



# Investor Day

7 June 2016



01

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INVESTOR DAY 2016 | 7 JUNE 2016

# Introduction

Doc Klotz

Chief Executive Officer and Managing Director

# Investor Day

7 June 2016

## Agenda

<b>1. Introduction</b>	Doc Klotz	11:00 – 11:10am
<b>2. Fleet</b>	Dennis Kelly, Paul Verhoeven and Bevan Guest	11:10 – 11:40am
<b>3. In-car Technology – Telematics</b>	Bevan Guest	11:40 – 11:55am
<b>4. Technology</b>	Albert Ho	11:55 – 12:10pm
<b>LUNCH</b>		<b>12:10 – 12:40pm</b>
<b>5. People</b>	Melanie Forbes	12:40 – 12:50pm
<b>6. Consumer</b>	Jeff McLean and Bevan Guest	12:50 – 1:20pm
<b>7. Right2Drive</b>	Damian Mullins	1:20 – 1:35pm
<b>8. Equipment</b>	Anthony Roberts	1:35 – 1:45pm
<b>9. Funding</b>	Paul Garvey	1:45 – 1:55pm
<b>10. Closing</b>	Doc Klotz	1:55 – 2:00pm
<b>BREAKOUTS</b>		<b>2:00 – 2:30pm</b>

**01**

# Introduction

Doc Klotz

## Agenda

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**1. Who we are**

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**2. ECX Leadership**

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**3. Our markets**

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**4. Highlights of 1H16 performance**

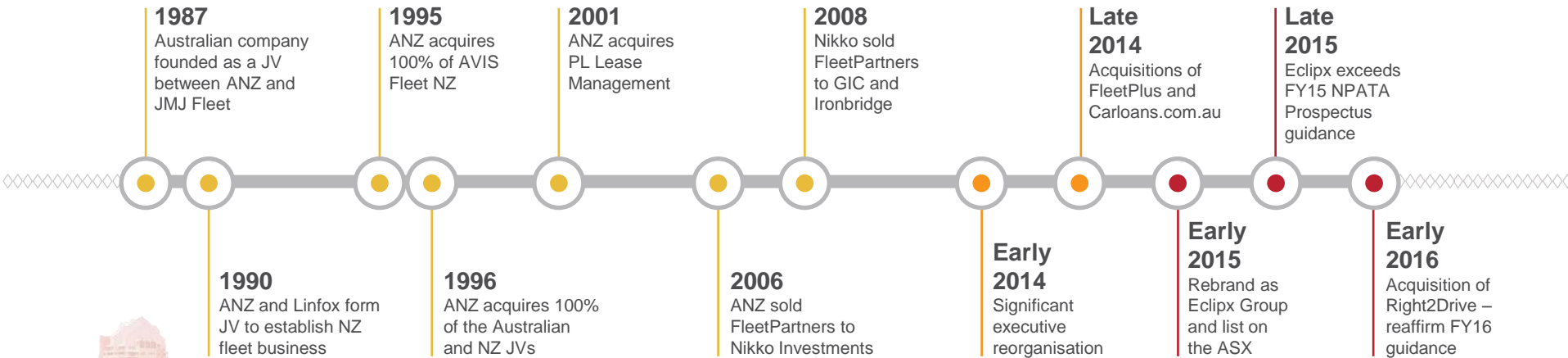
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# Who we are

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With 29 years of corporate history, Eclix has developed a strong platform of capabilities - in the last two years the business has undergone an exciting transformation led by a talented executive team



With 29 years of corporate history, Eclipx has developed a strong platform of capabilities - in the last two years the business has undergone an exciting transformation led by a talented executive team

## EXECUTIVE DIRECTORS



### DOC KLOTZ

Chief Executive Officer (CEO)

- Doc Klotz has over 25 years of experience in senior executive roles in the financial services and travel industries across Australia, New Zealand and the United States
- Prior to joining Eclipx in 2014, Doc was Head of Operations at FlexiGroup (FXL), an ASX 200 company
- Doc also has senior executive experience with listed businesses: Travel Services International, Hotels.com and Expedia, Inc. in the United States



### GARRY MCLENNAN

Deputy CEO and  
Chief Financial Officer

- Garry McLennan has over 35 years of experience in financial services including five years as Chief Financial Officer at FXL before joining Eclipx in 2014
- Prior to his time at FXL, Garry spent 23 years at HSBC Bank Australia where he was Chief Financial Officer and subsequently Chief Operating Officer. He has previously served on the Board of HSBC Bank Australia and The Australian Banking Industry Ombudsman Ltd. He currently serves on the Board Audit Committee of Intersect, a full-service eResearch support agency

