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FLEXIGROUP

2013 Investor Presentation

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Agenda

- Highlights and Overview – Chief Executive Officer
- 2013 Results Analysis – Chief Financial Officer
- Strategy and Outlook – Chief Executive Officer

Highlights and Overview

Tarek Robbiati
Chief Executive Officer

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FXL Highlights

Receivables growth of 25% delivers Cash NPAT of $72.1m and supports FY14 guidance

Strategy

- Business consolidation and customer centricity to deliver strong earnings momentum for FY14

Financial Result

	FY12	FY13		FY13/FY12
Cash NPAT [1]	$61.3m	$72.1m	↑	18%
Statutory NPAT	$59.0m	$65.8m	↑	12%
Volume	$779m	$907m	↑	16%
Closing Receivables	$927m	$1,163m	↑	25%
Annual Dividend (fully franked)	12.5c	14.5c	↑	16%
Cash Earnings Per Share	22.4c	25.1c	↑	12%

Note 1. Cash NPAT excludes amortisation of acquired intangibles $1.7m (FY12 $1.4m) and non recurring acquisition and redundancy costs $4.5m (FY12 $0.9m)
Note 2. Final dividend increased 15% from 6.5c per share in FY12 to 7.5c per share (fully franked) in FY13

Growth Outlook

Strong earnings growth momentum from:

- Scale in Interest Free Cards and Certegy, expected to deliver strong NPAT growth in FY14
- Delivering on integration synergies from Lombard and Once acquisitions
- Realising operating expense efficiencies from Shared Services platform in Manila across all business segments
- Continued capital efficiency and lower funding costs from diversified funding opportunities as a result of targeted growth in high quality segments

Guidance

- FY14 Cash NPAT guidance of 17% to 19% growth ($84m-$86m) on FY13
- Dividends expected to remain within the 50-60% payout range

FXL's acquisition of Lombard & Once builds scale in Interest Free Cards and accelerates strong organic growth in Certegy and Enterprise

Receivables Growth

Receivables growth driven by new businesses

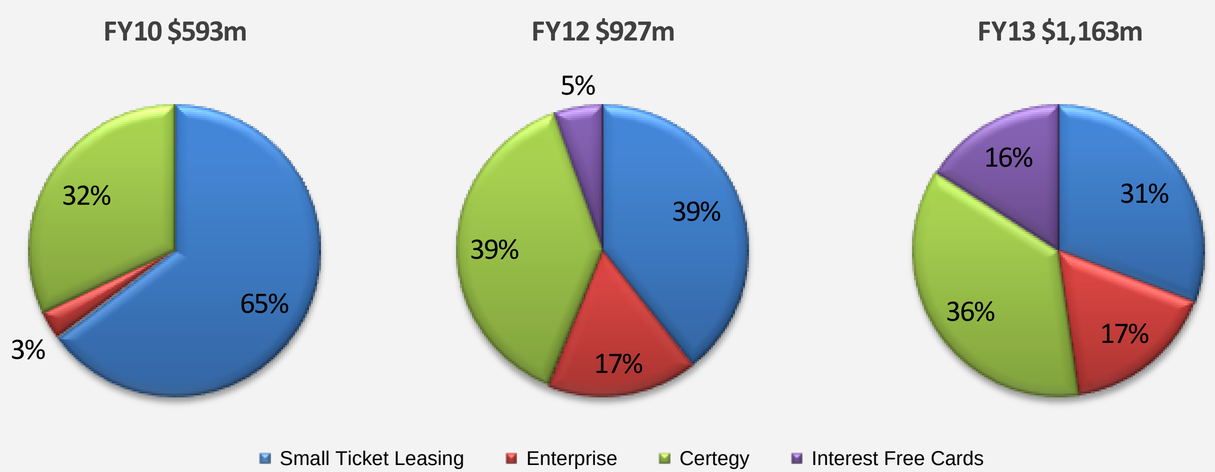
$m	FY12	FY13	FY13/FY12
No Interest Ever (Certegy)	$357m	$422m	18%
Consumer & SME (Small Ticket Leasing)	$365m	$358m	(2%)
Enterprise	$155m	$197m	27%
Interest Free Cards (Lombard)	$50m	$76m	52%
Closing Receivables (like for like) [1]	**$927m**	**$1,053m**	**14%**
Interest Free Cards (Once Credit)	-	$110m	n/a
Closing Receivables	**$927m**	**$1,163m**	**25%**

Note:

1. Like for like receivables excludes Once Credit, acquired on 31st May 2013

Receivables Mix

Certegy, Interest Free Cards and Enterprise represents 69% of FXL receivables



No Interest Ever (Certegy) - Scale efficiencies drive NPAT growth of 26%
Certegy contributes 38% and 36% of FXL's NPAT and receivables, respectively

Performance

- Cash NPAT at $27.5m is up 26%, driven by 13% and 18% growth in receivables and volumes, respectively
- Volume growth is attributable to stimulus initiatives, more specifically:
  - VIP loyalty cards program contributing to Repeat volume increase to $84m and $33m solar volume to existing Certegy customers
  - Launch of Ezi-Reward program to support growth in Retail
  - Maximisation of opportunity in solar industry in 1H13 with solid 2H13 volumes after significant reduction in Government rebates
- Certegy has delivered $71m cumulative Cash NPAT since acquisition compared to $31m acquisition price in 2008

Growth Outlook

- Certegy continues to successfully diversify its distribution and grow repeat business, whilst keeping a strong focus on increasing penetration of finance in solar industry sales
- Certegy's strong team and scalable platform continue to support growth:
  - 847 new merchants signed during FY13 with 1,290 new locations
  - Major key strategic relationships established in FY13 involving exclusive Long Term Agreement extensions with major merchants and new relationship with Rebel Sports (155 stores)
- Non-solar volumes increased by 11% in FY13 and are expected to maintain double digit growth rates in FY14
- Low subsidised solar continues to grow, albeit at a lower pace, as energy bills continue to rise and solar industry restructures

