



Bank of America Merrill Lynch Emerging Stars Conference

October 2015

McMillanShakespeareGroup

Overview

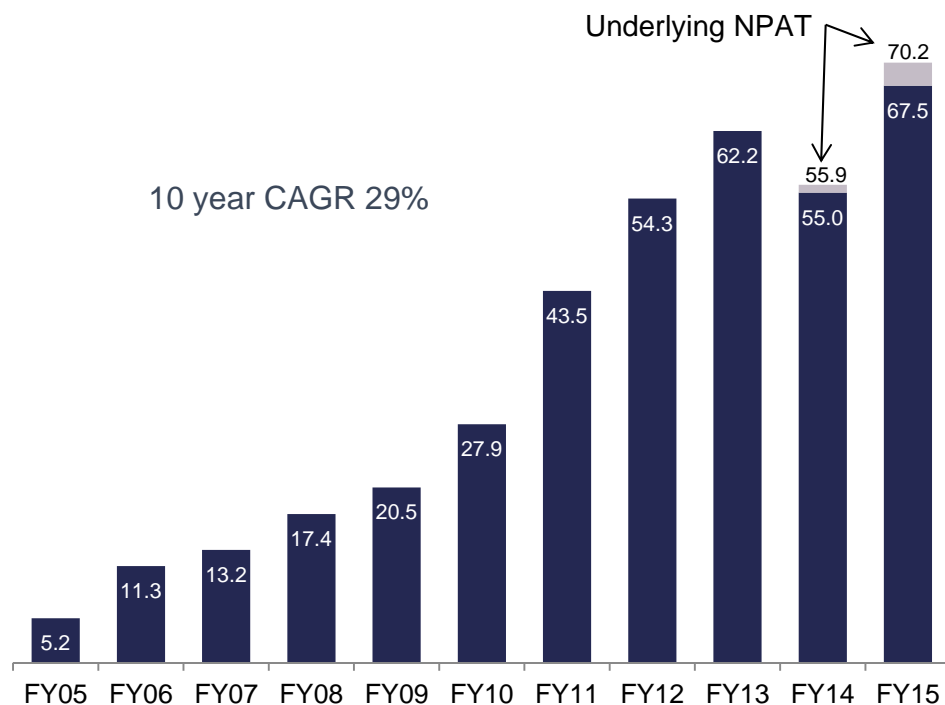
- MMS generated a record financial result in FY15
 - EBITDA up 20%, NPAT up 23%, EPS up 18%
- MMS has entered a new stage in its evolution
 - Step change in scale, competitiveness and opportunity
 - Created a leading presence in the independent consumer car finance market
- Maintained financial strength with strong cash flow generation
- Management team strengthened to support growth

Operational overview

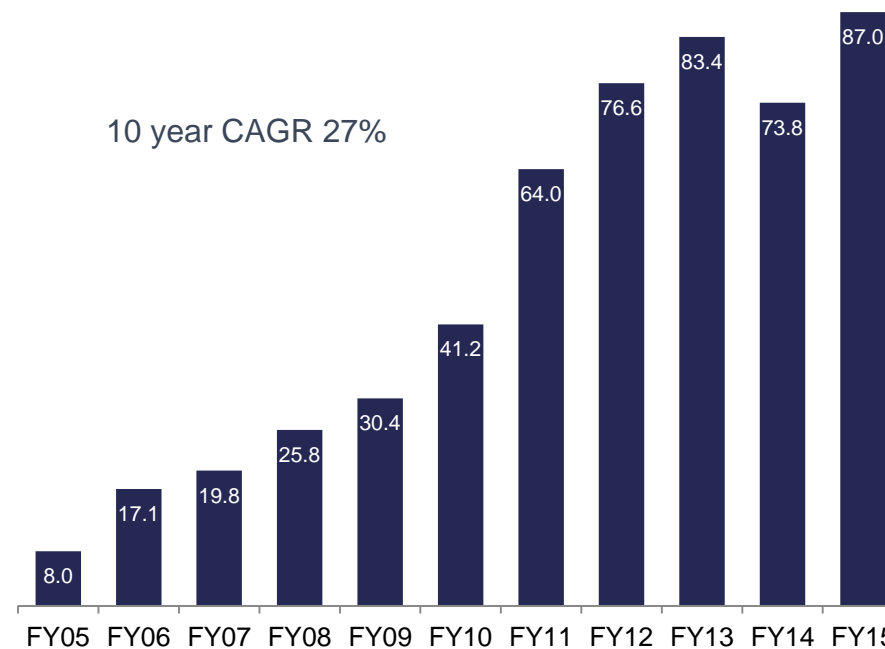
- Significant growth and profitability within Group Remuneration Services (GRS)
 - Operating revenues increased 12%, EBITDA by 25% and NPAT margins remain strong
- Created a new complimentary segment in Retail Financial Services (RFS)
 - Completed acquisition of Presidian on 27 February 2015 and UFS post year end (31 July 2015)
 - Ensures scale across the new and used vehicles customer value chain
 - Synergies and new growth opportunities identified with integration on track and well advanced
- Selective approach to growth in Asset Management (AM)
 - Stable Australian asset book with conservative gearing levels
 - UK business showing momentum, commenced sale of “lifestyle leases”

Financial overview

NPAT Performance (\$m)






Earnings Per Share (cents)