## ECLIPX BUSINESSES







## JEFF MCLEAN

Chief Operating Officer and  
Head of CarLoans.com.au

- Jeff McLean has over 15 years' experience in senior executive roles with significant experience in Credit, Collections, Operational Excellency including Best Call Centre and AON Hewitt Best Employer
- Prior to joining Eclix, Jeff's prior roles included Chief Operating Officer at FlexiGroup and Head of Operations at Credit Corp, both ASX 200 listed companies



## DENNIS KELLY

Managing Director,  
Fleet Australia

- Dennis Kelly has 40 years' experience in leasing, commercial asset financing and general banking including as Managing Director of FleetPartners New Zealand (a division of Eclix)
- Prior to joining Eclix, Dennis held several senior executive roles including CEO of Geneva Finance Limited, Chief Operating Officer of Hanover Group and Managing Director of Hertz Fleetlease Limited



## PAUL VERHOEVEN

Managing Director,  
Fleet New Zealand

- Paul Verhoeven has 20 years' experience in asset finance and vehicle fleet leasing
- Prior to joining Eclix, Paul's roles included Head of Lending for UDC Finance (a subsidiary of ANZ) and European Risk Director for First Data, an international merchant acquirer



## BEVAN GUEST

Head of FleetPlus

- Bevan Guest has over 15 years experience in leasing, commercial asset financing and automotive distributor finance
- Prior to joining Eclix, Bevan was the National Manager for Nissan Finance and Asia Pacific Export Manager at GM Holden



## ANTHONY ROBERTS

Head of Commercial  
Equipment Finance

- Anthony Roberts has over 20 years' experience in the Australian Asset & Equipment Finance industry, including over 4 years as General Manager, Vendor & Commercial Finance of FlexiGroup, an ASX 200 company
- Prior to his time at FlexiGroup, Anthony has held a number of senior positions with global finance companies including CIT, GE and Rabobank



## EDWARD HO

Chief Risk Officer

- Edward Ho has 35 years' experience in senior executive and risk roles
- Before joining Eclix, Edward was Head of Internal Audit for HSBC's operations in Australia and New Zealand, and later as Director Risk Advisory and Internal Audit at The University of New South Wales, reporting to the audit and risk committees



## DAMIAN MULLINS

Managing Director,  
Right2Drive

- Damian Mullins has been the managing director of Right2Drive since its inception. Right2Drive was BRW Australia's 13th fastest growing company in 2015
- Prior to Right2Drive, Damian spent 20 years in senior roles within the Australian Liquor industry at Penfolds, Southcorp, Fosters and Constellation (now Accolade Wines)



## JASON MUHS

Head of Strategy

- Jason Muhs has over 15 years' experience in senior strategy roles for finance companies
- Prior to joining Eclix, Jason was Head of Strategy at FlexiGroup and Director of Strategy & Product at GE Money Mortgages



## FRANK LAEZZA

Head of Business Intelligence and MIS

- Frank Laezza has over 25 years' experience in all facets of financial management, governance and business partnering and most recently was CFO at UTS
- Frank has led and implemented Operational and Treasury related initiatives for organisations to improve management reporting & analysis, streamline processes and mitigate risk



## ALBERT HO

Chief Information Officer

- Albert Ho has over 30 years' experience in information technology with proven experience in real time online banking and trading systems in HSBC Group including five years with HSBC Insurance in Hong Kong and 25 years in senior management roles with HSBC Australia



## MATT SINNAMON

Group General Counsel and Company Secretary

- Matt Sinnamon joined Eclix following eight years with ING Bank Australia as Head of Legal, Compliance and Company Secretary
- Matt has held various legal and accounting positions with Corrs Chambers Westgarth, Perpetual Limited and Pitcher Partners



## KERRY MCEWEN

Director of Client Relationships and Novated Leasing, Fleet Plus

- Kerry McEwen has over 25 years experience in sales and customer service and established the Novated leasing business in FleetPlus
- Prior to her time at FleetPlus, Kerry held a senior sales position at Ford Motor Company



## MELANIE FORBES

Head of Human Resources, Australia

- Melanie Forbes has over 12 years' experience in HR
- Prior to joining Eclix, Mel was the lead HR & Change consultant on several M&A projects, including leading the acquisition and integration of Wesfarmers Insurance for IAG



## KAMA GHOSN

Head of Remuneration and Benefits

- Kama Ghosn has over 12 years' experience in reward and HR Operations across the financial services, agribusiness and engineering sectors
- Prior to joining Eclix, Kama managed Performance, Reward and HR Systems at GrainCorp