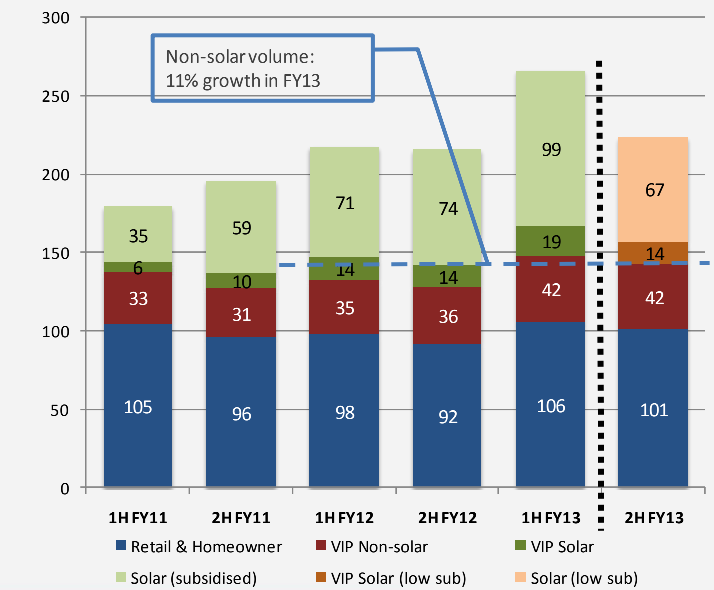
certegy ezi-pay

No interest ever payment processing primarily in homeowner sector

No Interest Ever (Certegy), $m	FY12	FY13	FY13/ FY12
Volume	$434m	$490m	13%
Closing Receivables	$357m	$422m	18%
Cash NPAT [1]	$21.9m	$27.5m	26%

Notes:
1. Cash NPAT excludes amortisation of acquired intangibles $0.9m (FY12 $1.1m)

Certegy Volume Mix ($m)



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Interest Free Cards – Lombard and Once acquisitions provide scale and deliver strong NPAT growth in the Interest Free Cards market

Performance

- Lombard acquired in June 2012
- Receivables are up 52% to $76m, mainly attributable to two product launches since acquisition:
  - 180 Visa Card, launched in November 2012 as part of a Cross Sell campaign to FXL's existing customer base
  - 55 Visa Card, a revamp of existing Visa Card Classic launched in April 2013, designed to stimulate greater customer appeal and card utilisation
- Once acquired on 31st May 2013
- Interest Free Cards receivables are $186m, representing 16% of the Group's receivables

Growth Outlook

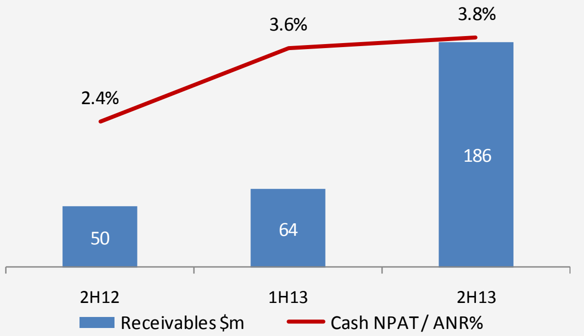
- FXL formalised a new distribution relationship with Dick Smith Electronics (DSE) on 1st July 2013 and became the preferred interest free partner to DSE with encouraging volumes in first 4 weeks
- ~500 new distribution relationships established since acquisition including IKEA
- One-off integration costs of $3.5m (after tax) in FY14 are expected to deliver annualised NPAT synergies of $3.5m

Interest free finance offered through retail point of sale

Interest Free Cards, $m	FY12	FY13	FY13/ FY12
Lombard	$5m	$80m	n/m
Once	-	$8m	n/m
Total Volume	$5m	$88m	n/m
Lombard	$50m	$76m	52%
Once	-	$110m	n/m
Closing Receivables	$50m	$186m	272%
Cash NPAT [1]	$0.1m	$2.7m	n/m

Note 1: Cash NPAT excludes amortisation of acquired intangibles of $0.5 in FY13

Interest Free Cards NPAT & Receivables Growth



Small Ticket Leasing - Diversification into SME mitigates challenging retail environment and Manila shared services platform delivers ongoing opex savings

Performance

- 44% of Small Ticket Leasing volumes now originated through SME channels, up from 28% in FY10
- Longer term commercial contracts offset decrease in consumer volume, as closing receivables stabilise year on year ($358m in 2H13 vs. $356m in 1H13)
- Lower cost to income realised from 2H13 from significant call centre shared services platform (150 staff) established in Manila
- Transition to Manila is now complete for Small Ticket Leasing. Focus is on expanding our shared services platform to support integration of Once Credit and Lombard
- Blink is a strategic asset for Small Ticket Technology leasing

Growth Outlook

- Cost efficiency initiatives and volume growth in SME is expected to offset soft retail conditions
- Receivables are expected to remain flat in FY14 with growth in SME offsetting declining consumer leases
- Re-invigorate Mobile Broadband and bundled product solutions in Harvey Norman to capitalise on the rollout of Apple products in the HN stores

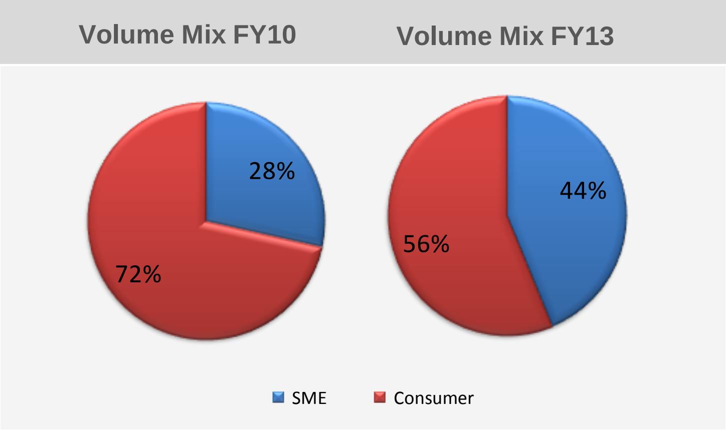
FLEXI RENT

Small ticket leasing of IT, electronics and other assets plus Mobile Broadband & payment services

Small Ticket Leasing & BLiNK MBB, $m	FY12	FY13	FY13/FY12
Volume	$238m	$216m	(9%)
Closing Receivables	$365m	$358m	(2%)
Cash NPAT [1]	$34.4m	$33.1m	(4%)

Note 1. Cash NPAT excludes amortisation of acquired intangibles $0.3m (FY12 $0.3m) and non recurring acquisition and redundancy costs $4.5m (FY12 $0.9m)

MBB	FY12	FY13	FY13/FY12
Active Subscribers (000's)	79	75	(5%)
Access Revenue	$22m	$21m	(5%)
ARPU ($)	$23.2	$23.3	1%



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Enterprise
Flexi Commercial contributes $8.8m NPAT, an increase of 79% on FY12

Performance

- Cash NPAT at $8.8m, up 79% on pcp, driven by:
  - Strong receivables growth of 27% supported by volume growth and new distribution channels
  - Ongoing focus on high credit quality continues to deliver lower loss performance
  - Low losses in the Enterprise segment has enabled FXL to access debt markets, improving capital efficiency and lowering FXL's cost of funds