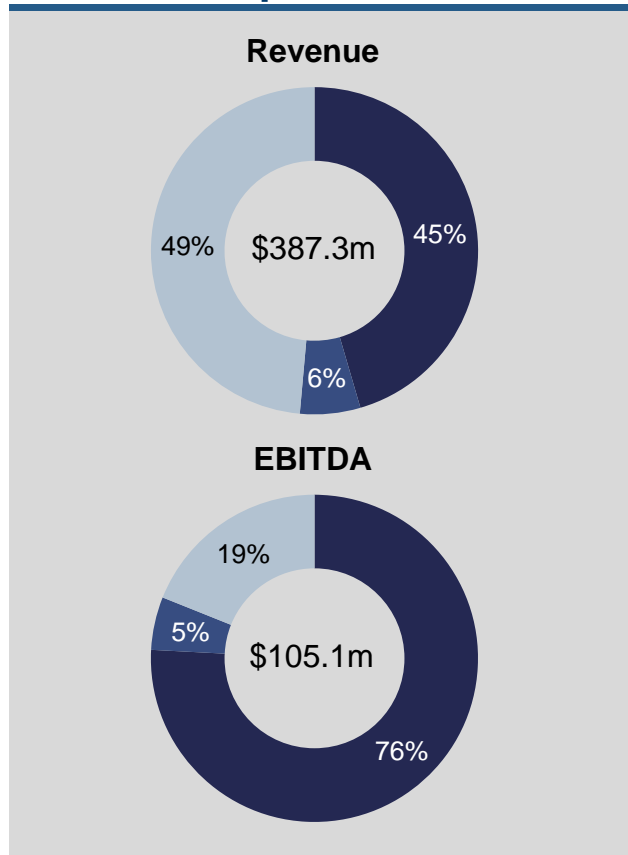
- FY14 NPAT and EPS was negatively impacted by the former government's proposed changes to novated leasing
- FY14 Underlying NPAT excludes one-off payments in relation to transaction costs incurred for the acquisition of CLM
- FY15 Underlying NPAT excludes one-off payments in relation to transaction costs incurred for the acquisition of Presidian of \$1.5m and a property lease early termination fee of \$1.2m

Established a complimentary business segment

	Group Remuneration Services	NEW SEGMENT Retail Financial Services	Asset Management
Brands			
Service offering	<ul style="list-style-type: none"> Administrative services in respect of salary packaging Facilitates the settlement of motor vehicle novated leases for customers, but does not provide financing Ancillary services associated with motor vehicle novated lease products such as insurance and after market products 	<ul style="list-style-type: none"> Retail brokerage services, aggregation of finance originations and extended warranty cover, but does not provide financing 	<ul style="list-style-type: none"> Financing and ancillary management services associated with motor vehicles, commercial vehicles and equipment Services to our business's located in Australia, New Zealand and the United Kingdom
Customers	<ul style="list-style-type: none"> Hospitals, health & charity workers Public and private sector lease programs 	<ul style="list-style-type: none"> Retail customer base Dealer, broker and retail network 	<ul style="list-style-type: none"> Predominantly corporate customer base
Distribution footprint	<ul style="list-style-type: none"> Over 800 customers Circa 1.0 million employees 	<ul style="list-style-type: none"> 4,000+ active dealers 600 finance brokers 	<ul style="list-style-type: none"> Over 300 customers Select brokers