## PAUL GARVEY











Group Treasurer

- Paul Garvey has 15+ years experience in senior leadership roles within financial services, banking and treasury sectors
- Prior roles include General Manager, Treasury and Financial Markets at ME Bank



# Our markets

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	Assets financed	Client type	Eclipx distribution channel	Industry size	Industry players
Fleet leasing		<ul style="list-style-type: none"> <li>SMEs</li> <li>Corporates</li> <li>Government</li> </ul>	<ul style="list-style-type: none"> <li>Direct sales / relationships</li> <li>Strategic distribution partnerships, dealership referrals &amp; co-branding</li> <li>Online digital channels</li> </ul>	<div>\$4bn NBW p.a.<sup>1</sup></div>	
Novated leases		<ul style="list-style-type: none"> <li>Consumers</li> </ul>	<ul style="list-style-type: none"> <li>Direct sales / relationships</li> <li>Strategic distribution partnerships, dealership referrals</li> <li>Online digital channels</li> </ul>	<div>\$2bn NBW p.a.<sup>2</sup></div>	
Consumer motor finance		<ul style="list-style-type: none"> <li>Consumers</li> </ul>	<ul style="list-style-type: none"> <li>Online digital channels</li> <li>Retail partnerships</li> </ul>	<div>\$15bn NBW p.a.<sup>3</sup></div>	
Commercial equipment finance		<ul style="list-style-type: none"> <li>SMEs</li> <li>Corporates</li> <li>Government</li> </ul>	<ul style="list-style-type: none"> <li>Direct sales / relationships</li> <li>Broker networks</li> <li>Online digital channels</li> </ul>	<div>\$12bn NBW p.a.<sup>4</sup></div>	
Medium term car rental accident replacement		<ul style="list-style-type: none"> <li>Consumers</li> </ul>	<ul style="list-style-type: none"> <li>Growing branch network</li> <li>Referral network</li> </ul>	<div>\$550-\$700m revenue p.a.<sup>5</sup></div>	

# Highlights of 1H16 performance

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## RESULTS

\$ million	Pro forma 1H15 Actual	1H16 Actual	Growth pcg
New Business Writings (NBW) <sup>1</sup>	356	<b>406</b>	14%
AUMOF <sup>2</sup> (closing)	1,675	<b>1,854</b>	11%
VUMOF <sup>3</sup> (units)	79,876	<b>92,355</b>	16%
Net Operating Income (NOI)	83.3	<b>90.0</b>	8%
NPATA <sup>4</sup>	23.8	<b>26.0</b>	9%
Cash EPS <sup>5</sup> (cents)	9.9	<b>10.8</b>	9%
Dividend per share (cents)	n/a	<b>6.75</b>	n/a

## HIGHLIGHTS

- NBW increased 14% to \$406m - reflects ongoing impact of new account wins
- AUMOF increased 11% to \$1.85bn - reflects growth across all segments
- VUMOF growth of +16% pcg to 92,355
- NOI increased 8% - driven by solid growth in AUMOF and increased profit on sale of end of lease vehicles
- Cost to income ratio reduced to 55.0% from 57.5%<sup>6</sup>
- NPATA of \$26.0m, up 9% on 1H15

## OUTLOOK

- Fully franked interim dividend of 6.75 cps to be paid on 30 June 2016
- Updated FY16 NPATA to be up 8.5%–10.0%<sup>7</sup>