Growth Outlook

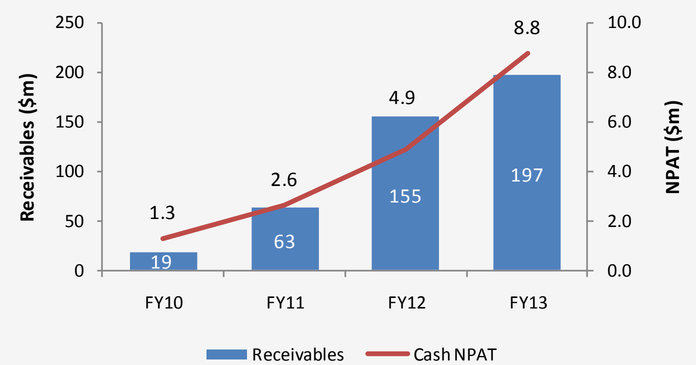
- FXL forecasts ongoing growth in Enterprise, resulting from:
  - FXL continues to diversify & grow it's distribution with the number of vendor relationships of 135 in FY13
  - FXL has leveraged its extensive industry expertise to deliver strong growth in the telephony, office equipment, software energy smart / green & managed service segments
  - FXL's service proposition & new product innovation is expected to result in an increased distribution footprint & improved penetration rates
- Increased competition from banks and larger commercial companies post GFC are expected to compress yields in FY14

FLEXI COMMERCIAL

Commercial Leasing through Original Equip. Manufacturers (OEM) and Vendors

Enterprise, $m	FY12	FY13	FY13/ FY12
Volume	$102m	$113m	11%
Closing Receivables	$155m	$197m	27%
Cash NPAT	$4.9m	$8.8m	79%

Enterprise NPAT & Receivables Growth



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2013 Results Analysis

Garry McLennan/David Stevens
Chief Financial Officer

FXL - delivers Cash NPAT of $72.1m and exceeds market guidance
Strong receivables growth and scale efficiencies underpin Cash NPAT growth of 18%

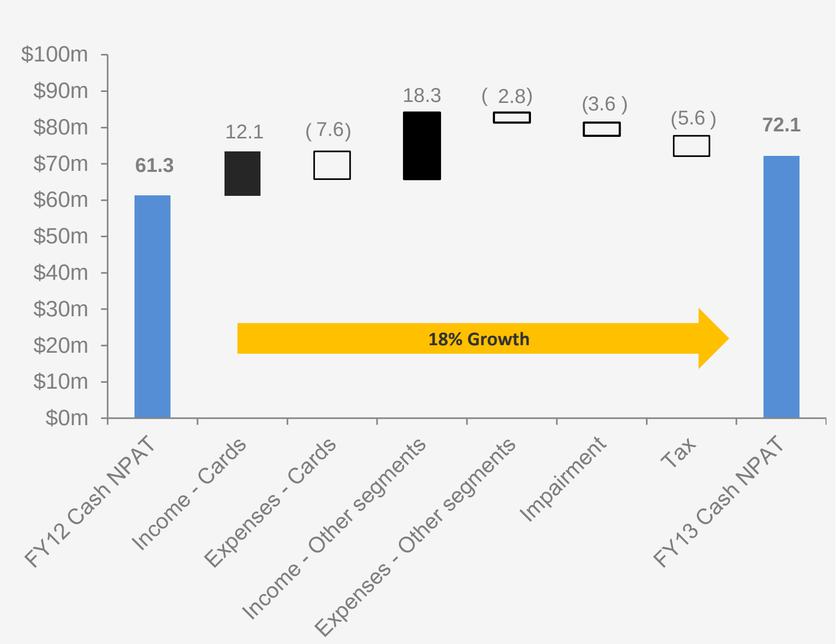
Performance

- Group Cash NPAT at $72.1m is up $10.8m (18%) on pcp, driven by:
  - Net portfolio income has grown by $30.4m (16%) from Interest Free Cards $12.1m and receivables growth in Certegy and Enterprise, and reduced cost of funds from securitisations and lower market rates
  - Increased operating expenses from inclusion of Interest Free Cards opex of $7.6m and dual infrastructure and training costs associated with transition of shared services platform to Manila
  - Investments into shared services in FY13 has resulted in a reduction in FXL's cost to income ratio from 42% to 41%. Further improvements are forecast throughout FY14

Growth Outlook

- Continue to leverage from existing infrastructure and Manila platform to deliver opex efficiencies to increase returns
- Drive lower impairment losses as % of ANR from supporting growth in high quality Certegy, Interest Free Cards and Commercial leasing
- Initiatives to grow new business volumes in Commercial, Certegy and Interest Free Cards businesses will underpin future earnings growth

Cash NPAT Bridge FY12 – FY13 ($m)



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FXL - Impairment Losses

Impairment/ANR ratio reduced 20bps as business mix shifts towards lower loss segments

Performance

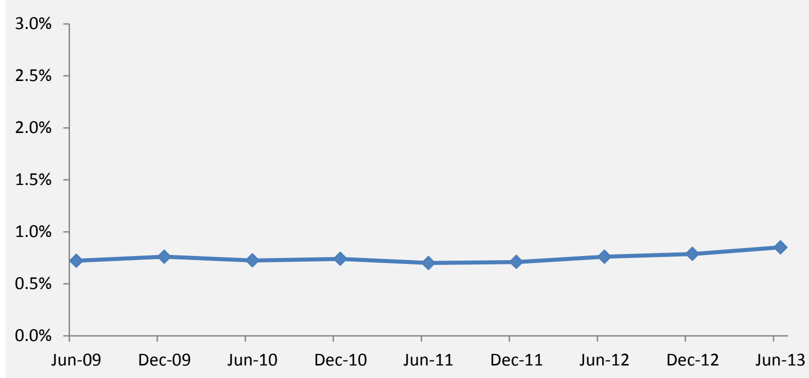
- FXL's growth in receivables in FY13 has exceeded the increase in impairment losses
- Net impairment losses improved by 20 bps to 2.7% of ANR due to:
  - Business diversification and resulting improved credit risk profile
  - Certegy portfolio is heavily focused on Homeowner segment, with lower loss rates
  - Growth in lower risk Commercial receivables
  - The credit quality of the Once portfolio is expected to perform in line with Group impairment levels

Outlook

- FXL's focus on low loss segments (Certegy homeowners, Enterprise and SME) continue to positively impact FXL's losses / ANR
- FXL's recent acquisition of Once and the high concentration of home owners is expected to support impairment / ANR similar to Certegy
- Any deterioration in the macro-economic conditions remain a concern

Net Impairment Losses	FY12	FY13	FY13/ FY12
Leases	$13.3m	$14.6m	10%
No Interest Ever (Certegy)	$10.1m	$11.5m	14%
Interest Free Cards	$0.1m	$1.0m	n/a
Net Impairment Losses	**$23.5m**	**$27.1m**	**16%**
% of Avg Receivables	**2.9%**	**2.7%**	**(7%)**