Provides financial diversification

FY15 Reported Results

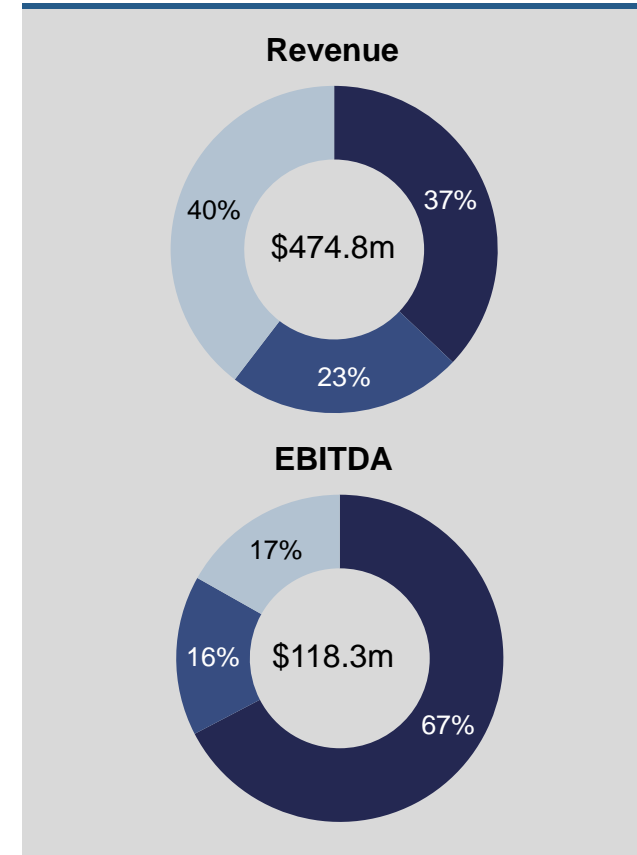


Includes full year 2015 pro forma impact of Presidian and UFS acquisitions

Excludes all revenue and cost synergies to be extracted from both acquisitions



FY15 Pro Forma Results¹



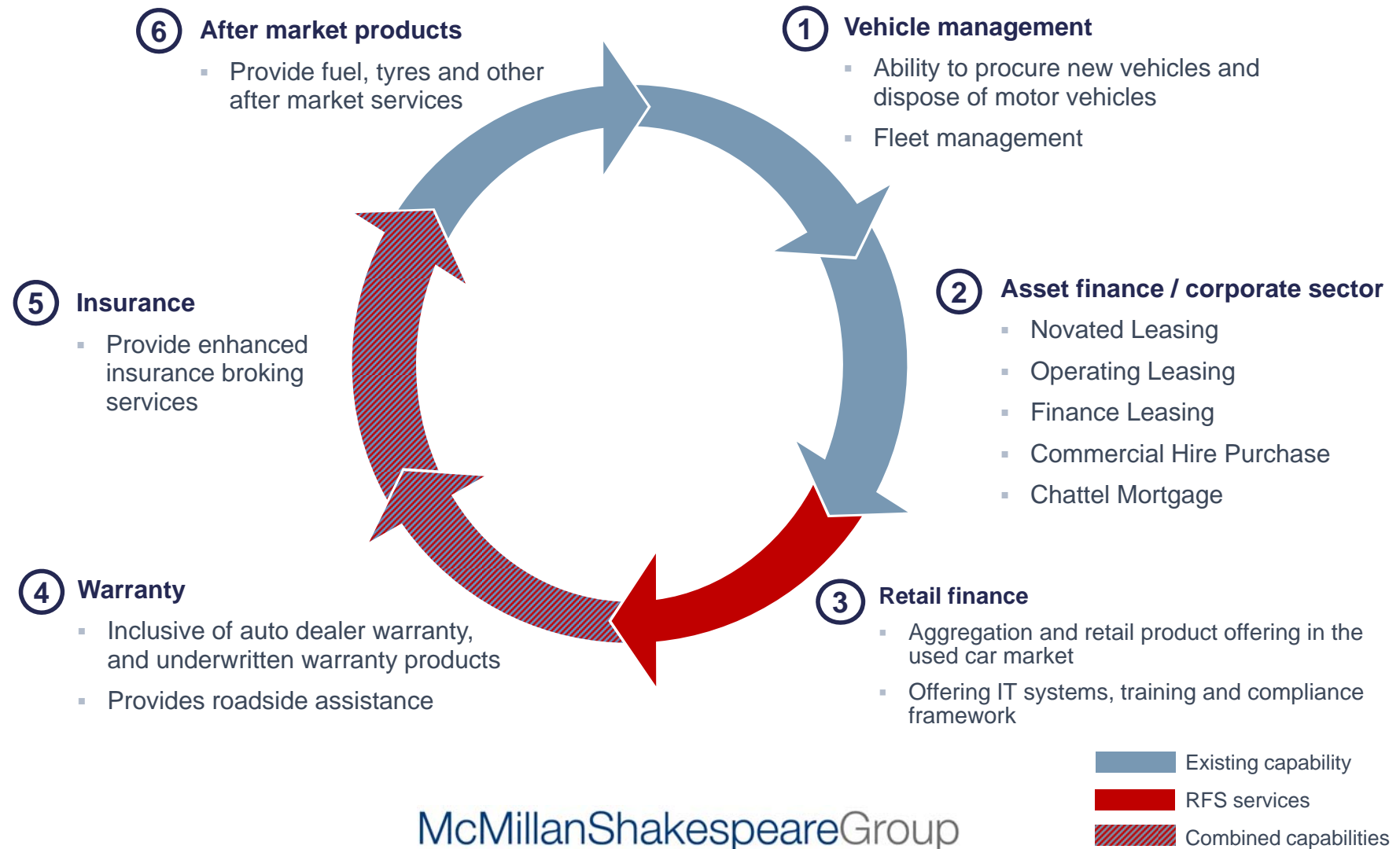
■ Group Remuneration Services

■ Retail Financial Services

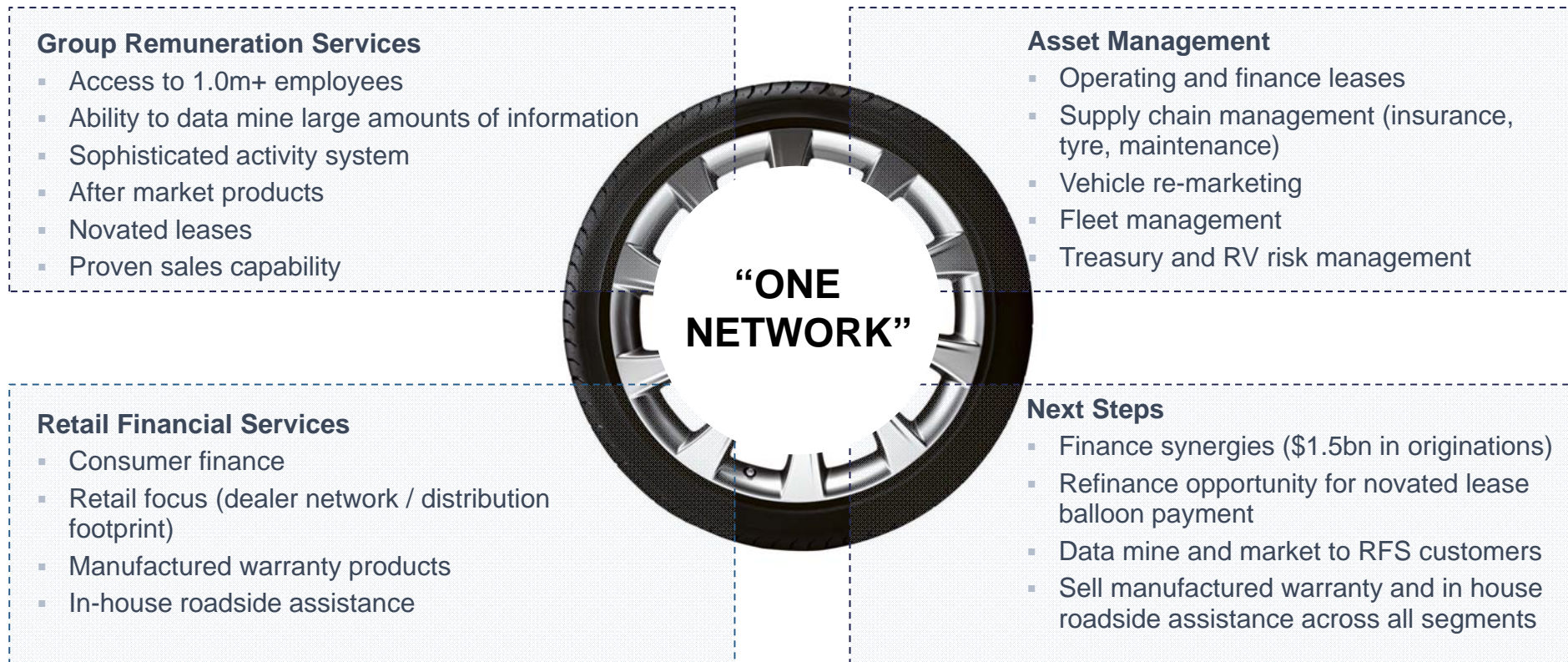
■ Asset Management

1. Pro forma results inclusive of FY15 full year pro forma EBITDA for Presidian and UFS

Extends the virtual car dealership model



Corporate strategy designed to enable the utilisation of core competencies throughout the Group



Regulatory Update

- National Automotive Leasing and Salary Packaging Association (NALSPA)
 - Formed post 16th July 2013
- Represents the combined interests of Australia's major vehicle fleet leasing and salary packaging providers
 - MMS is an active participant
- Provides dedicated and considered focus on key policy matters relevant to its members including political engagement with both the Government and opposition parties
- NALSPA remains actively engaged with all key stakeholders

Outlook

- Ongoing profitable growth through:
 - New business and cross-sell from our stronger integrated value proposition, competitive cost of funds and flexible financing facilities
 - Increasing participation rates within existing customer portfolio
 - Presidian and UFS acquisitions and resultant synergies
- Continue to invest ahead of the growth curve to ensure efficiency, productivity and performance
- Maintain industry leading service levels
- Enhance client and customer experiences via administration platforms, customer facing technology and innovation
- Business well placed to maintain momentum through continuing disciplined execution of clear strategy