**02**

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# Fleet Leasing

Dennis Kelly, Paul Verhoeven &  
Bevan Guest

**02**

# Fleet Leasing

Dennis Kelly, Paul Verhoeven & Bevan Guest

## Agenda

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**1. How we compete**

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**2. Market overview**

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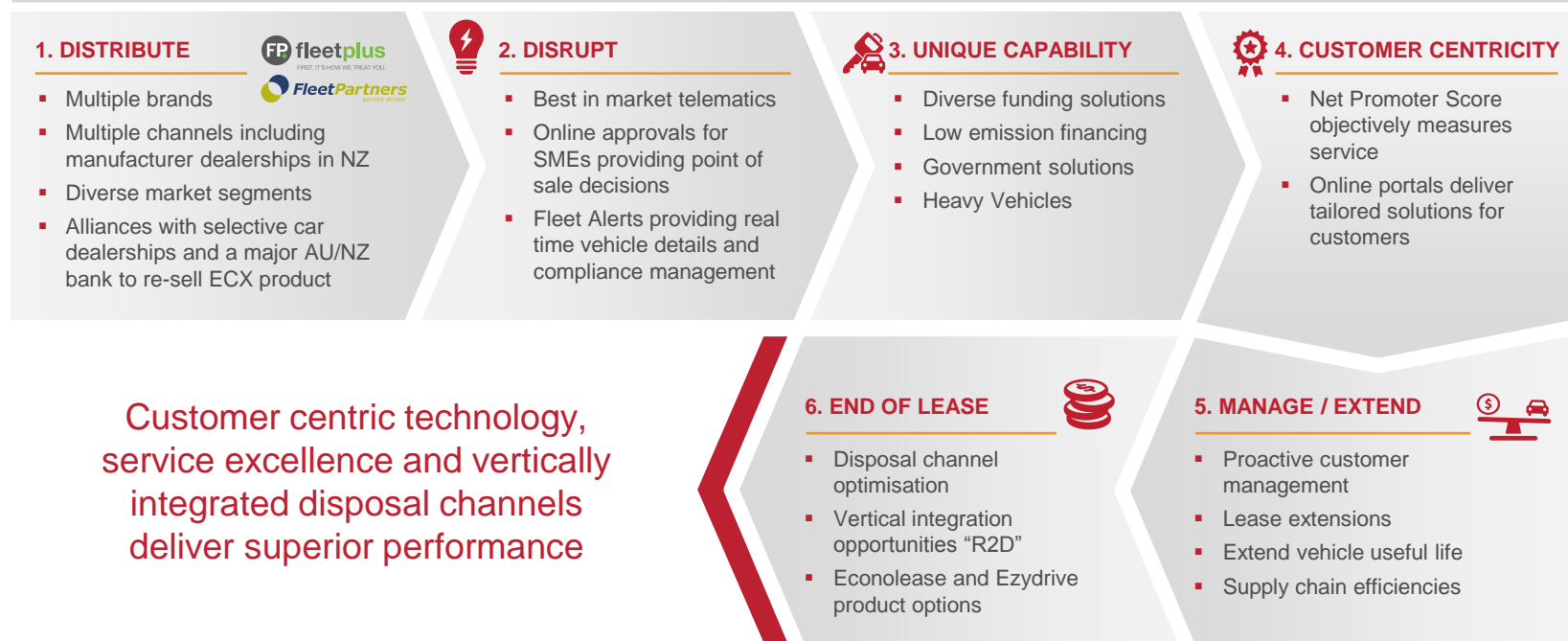
**3. Our point of difference**

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**4. Outlook**

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A rapidly growing business that uses technology to disrupt the market and deliver superior value to customers



## 01

Large fragmented market with no clear leader...