Group 90+ Delinquency[1]



Note:

1. Excludes the impact of the Once Credit acquired on 31st May 2013.

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FXL - Cash Flow
Securitisation programs provide cash for reinvestment and growth

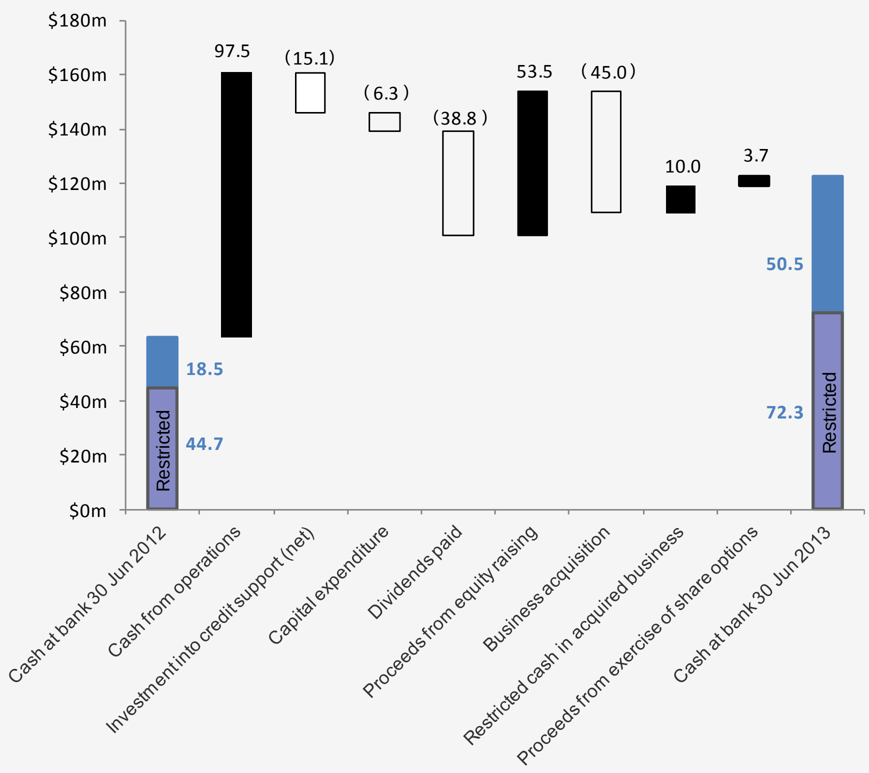
Performance

- Cash at bank increased by $59.6m
- Majority of $53.5m capital raising used to acquire Once Interest Free Cards business
- Lower credit losses and successful securitisations have resulted in Bank funding cash support reducing
- Restricted cash (collection accounts) increased in line with receivables growth and Once Credit acquisition
- New funding facility for Consumer & SME leases will help to maintain efficient capital structure of the Consumer & SME segment

Outlook

- Dividend payout forecast to remain at 50-60% of NPAT
- Unrestricted cash is at seasonally high level after securitisation placement in June 2013 and before accounting for final dividend payout
- Additional $25m corporate facility undrawn and available

Cash Flow Bridge FY12 – FY13 ($m)



Note:

1. Restricted cash represents balances on collection accounts, which are held as part of the Group's funding arrangements and are not available to the Group as at reporting date.

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FXL - Balance Sheet

Remains appropriately geared at 10%, acquisitions are value accretive

Performance – Recourse Balance Sheet (excl. SPV's)

- FXL remains appropriately geared with recourse Debt/Equity at 10%
- SPV borrowings are non-recourse to FXL
- Borrowings are matched to contract term and interest rates are fixed to match fixed income products
- Acquisitions are value accretive:
  - Equity adjusted for intangibles grew by 50%
  - High Return on Book Equity of 24%
- No bullet repayments on receivables funding

	Jun-13		Jun-12	
Summarised Balance Sheet	FlexiGroup excl. SPV's	FlexiGroup incl. SPV's	FlexiGroup excl. SPV's	FlexiGroup incl. SPV's
Cash at Bank (unrestricted)	50.5	50.5	18.5	18.5
Cash at Bank (restricted)	72.3	72.3	44.7	44.7
Receivables	86.0	1,144.7	65.5	909.4
Investment in unrated notes in securitisation vehicles	93.4		95.6	
Other Assets	65.1	65.1	60.6	60.6
Goodwill and Intangibles	122.5	122.5	108.9	108.9
Total Assets	**489.8**	**1,455.1**	**393.8**	**1,142.1**
Borrowings	25.0	1,033.4	23.9	792.1
Cash Loss Reserves available to Funders	-	(43.1)	-	(19.9)
Other Liabilities	100.2	100.2	99.1	99.1
Total Liabilities	**125.2**	**1,090.5**	**123.0**	**871.3**
Total Equity	**364.6**	**364.6**	**270.8**	**270.8**
Gearing	**10%**	**N/A**	**15%**	**N/A**

Notes:

1. Gearing = Recourse borrowings as a percentage of FlexiGroup equity adjusted for intangibles
2. Non-recourse borrowings are secured against FXL's lease and interest free receivables and cash security in Special Purpose Entities (SPV's)

FXL - Funding

Committed support from banks and institutions, diverse funding sources

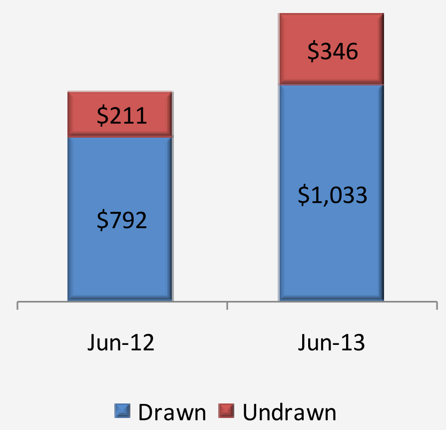
Performance

- FlexiGroup maintains a conservative funding strategy, with multiple committed facilities for all scale businesses, combined with an active debt capital markets presence for enhanced diversification
  - New or increased asset funding facilities of $265m approved in FY13
  - Revolving facilities with 5 Australian banks plus numerous institutional investors in its Asset-Backed Securities (“ABS”) program
  - Two ABS issuance completed in FY13, the $255m Flexi ABS Trust 2012-1 in August 2012 and the $210m Flexi ABS Trust 2013-1 in June 2013
  - Transfer of existing funding lines on the purchase of Once Credit
  - The Group also has access to $50m of corporate debt facilities, which were drawn to $25m at balance date