- Continue to identify other potential value adding acquisitions

FY15 Divisional Highlights

Segment Financial Overview

\$000	Group Remuneration Services	Retail Financial Services	Asset Management	Unallocated items²	FY15 Total
Revenue	176,096	23,106	188,061	-	387,263
EBITDA	79,697	5,501	19,929	-	105,127
<i>EBITDA margin</i>	45.3%	23.8%	10.6%		27.1%
NPBT	75,171	4,586	16,609	-	96,366
<i>NPBT margin</i>	42.7%	19.8%	8.8%		24.9%
NPAT	54,306	3,027	11,281	(1,127)	67,487
<i>NPAT margin</i>	30.8%	13.1%	6.0%		17.4%
Underlying NPAT¹	55,523	3,027	11,281	410	70,241
<i>UNPAT margin</i>	31.5%	13.1%	6.0%		18.1%

1. Underlying NPAT excludes one-off payments in relation to transaction costs incurred for the acquisition of Presidian of \$1.5m (Retail Financial Services) and a property lease early termination fee of \$1.2m (Group Remuneration Services)

2. Unallocated items includes acquisition and corporate administrative expenses, offset by interest income and tax on unallocated items



Group Remuneration Services

Full Year Financial Performance

\$000	FY15	FY14	% Change with FY15	FY13	% Change with FY15
Segment revenue	176,096	157,247	12%	155,855	13%
Expenses					
Employee expenses	71,649	67,138	7%	62,408	15%
Property and other expenses	24,750	26,345	(6%)	23,338	6%
Total expenses	96,399	93,483	3%	85,746	12%
EBITDA	79,697	63,764	25%	70,109	14%
Depn and amort of PPE and software	4,526	3,680	23%	3,484	30%
NPBT	75,171	60,084	25%	66,625	13%
Tax	20,865	18,096	15%	19,832	5%
NPAT	54,306	41,988	29%	46,793	16%

- Excluding the impact of interest derived from external funds administered, segment revenue was higher by 13% compared to FY14
- Increase in depreciation and amortisation of PPE and software relates to the first year's depreciation of new IT projects which went live during the year