## 02

Has enabled Eclipx to establish a multiple brand strategy





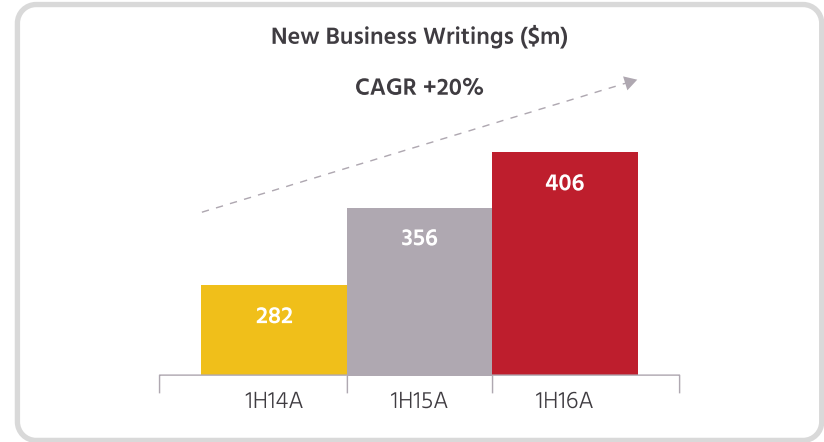
## 03

Complemented by disruptive customer centric technology



## 04

Resulting in long-term relationships and growing sales pipeline

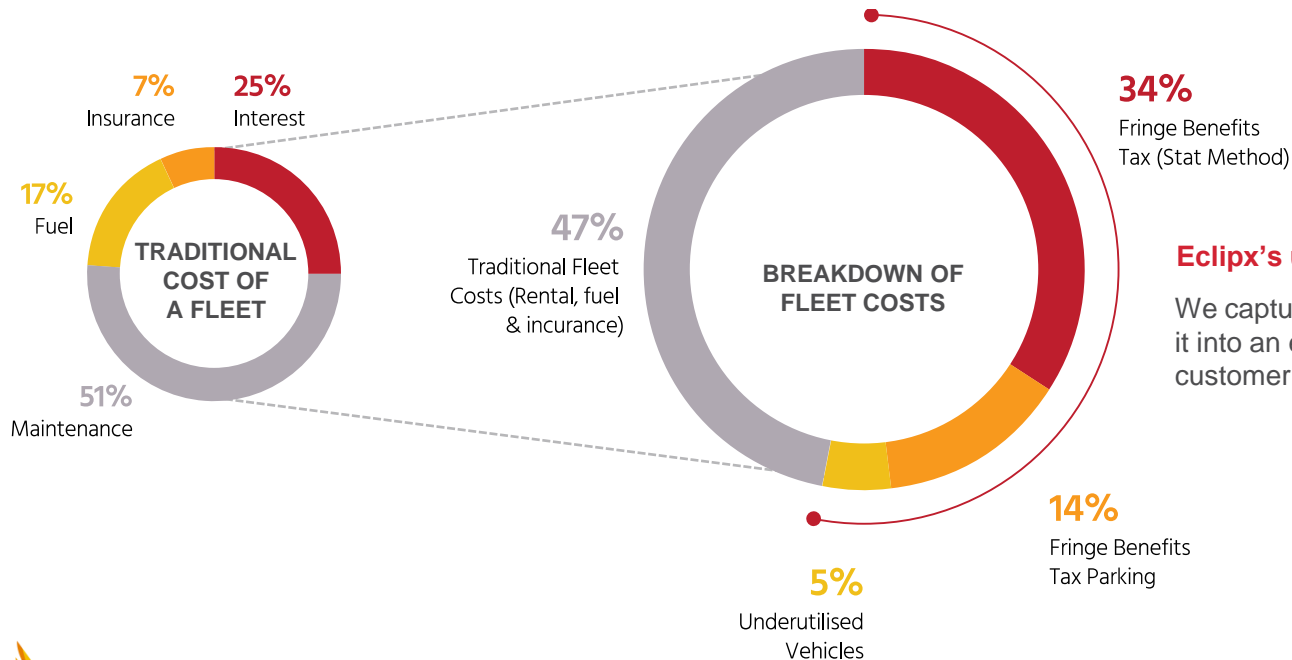


# Unlocking hidden costs in fleets creates a unique point of difference

16

Front of mind costs of running a fleet...