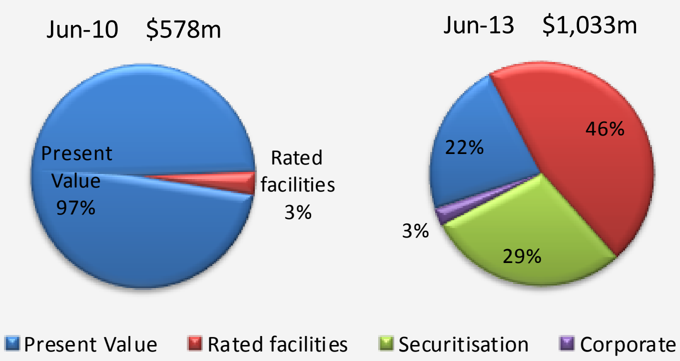
Outlook

- FXL has committed bank facilities to support growth in all business lines
- FXL intends to continue to securitise through its ABS program and continues to explore other diversification strategies

Funding Facilities



Diversified Funding Sources



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Strategy and Outlook

Tarek Robbiati
Chief Executive Officer

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FXL - Strategy

What: Drive focus and scale efficiencies, providing solid and consistent profitability

Focused Growth and Credit Quality

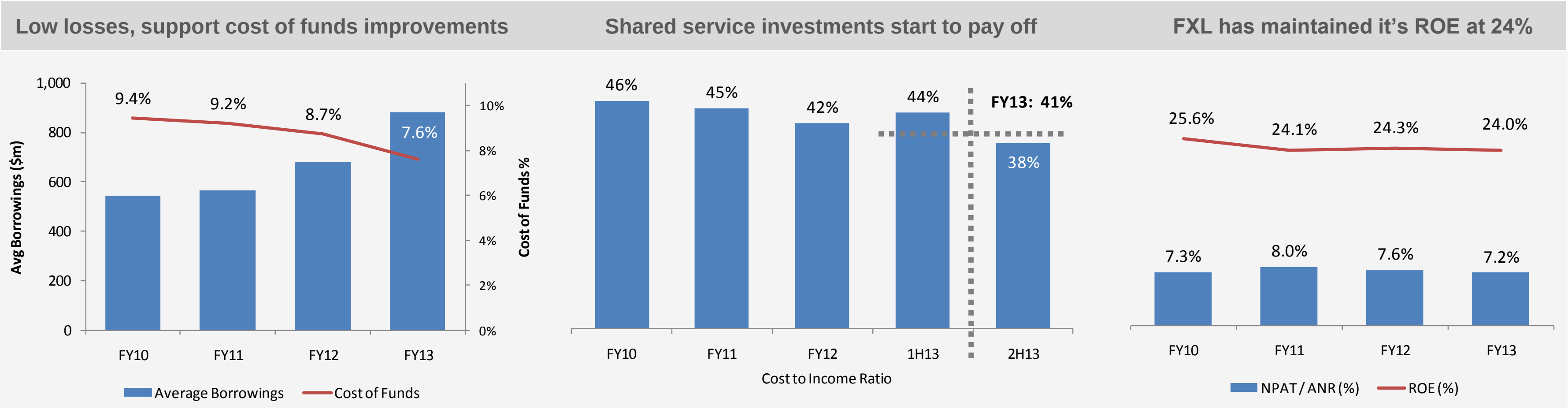
- FXL has focused on growing receivables across large market segments by delivering compelling customer value propositions with Certegy, Enterprise and Interest Free Cards
- These growth segments have similar low risk profiles, resulting in lower losses & lower capital requirements

Funding and Operating Expense Efficiencies

- FXL's focus on growth in high quality segments has enabled the Group to embrace securitisation and deliver capital efficient funding resulting in a 110bps improvement in cost of funds on pcp
- Investment in shared services platform and transition to Manila has delivered strong cost efficiencies in 2H13, and it expected that this will continue in FY14 and beyond

Profitability and Returns

- FXL's growth has been achieved whilst maintaining ROE at 24%.



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FXL – Strategy

How: Focus on customer-centric full service finance provider

Customer Centricity

- New operating model to focus the organisation on delivering full-service financing solutions to Retailers & SME
- Consolidation and alignment of sales force across Consumer, SME and Interest Free Cards businesses is progressing well and is expected to drive growth in distribution network by leveraging full product range and best practices across all Retail and SME accounts
- Strong focus on rationalisation of IT and operational platforms in Interest Free Cards business during 1H14 to remove duplication and drive cost savings
- Optimised structure of Once Credit's funding facility has been agreed and is expected to be implemented in 1H14

Invest and Optimise

- New product introductions scheduled throughout 1H14
- Drive operating expense efficiencies by building shared-services platforms such as the high touch / low cost FXL call centre in Manila
- Further improve capital efficiency and lower funding costs by continuing the securitisation program and by drawing additional corporate debt without compromising FXL's strong balance sheet position
- Selectively acquire Consumer and Commercial finance businesses that provide additional scale in existing segments or a highly scalable platform in a new segment of the market

Innovate and Grow

- Accelerate the building of online, wireless and payment capabilities to provide additional services to retailers and deepen the relationship with end customers, whilst lowering the cost to originate and service
- Accelerate organic growth in Interest Free Cards (Consumer & SME) to offset the impact of reduced category volumes and declining consumer lease receivables

FXL – Strategy

How: Customer-centric Operating Model supported by a lean Corporate Centre

Business Segments	**Consumer &SME**	**Enterprise**	**Certegy**
Business Dev. Sales & Acct Mgmt	Business Development	Business Development	Business Development
	Sales and Account Management	Sales and Account Management	Sales and Account Management
	Product Management (Lease & MBB); Product Management (Cards)	Product Management	Product Management
Operations And IT	Contact Centre Origination	Sales Support	Call Centre Origination
	Cards; Leasing	Lending	Lending
	Lending		
	Sales Support	Sales Support	Sales Support
	Settlements (Consumer &SME and Enterprise)		Settlements
	Collections (Consumer &SME and Enterprise)		Collections
	I.T. (Consumer &SME and Enterprise)		I.T.
Corporate Centre	Strategic Marketing, Finance, Risk Management, HR, Legal (all segments)		

Diversification, innovation and disciplined execution are at the core

Culture of innovation drives diversification

Identify an underserviced market → **Leverage core infrastructure** *IT, contact centre, collections, sales & training* → **Innovate to drive growth and profit** → **Organic start-up or accretive acquisition**