Group Remuneration Services Commentary

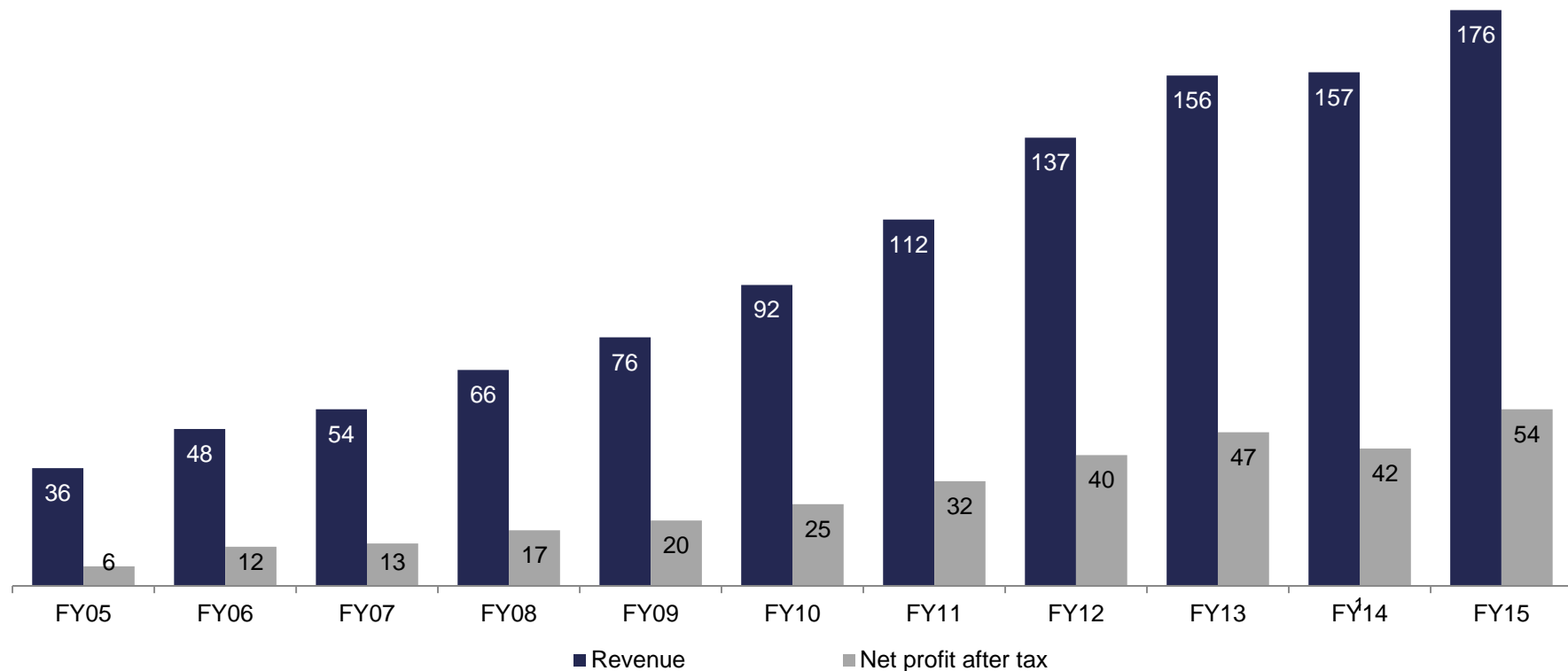


- FY15 NPAT of \$54.3m was \$12.3m or 29% higher than FY14
- Improving participation, strong sales and distribution capability and significant new business wins
- Good pipeline of new business opportunities
- Generating free operating cash flow in excess of NPAT
- IT based projects well embedded and delivering productivity improvements
- Maintained customer metrics (productivity index and customer satisfaction index) above benchmarks
- FY15 core operating contribution¹ of \$69.6m represents an increase of 25% on FY14

1. Core operating contribution represents profit before finance, tax and depreciation derived directly from salary packages managed and novated leasing

