiGroup, and has been offering finance products to Australian business owners and consumers since 2002. For the retailer, the Lombard Visa Card provides an opportunity to drive repeat business into their store without having to go through the application process again. For further information, visit www.lombardfinance.com.au