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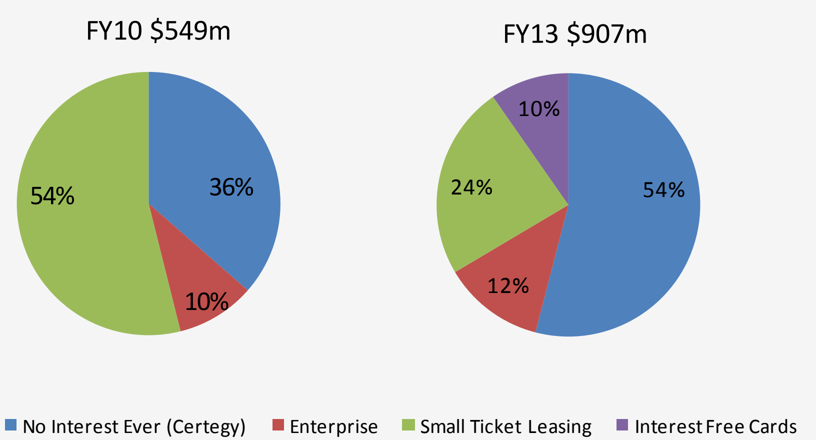
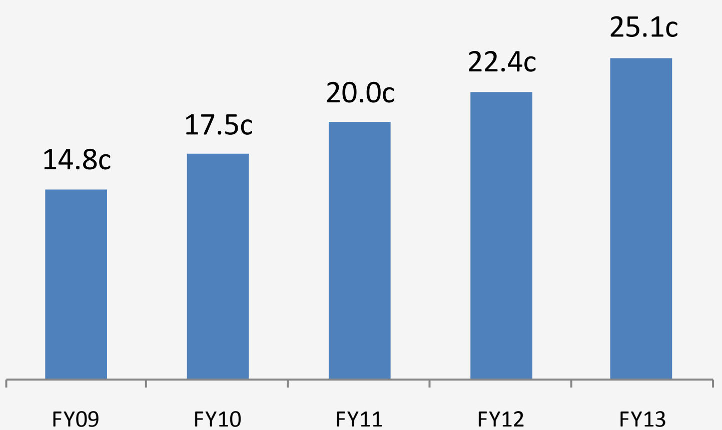
Retail and Online to Consumer & SME	No Interest Ever	Interest Free Cards	Enterprise
FLEXI RENT	certegy Australia		FLEXI COMMERCIAL
• Trading since 1988, IPO Dec 2006 • Lease and mobile broadband offered in IT, electrical & other channels • Online & mobile payment solutions via Paymate • Preserves margin for the retailer / merchant • Customers get loaner, protect & affordable monthly payments	• Trading since 1989, acquired Oct 08 • Interest free & cheque guarantee products offered in diverse industries • Increases sales volumes for retailers • No interest (ever) payable by the customer	• Trading since 2002, acquired May 2012 • Interest free point of sale card finance company • Retail partners are offered interest free product and customers are cross sold a Visa card • Visa card subsequently used for everyday retail purchases • Once Credit acquired on 31st May 2013	• Recruited an experienced industry team in Nov 09 • OEM / Vendor leasing to business • Increase sales volumes for OEMs / Vendors • Affordable, tax deductible means for customers to acquire assets
Key metrics • $358 million receivables • 37 month average term • Cash NPAT $33.1m	**Key metrics** • $422 million receivables • 27 month average term • Cash NPAT $27.5m	**Key metrics** • $186 million receivables • 24 month average term • Cash NPAT $2.7m	**Key metrics** • $197 million receivables • 50 month average term • Cash NPAT $8.8m
Retail / Online point-of-sale Lease, Mobile Broadband & mobile payment solutions	*Small business & retail "No Interest Ever"*	*Retail point-of-sale Interest Free Cards*	*OEM & vendor lease to Enterprise accounts*

Diversification drives growth in volume and shareholder value

Volume $m



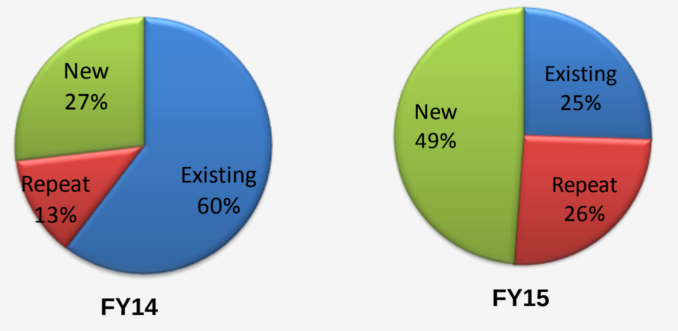
Cash EPS (cents)



FXL is confident of guidance due to visibility of committed income and increased term of commercial and interest free receivables

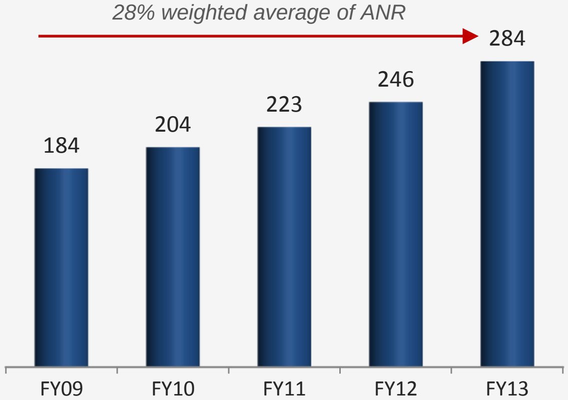
~73%[1] of income locked in at start of FY14

Income by receivables source



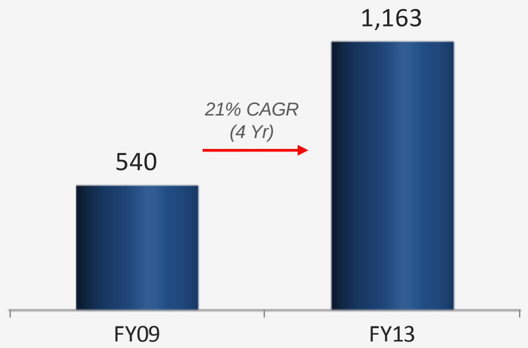
Consistent trend of Portfolio income[2] / ANR

Portfolio income $m [2]



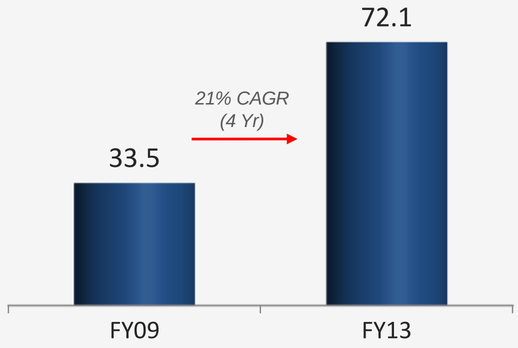
Combined with underlying receivables growth