Group Remuneration Services

Historical Financial Performance



- FY15 saw a return to annual revenue and NPAT growth over prior year

1. FY14 EPS was negatively impacted by the former government's proposed changes to novated leasing

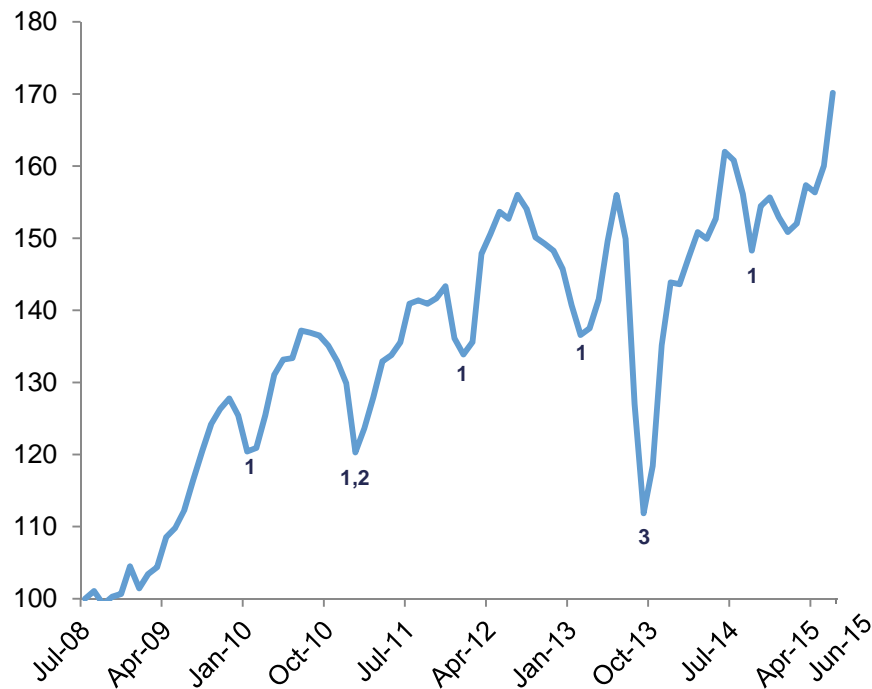


Group Remuneration Services

Competitive Strengths and Performance Indices

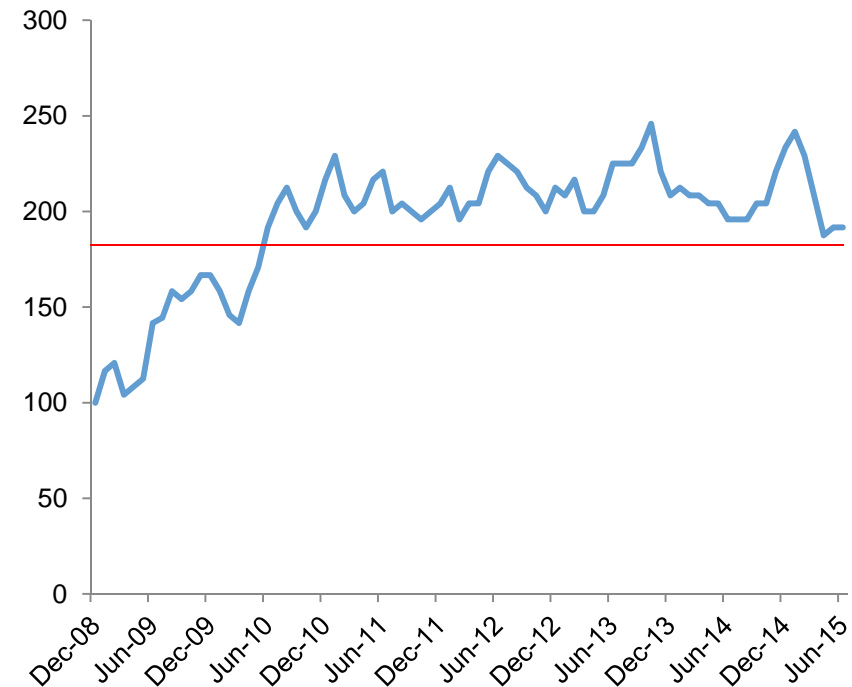
Productivity Index

Rolling 3 month revenue (ex SP interest) / FTE



1. Increased headcount to maintain client service levels during end of FBT year process
2. Queensland floods
3. Proposed FBT change
4. Based on net promoter score

Customer Satisfaction Index⁴



— Target

Retail Financial Services

Full Year Financial Performance



	Presidian		UFS	Total
	27 February 2015 ^{1,2} to 30 June 2015	FY15 full year ^{2,3} pro-forma	FY15 full year ^{3,4} pro-forma	FY15 full year ³ pro-forma
\$000				
Segment revenue	23,106	69,252	41,300	110,552
Expenses				
Employee expenses	7,573	20,468		
Net claims and brokerage commissions	7,697	26,355		
Property and other expenses	2,335	9,008		
Total expenses	17,605	55,831		
EBITDA	5,501	13,421	5,300	18,721
Depn and amort of PPE and software	584	992		
Amortisation of intangibles	331	993		
NPBT	4,586	11,436		
Tax	1,559	3,958		
NPAT	3,027	7,478		

Excludes all revenue and cost synergies to be extracted from both acquisitions

1. Represents 4 months trading of Presidian given acquisition was completed on 27 February 2015
2. FY15 full year pro forma represents 12 months of trading as though owned by MMS since 1 July 2014
3. Excludes acquisition associated costs and interest costs on debt associated with the acquisition of Presidian and UFS
4. Results per the acquisition announcement of UFS made on 23 July 2015

Retail Financial Services

Presidian Commentary



- Completed the acquisition of Presidian on 27 February 2015 for \$114.4m
- Capture of revenue synergies and development of IT platform is ongoing
 - Secured improved funding arrangement with financiers
- Integration of Presidian into MMS operations tracking ahead of target
 - Payroll integration complete; finance integration underway
 - Relocated a significant number of employees from Presidian regional locations to MMS head office
- Increased net amount financed (NAF) originations from forecast \$450m per annum during acquisition process to in excess of \$500m per annum



Retail Financial Services

UFS Commentary

- Completed the acquisition of UFS on 31 July 2015, for an acquisition price of \$42m
- UFS is an independent financial agency and automotive brokerage services business providing consumer and commercial finance and insurance products primarily to the used motor vehicle sector
- Compelling strategic rationale for the acquisition
 - Extends the consumer finance platform (strengthens recently acquired Presidian platform)
 - Synergies available across the combined Retail Financial Services segment
 - Complementary distribution footprint within the Retail Financial Services segment
 - Strengthens the strategic fit with core MMS business

1. UFS consists of United Financial Services Pty Ltd, United Financial Services Network Pty Ltd and United Financial Services (Queensland) Pty Ltd

Asset Management

Full Year Financial Performance



\$000	FY15			FY14		
	Australia / NZ	UK	Total	Australia / NZ	UK	Total
Segment revenue	175,433	12,628	188,061	178,195	9,874	188,069
Expenses						
Depreciation of motor vehicle fleet	83,004	-	83,004	81,475	-	81,475
Lease and vehicle management expenses	49,445	1,272	50,717	47,239	3,140	50,379
Interest on fleet financing	9,129	1,199	10,328	10,469	403	10,872
Employee and other expenses	16,366	7,717	24,083	16,544	4,948	21,492
Total expenses	157,944	10,188	168,132	155,727	8,491	164,218
EBITDA	17,489	2,440	19,929	22,468	1,383	23,851
Dep / amort of PPE and software	2,556	370	2,926	2,537	197	2,734
Amortisation of intangibles	-	393	393	-	253	253
NPBT	14,933	1,677	16,610	19,931	933	20,864
Tax	4,177	335	4,512	5,922	264	6,186
NPAT excl. UK JV	10,756	1,342	12,098	14,009	669	14,678
Share of UK JV	-	(816)	(816)	-	(1,120)	(1,120)
NPAT incl. UK JV	10,756	526	11,282	14,009	(451)	13,558

- Excluding the increase in provisioning and credit losses (noted on the following page), FY15 total NPAT (including UK JV) is \$13.9m, an increase of \$0.3m over FY14
- UK gaining momentum and profitability in FY15
- Novated lease revenue and expenses are recorded within the Group Remuneration Services segment