...are only part of the TRUE costs of running a fleet<sup>1</sup>

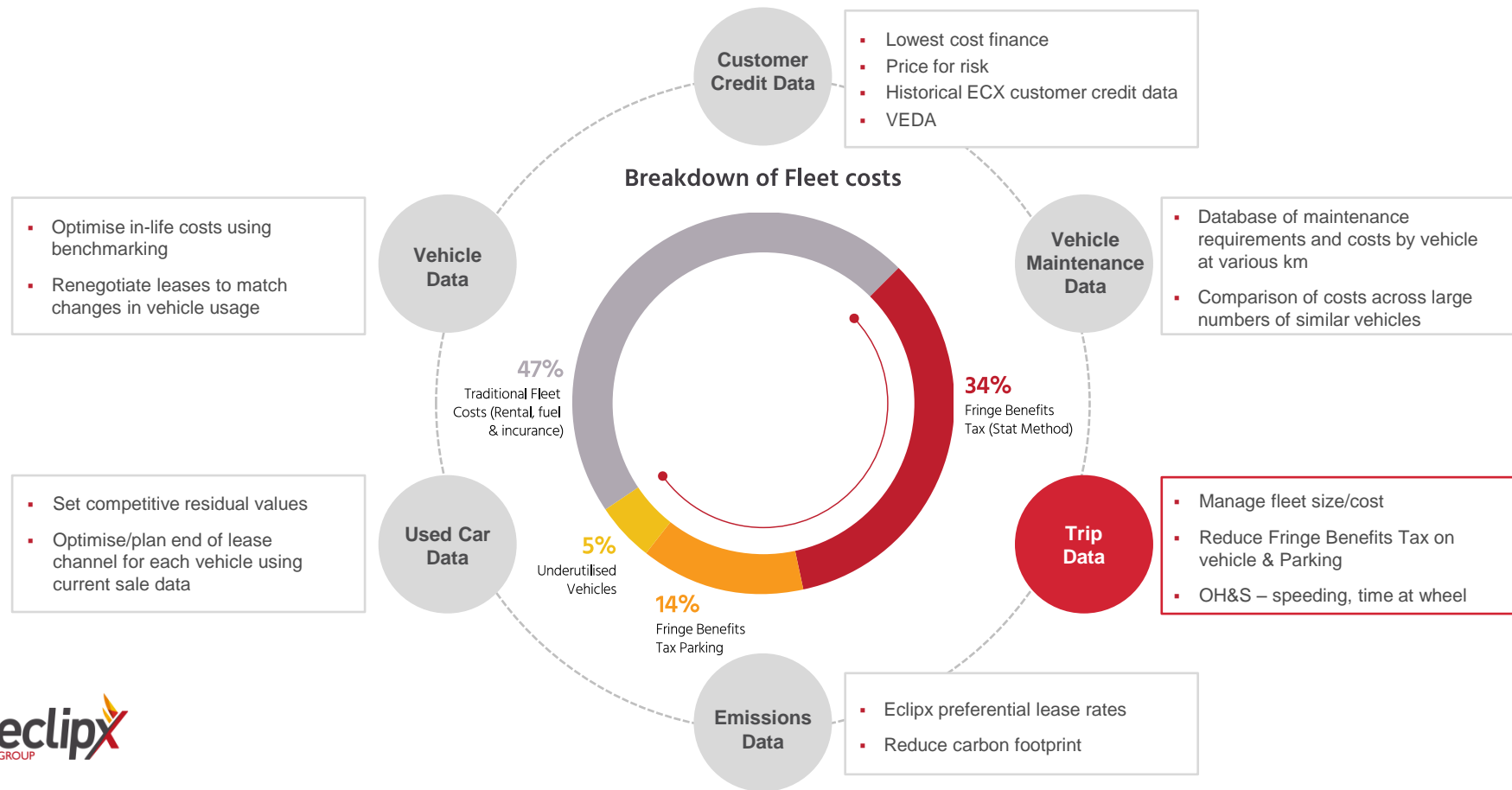


## Eclipx's unique point of difference

We capture relevant data and transform it into an effective solution to reduce customer fleet costs

# Unlocking hidden costs in fleets creates a unique point of difference

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## PEOPLE

- Significant industry expertise
- Unique risk capability
- Credit expertise
- More than 20 years' experience in building online solutions with high speed to market



## TECHNOLOGY

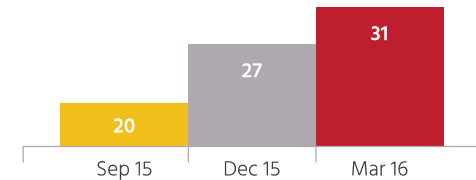
- Telematics delivers real fleet savings and value to customers (FBT & fuel tax credits savings, tax compliant logbooks and driver safety)
- Integrated customer portals



## CUSTOMER CENTRICITY

- Technology investments improve customer satisfaction "NPS"
- Creates long-term customer relationships
- Deepen new customer relationships through exceptional service delivery

Net Promoter Score  
(3 mth rolling avg.)



## SIGNIFICANT PIPELINE

- Significant number of new account wins will create a growing sales pipeline
- Expect to continue increasing our market share
- Cross-sell of ancillary products including telematics

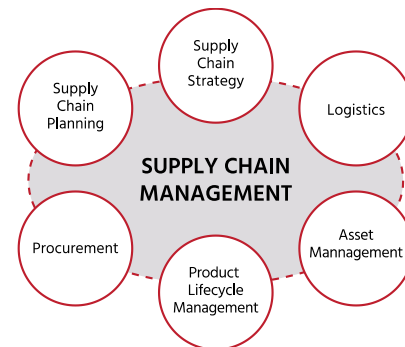
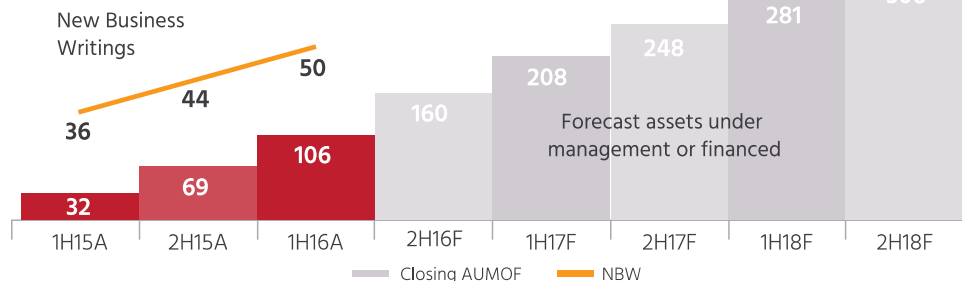
## VERTICAL INTEGRATION

- R2D to diversify end of lease remarketing channels, ECX accident management
- Cross-sell insurance and company car finance to fleet drivers

## SYNERGY REALISATION

- Continued optimisation of fuel, insurance, tyres and vehicle rebates
- Platform unification has commenced, in process of completing NZ upgrade
- Further consolidation to take place progressively in FY16/FY17 and FY18

Impact of FY15 & 1H16 new account wins on AUMOF (\$m)



**03**

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# In-car Technology – Telematics

Bevan Guest



**03**

# In-car Technology - Telematics

Bevan Guest

## Agenda

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**1. What is telematics and LogbookMe?**

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**2. LogbookMe segments**

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**3. Business model**

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**4. Market and competition**

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# What is telematics and LogbookMe?