Receivables $m



Drives predictable NPAT result - a 4 year 21% CAGR

Cash NPAT $m



Notes:

1 Typically 73% of income is predominantly locked in (from existing receivables)

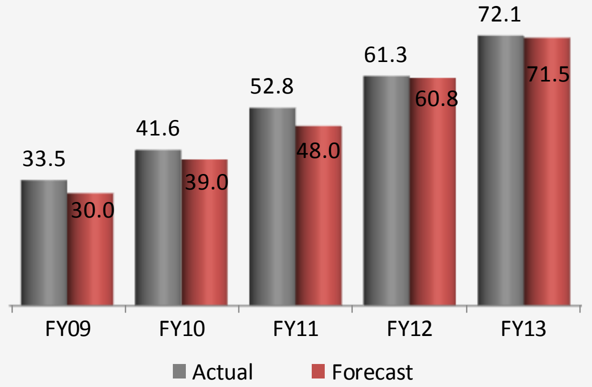
2 Portfolio income excludes borrowing costs and impairment losses

FLEXIGROUP

Strong track record consistently meeting expectations
EPS &TSR performance consistently in Top Quartile of ASX200

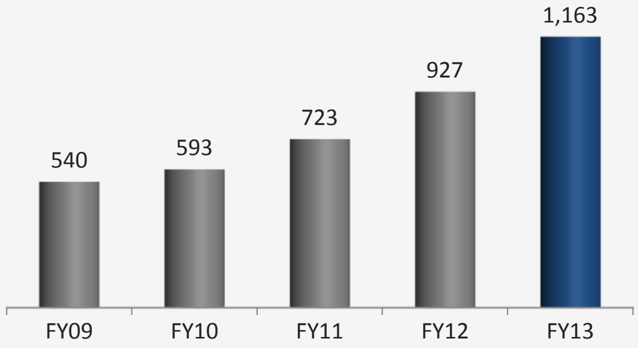
Consistently met Cash NPAT forecast – 4 Year CAGR 21%

Cash NPAT $m



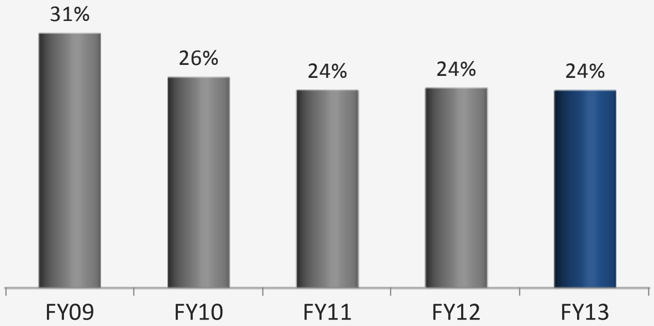
Receivables – tracking to 4 Year CAGR 18%-21%

Closing Receivables $m



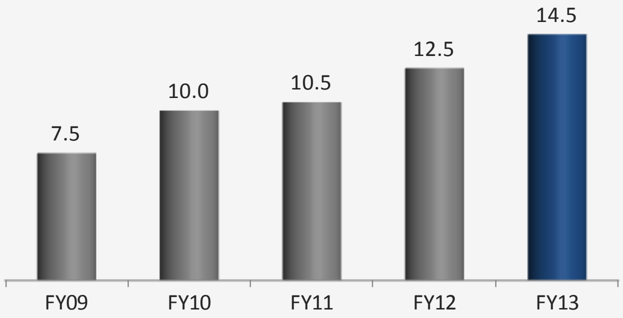
Return on equity of 24%

ROE %



Dividend payout 50%-60%

Fully franked annual dividend



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Outlook

Strong NPAT growth is sustainable, FY14 guidance at 17% to 19% NPAT growth

Drivers of FY14 NPAT Growth

FXL Cash NPAT is expected to grow by 17%-19% to $84m-$86m, driven by:

- 12-months consolidation of Once Credit business volumes
- Improved product penetration in key accounts with customer-centric operating model
- New products and services offering
- Operating expense efficiencies from transition of the shared services platform to Manila and synergies from Lombard-Once combination. Cost savings from rationalisation of IT and operational platforms in Interest Free Cards business
- Optimisation of capital funding structures and targeted growth in low risk profile segment to drive lower funding costs
- Receivables growth through scale in Interest Free Cards and increased distribution footprint in Enterprise

Risks to FY14 NPAT Growth

- Further erosion in Flexirent Consumer volumes and profits and increased cost pressure
- Lombard-Once integration risks: IT and infrastructure platforms migration and delays in ramping up resources in shared services platform in Manila
- Delay in organisation's adjustment to new operating model
- Deterioration in macro-economic environment (i.e. rise in unemployment in a context where the Australian consumer remains highly geared)

Appendices

Appendix 1 – Detailed Statutory Income Statement

A$ MILLION	FY12	FY13
Total portfolio income	246.2	284.2
Interest expense	(59.5)	(67.1)
Operating income (before impairment)	**186.7**	**217.1**
Impairment losses	(22.1)	(27.8)
Loss provision	(1.4)	0.7
Operating income (after impairment)	163.2	190.0
Payroll and related expenses	(48.2)	(57.9)
Depreciation and amortisation	(6.3)	(7.7)
Other expenses	(23.8)	(23.1)
Total Expenses	**(78.3)**	**(88.7)**
Net Profit Before Tax	**84.9**	**101.3**
Tax expense	(23.6)	(29.2)
Cash Net Profit After Tax	**61.3**	**72.1**
Amortisation of acquired intangibles	(1.4)	(1.7)
Non recurring acquisition and redundancy costs	(0.9)	(4.5)
Statutory Net Profit After Tax	**59.0**	**65.9**

Appendix 2 – Detailed Statutory Balance Sheet

FlexiGroup Limited
Balance Sheet

			Excluding SPV's	
A$ MILLION	**Jun-12**	**Jun-13**	**Jun-12**	**Jun-13**
Assets				
Cash at bank	63.2	122.8	63.2	122.8
Loans and receivables	926.6	1,163.0	178.3	197.7
Allowance for losses	(17.2)	(18.3)	(17.2)	(18.3)
Net receivables	909.4	1,144.7	161.1	179.4
Other receivables	45.5	48.0	45.5	48.0
Rental Equipment	0.2	0.4	0.2	0.4
Inventory	0.3	0.1	0.3	0.1
Plant and equipment	5.1	4.3	5.1	4.3
Deferred tax assets	9.5	12.3	9.5	12.3
Goodwill	88.7	100.9	88.7	100.9
Other Intangible Assets	20.2	21.6	20.2	21.6
Total Assets	**1,142.1**	**1,455.1**	**393.8**	**489.8**
Liabilities				
Borrowings	792.1	1,033.4	23.9	25.0
Loss Reserve	(19.9)	(43.1)	0.0	0.0
Net Borrowings	772.2	990.3	23.9	25.0
Payables	39.9	35.9	39.9	35.9
Current tax liability	13.6	12.2	13.6	12.2
Provisions	4.3	4.5	4.3	4.5
Derivative financial instruments	2.9	3.9	2.9	3.9
Deferred tax liabilities	38.4	43.7	38.4	43.7
Total Liabilities	**871.3**	**1,090.5**	**123.0**	**125.2**
Net Assets	**270.8**	**364.6**	**270.8**	**364.6**
Equity				
Contributed equity	88.1	153.1	88.1	153.1
Reserves	(1.2)	0.6	(1.2)	0.6
Retained Profits	183.9	210.9	183.9	210.9
Total Equity	**270.8**	**364.6**	**270.8**	**364.6**