Asset Management

Australia and New Zealand Commentary



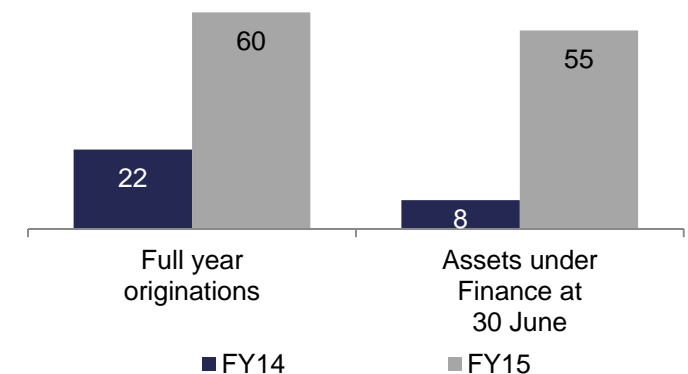
- Recorded a decline in NPAT compared to FY14
 - Decline principally driven by an increase in asset impairment provisions for certain heavy vehicle clients of \$3.2m and credit losses of \$0.4m for the period (combined impact after tax of \$2.6m)
- Assets under finance marginally declined since FY14 to \$311m
- Market remains highly competitive with pressure on NIM and management fees
- Inertia of fleets remains consistent with previous period
- Interest rate risk managed through hedging facilities
- Pipeline of new business opportunities



Asset Management

UK Commentary

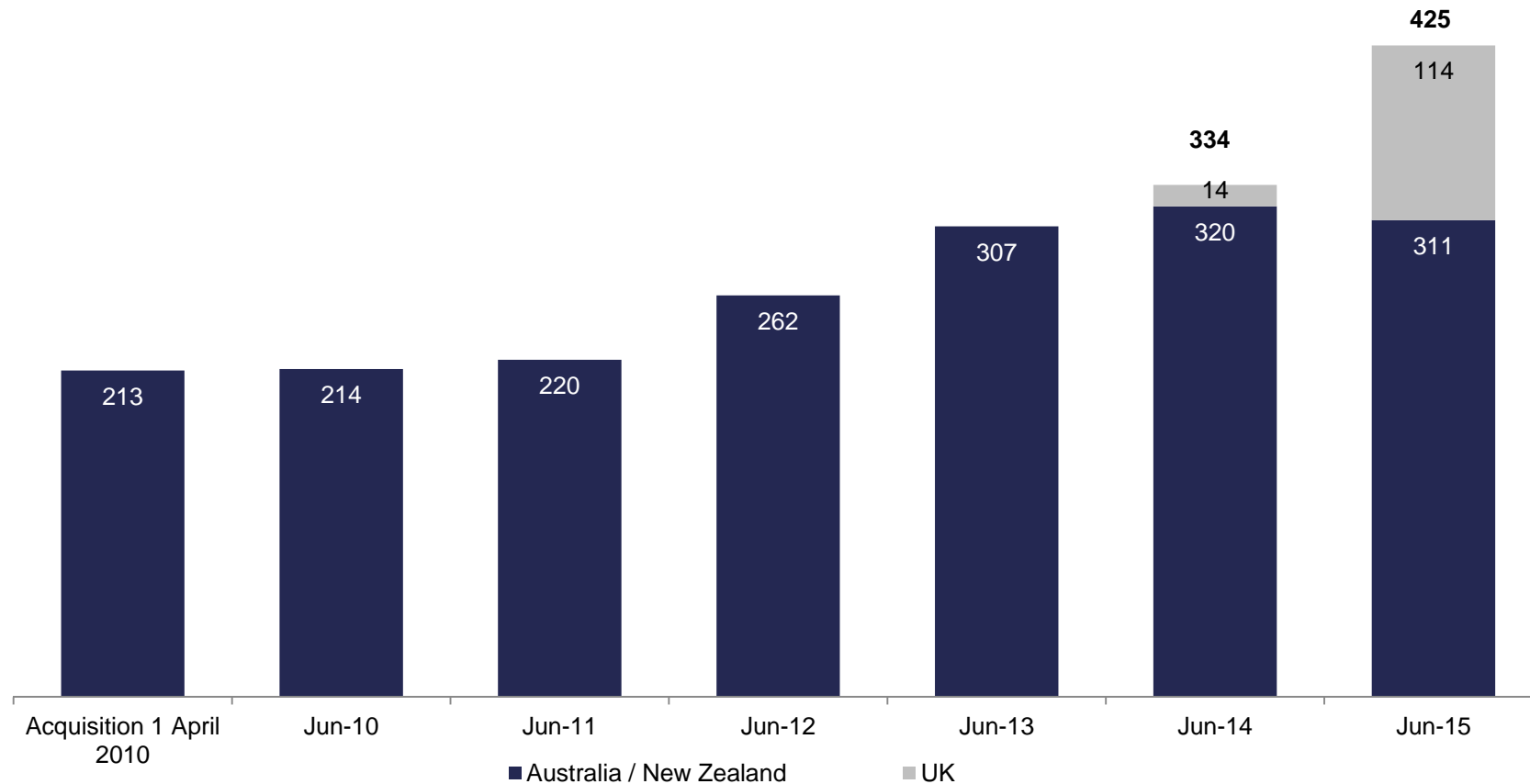
- UK business building momentum recording first year of combined profitability
 - All wholly owned businesses generated a profit
 - JV business continues to build brand reputation in the market
- Retail sales model supplemented with wholesale funding panel
- Successfully grew asset finance origination to £60m (A\$128m¹)
- Assets under finance grew by £47m (A\$100m¹)
- Lifestyle Lease product approved by HMRC