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Telematics is the transmission and analysis of data through telecommunications devices on remote vehicles

## WHO IS LOGBOOKME?

- LogbookMe is an Australian start-up technology company specialising in telematics disruption
- Eclipx has an exclusive partnership for fleet with LogbookMe until 2024

Logbook 

## HOW WE USE TELEMATICS

- LogbookMe's device and app harnesses telematics technology to:
  - a) deliver trip data to corporate fleet managers
  - b) enable corporate fleets to save up to \$5,000 per vehicle p.a. in FBT
  - c) identify under utilised vehicles and reduce fleet sizes by up to 20%
- LogbookMe's solution is plug and play which means it's more price competitive



## WHAT MAKES US DIFFERENT?

- Market leading technology
- Modules tailored to Australia's tax regime – all tax savings reports have ATO approved rulings
- Low cost and simple to use
- Accurate reporting
- Customisable for employee privacy
- Creates material savings for fleet customers whilst increasing margins





LogbookMe's market leading modules provide holistic telematics solutions for customers



## TAX

- **Tax logbook** – to record business usage on cars
- **Shared pool car tax logbook** – to record usage, driver ID and automate management of pool cars
- **Fuel tax credits \$** – based on road usage, automatically calculated on fleet
- **Parking register \$** – automated to record employee car park usage to support exemption for non-FBT days



## ANALYTICS

- **Fleet analytics** – custom parameters to report on fleet usage
- **Fleet utilisation** – identify trends and inefficiencies across fleet
- **Vehicle location** – live and on demand
- **Odometer reading** – live and on demand



## BEHAVIOUR

- **Driver scorecard** – showing event based driver behaviour to help educate and improve driver behaviour whilst lowering operating expenses
- **Privacy parameters** – provides employees with confidence that 'big brother' isn't watching on personal time



LogbookMe's business model is integrated into Eclipx's fleet offering to create a compelling bundled product



## 1. WIN

- Customer value proposition differentiated vs competitors
- Increase tenders wins and encourage switching to Eclipx



## 2. INTRODUCE

- Existing positive customer relationships with Eclipx provides ideal introduction platform



## 3. SUPPLY

- Easy 'plug & play' installation
- Tech support
- Bundle



## 4. SERVICE EXCELLENCE

- \$\$\$ savings to customer
- Better fleet optimisation
- Tech support
- High customer satisfaction



LogbookMe's business model is integrated into Eclipx's fleet offering to create a compelling bundled product

## EASY INSTALLATION



## CLEAN INTERFACE



## EFFECTIVE REPORTING

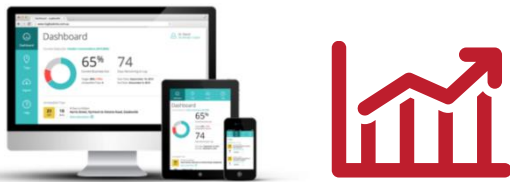


## CUSTOMER STICKINESS



## 01

Transformative technology with high growth potential...



- **US market** \$4b revenue per year - **growing**
- **UK market** \$1.3b revenue per year – **growing**
- **Australian market** penetration <1% – **emerging**
- **Eclipx telematics** penetration ~5% of fleet – **growing**

## 02

...combined with exclusive partnership with market leader

### Logbook me

- ✓ Driver Safety
- ✓ Driver Behavior
- ✓ Incident Response
- ✓ Job management
- ✓ Fleet Optimise
- ✓ Tax savings
- ✓ ATO rulings
- ✓ Driver data
- ✓ Low cost

VS

### Competitors

- ✓ Driver Safety
- ✓ Driver Behavior
- ✓ Incident Response
- ✓ Job management
- ✗ Fleet Optimise
- ✗ Tax savings
- ✗ ATO rulings
- ✗ Driver data
- ✗ Low cost