Appendix 3 – Detailed Statutory Cash Flows

FlexiGroup Limited
Cash Flow Statement

A$ MILLION	FY12	FY13
Cash flows from operating activities		
Net interest received	149.0	184.7
Other portfolio income	100.8	99.4
Payments to suppliers and employees	(62.8)	(95.4)
Borrowing costs	(59.0)	(66.6)
Taxation paid	(17.3)	(25.3)
Net cash inflow provided from operating activities	**110.7**	**96.8**
Cash flows from investing activities		
Capital expenditure	(9.5)	(6.3)
Payments for business acquisitions	(4.1)	(35.0)
Net increase in:		
Customer loans	(87.4)	(99.4)
Receivables due from customers	(110.6)	(47.4)
Net cash outflow from investing activities	**(211.6)**	**(188.1)**
Cash flows from financing activities		
Dividends paid	(32.0)	(38.8)
Proceeds from equity raising	-	53.5
Proceeds from issue of shares on vesting of share options	2.0	3.7
Payment of vendor note on Certegy acquisition	(15.0)	-
Increase in borrowings	137.7	140.2
(Increase)/decrease in loss reserves	15.4	(8.4)
Net cash inflow from financing activities	**108.1**	**150.2**
Net increase in cash and cash equivalents	**7.2**	**58.9**
Cash and cash equivalents at the beginning of the year	**56.0**	**63.2**
Effects of exchange rates changes on cash and cash equivalents	**-**	**0.7**
Cash and cash equivalents at the end of the year	**63.2**	**122.8**

FLEXIGROUP

FXL - Overview

FlexiGroup is a diversified financial services group providing point of sale interest free, no interest ever, leasing, vendor programs, interest free cards and other payment solutions to consumers and businesses

Background

- Founded in 1988 leasing office equipment to business
- Leading provider of consumer/small business retail point-of-sale finance
- Diversified products include: interest free cards, no interest ever, vendor finance / commercial leasing, mobile broadband, online & mobile payment services

Market

- IPO in 2006
- ASX200 stock with market cap of approximately A$1.3bn

Distribution platform

- 700,000 finance customers, 11,000 active retailers, 75,000 broadband subscribers, $1.2bn in receivables
- Distribution network across multiple industries, including strong relationships with:
  - AGL Solar, Husqvarna, Toys-R-Us, Apple resellers, M2 Commander, Harvey Norman, Noel Leeming, King Furniture, Dick Smith, IKEA and Fantastic Group

High performance culture

- Talented management team with capability to manage much larger organisation
- Australia and New Zealand Best Employers — AON Hewitt
- Australia's Best Contact (Call) Centre — ATA Award
- International IT Award — ICMG Architecture Excellence

Balance sheet

- Well capitalised with strong balance sheet capacity – return on equity 24%
- Highly diversified funding with committed facilities from Australian and International institutions to support growth

Strong risk profile

- eRisc award winning credit assessment system
- 20 years experience in consumer & business credit embedded in scoring systems

Acquisitions

- Management with significant acquisition experience, have successfully acquired:
- Once Credit Interest Free and Visa card business on 31st May 2013
- Lombard Finance Interest Free and Visa card business on 1st June 2012
- Certegy in 2008 – has outperformed management expectations
- Conservative approach to acquisitions - target accretive, high volume, retail point of sale similar to Certegy

30 Jun YE (A$m)		FY09	FY10	FY11	FY12	FY13
Closing Receivables		**540**	**593**	**707**	**927**	**1,163**
	growth	*n/a*	*10%*	*19%*	*31%*	*25%*
Revenue		**184**	**204**	**223**	**246**	**284**
	growth	n/a	11%	9%	10%	15%
EBITDA		**53**	**63**	**76**	**90**	**105**
	margin	10%	11%	11%	10%	9%
EBIT		**48**	**58**	**71**	**83**	**95**
	margin	9%	10%	10%	9%	8%
Cash NPAT		**34**	**42**	**53**	**61**	**72**

FXL FY14 Guidance: Cash NPAT 17% – 19% growth

AON Hewitt Best Employers of the Year 2011

Australia's Contact Centre of the Year 2010

International iCMG Best IT Architecture Award 2010

FXL - Overview

3 acquisitions, 2 organic startups and a diversified product suite

FLEXIGROUP

Retail and Online to Consumer & SME	*No Interest Ever*	*Interest Free Cards*	*Enterprise*
FLEXI RENT	certegy Australia	Once / Lombard	FLEXI COMMERCIAL
• Trading since 1988, IPO Dec 2006 • Lease and mobile broadband offered in IT, electrical & other channels • Online & mobile payment solutions via Paymate • Preserves margin for the retailer / merchant • Customers get loaner, protect & affordable monthly payments	• Trading since 1989, acquired Oct 08 • Interest free & cheque guarantee products offered in diverse industries • Increases sales volumes for retailers • No interest (ever) payable by the customer	• Trading since 2002, acquired May 2012 • Interest free point of sale card finance company • Retail partners are offered interest free product and customers are cross sold a Visa card • Visa card subsequently used for everyday retail purchases • Once Credit acquired on 31st May 2013	• Recruited an experienced industry team in Nov 09 • OEM / Vendor leasing to business • Increase sales volumes for OEMs / Vendors • Affordable, tax deductible means for customers to acquire assets
Key metrics • $358 million receivables • 37 month average term • Cash NPAT $33.1m	**Key metrics** • $422 million receivables • 27 month average term • Cash NPAT $27.5m	**Key metrics** • $186 million receivables • 24 month average term • Cash NPAT $2.7m	**Key metrics** • $197 million receivables • 50 month average term • Cash NPAT $8.8m
Retail / Online point-of-sale Lease, Mobile Broadband & mobile payment solutions	***Small business & retail "No Interest Ever"***	***Retail point-of-sale Interest Free Cards***	***OEM & vendor lease to Enterprise accounts***