1. Assumes year end exchange rate of A\$1 : £2.13

Asset Management

Fleet Assets Written Down Value



FY15 Financial Results

FY15 Financial Highlights

- Consolidated NPAT \$67.5m¹ (23% growth on FY14) with underlying NPAT \$70.2m² (26% growth on FY14)
 - Group Remuneration Services NPAT \$54.3m (29% growth on FY14)
 - Asset Management NPAT \$11.3m (17% less than FY14)
 - Retail Financial Services NPAT \$3.0m³ (represents four months of Presidian trading since acquisition)
- Final dividend of 27.0 cps (fully franked); Total dividend of 52.0 cps (fully franked); Total payout ratio of 63%
- Diluted EPS of 86.8 cps (19% growth on FY14) and Basic EPS of 87.0 cps (18% growth on FY14)
- EPS based on underlying NPAT² of 90.6 cps (21% growth on FY14)
- Annualised return on equity of 25% and return on capital employed of 24%
- Strong operating cash flow of \$79.0m (pre CAPEX, tax and fleet increase)

1. Consolidated NPAT inclusive of unallocated items totalling \$1.1m

2. Underlying NPAT excludes one-off payments in relation to transaction costs incurred for the acquisition of Presidian and a property lease early termination fee

3. Excludes acquisition associated costs and interest costs on debt associated with the acquisition of Presidian

Consolidated Financial Performance

\$000	FY15	FY14	Change %	FY13	Change % with FY15
Profit and Loss					
Revenue from operating activities	387,263	345,316	12%	327,817	18%
Expenses	282,136	257,702	9%	235,278	20%
EBITDA	105,127	87,614	20%	92,539	14%
D&A of PPE and software	8,036	6,414	25%	4,311	86%
Amortisation of intangibles (acquisitions)	725	253	187%	-	0%
NPBT	96,366	80,947	19%	88,228	9%
<i>Operating margin</i>	24.9%	23.4%		26.9%	
Tax	26,937	24,282	11%	26,392	2%
Segment net profit after tax pre-UK	69,429	56,665	23%	61,836	12%
Unallocated items	411	602	(32%)	865	(52%)
Segment net profit after tax pre-UK and acquisition expenses	69,840	57,267	22%	62,701	11%
Share of JV	(816)	(1,120)	27%	(410)	(99%)
Acquisition expense for business combination	(1,537)	(1,177)	31%	(128)	>100%
NPAT	67,487	54,970	23%	62,163	9%
Underlying NPAT¹	70,241	55,865	26%	62,163	13%
Key Metrics					
Return on equity	25%	26%		34%	
Return on capital employed	24%	26%		29%	
Basic earnings per share (cents)	87.04	73.76	18%	83.42	4%
Diluted earnings per share (cents)	86.80	72.65	19%	81.87	6%
Underlying earnings per share (cents)	90.59	74.96	21%	83.42	9%
Interim dividend paid per share (cents)	25	21		24	
Final dividend declared per share (cents)	27	31		18	
Total dividend per share (cents)	52	52		42	
Payout ratio	63%	70%		50%	

- Underlying NPAT excludes one-off payments in relation to transaction costs incurred for the acquisition of Presidian of \$1.5m and a property lease early termination fee of \$1.2m
- Retail Financial Services revenue and NPAT breakdown only presents 4 months trading under MMS ownership

FY15 Cashflow

\$000	Group Remuneration Services	Retail Financial Services	Asset Management	Unallocated / parent co.	MMS Group
Segment NPAT	54,306	3,027	11,281	(1,126)	67,488
Non-fleet depn / amort, reserves and other non-cash items	8,645	915	4,588	-	14,148
Working capital inflow / (outflow)	3,367	(1,556)	(4,622)	-	(2,811)
Operating cashflow pre increase in AM portfolio and and tax payments	66,318	2,386	11,247	(1,126)	78,825
Contract establishment costs	(465)	-	-	-	(465)
Capex (non fleet & ex-sales) and software incl. 5 year IT systems upgrade	(5,412)	(238)	(4,330)	-	(9,980)
Free cash flow pre increase in AM portfolio and abnormal tax payments	60,441	2,148	6,917	(1,126)	68,380
Tax payments in excess of tax expense	(1,369)	(130)	(1,088)	-	(2,588)
Free cashflow pre increase in AM portfolio	59,072	2,018	5,829	(1,126)	65,793
<i>Investing activities and fleet increase:</i>					
Equity contribution into subsidiary companies	(20,689)	-	20,689	-	-
Investment in Presidian (net of cash acquired, excl. acquisition costs)	-	-	-	(63,620)	(63,620)
Subordinated loan to UK JV	-	-	(961)	-	(961)
Net growth in Asset Management Portfolio	-	-	(91,762)	-	(91,762)
Free cash flow	38,383	2,018	(66,205)	(64,746)	(90,550)
<i>Financing activities:</i>					
Equity contribution	-	-	-	15,112	15,112
Intercompany funding	3,511	-	(3,511)	-	-
Net debt (repayments) / borrowings (net of costs)	-	-	76,873	57,011	133,884
Dividend paid	-	-	-	(43,913)	(43,913)
	3,511	-	73,362	28,210	105,083
Net cash movement	41,894	2,018	7,157	(36,536)	14,532

Gearing

\$000	30-Jun-15			30-Jun-14
	MMS & other segments	Asset Management	Group Balance	Group Balance
Net Debt	(22,016)	287,991	265,975	143,903
Book value of equity	170,162	148,281	318,443	223,847
Gearing ratio ¹	(15%)	66%	46%	39%
Interest times cover ²			12.5	10.1
Debt to total funded fleet WDV		69%		

- As at 30 June 2015, the Group remains well within its banking covenants, while optimising the use of surplus cash to increase returns
- Significant headroom is available within debt facilities to achieve growth objectives

1. Gearing ratio calculated as Net Debt / (Net Debt + Equity)

2. Interest times cover calculated as Earnings before Interest and Taxes / Net Interest