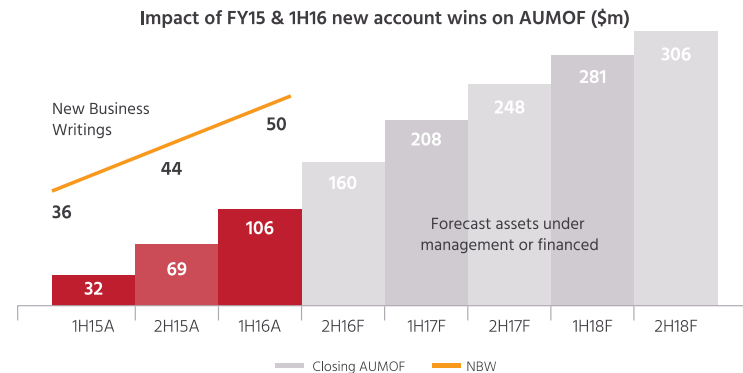
## 03

...leads to competitive  
tender proposals



## 04

...driving a strong new business pipeline  
and account wins



04

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# Technology

Albert Ho

**04**

# Technology

Albert Ho

## Agenda

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**1. Technology three pillars**

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**2. Competitive Advantage**

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Our investment into user experience and platform simplifications is “future proofing” our business

## Function

## Innovation

### User Experience *Disrupting the market*

- MyCar – online novated origination
- Carmonitor – online servicing & maintenance
- FleetAlerts – fleet manager monitoring portal

- LogbookMe – FBT management and fleet optimisation
- Customer Portals – consolidate portals including LogbookMe

### Platforms *Realising back-end synergies*

- Consolidate fleet management/leasing platforms
- Manage, store, govern and analyse data
- Proprietary business intelligence platform provides customer profitability, sales accountability

### Data – Customer, Vehicle and Trip *Creating value*

- Credit scorecards
- Extensive historical vehicle resale valuation data
- Auto-data feed integration to new green vehicle model database to access CEFC funding
- LogbookMe Vehicle/Driver Trip Data

## LogbookMe

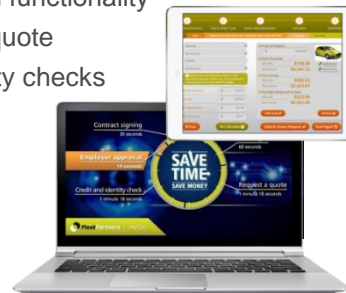
- **LogbookMe's device and app harnesses telematics technology to deliver fleet analytics and tax solutions to customers**
- Significant savings achieved for clients on reducing overall fleet cost and fringe benefits tax liability
- Fuel/Parking Tax Credit/Exemption Calculators using LogBookMe

Logbook 



## MyCar

- **Online consumer lease origination portal**
- Significant increase in NBW originations through portal – support for active leases (not just quotes) with 'life of lease' reporting and functionality
- Novated lease calculator and quote
- On-line credit check and identity checks
- Online fast approval
- Online electronic signature



## Fleet Alerts

- **Fleet Manager Portal including vehicle registration, infringements, servicing and management**
- Fleet information at customers' fingertips



## Online Vehicle Management

- **Complete customer vehicle management solution delivering online ability to insure, finance, locate and service vehicles**
- Ability to book a service at over 1,000 locations in real time
- Car Insurance – instant quote for comprehensive and CTP
- Value My Car
- Buy ex-fleet Car
- Apply for finance

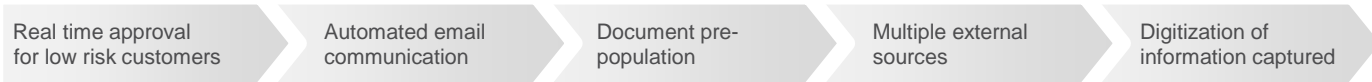






Eclipx's investment in technology is creating a competitive advantage

## CREDITCONNECT – NEW ORIGATION AND APPROVAL PLATFORM FOR SMES



**05**

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# People

Melanie Forbes

**05**

# People

Melanie Forbes

## Agenda

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### 1. Our people

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### 2. People and Culture

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Eclipx has **646** staff in Australia and New Zealand across its businesses and functions

## FUNCTION

Sales, Customer Service and Relationships	35%	Manage customer relationships
Settlements and Collections	7%	Settle deals, accounts payable and receivable
Vehicle management, remarketing and disposals	24%	Manage supply chain and disposal of assets
Procurement and maintenance	7%	Procure products and services to support Eclipx
Information / Business Technology	8%	Dedicated to product development and IT support
Corporate	19%	Executive, finance, risk, legal and HR

## ECLIPX BUSINESSES



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## FUNCTION

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## ECLIX LOCATIONS



	AMBITION	ACTION
	<b>People feel empowered to share ideas and innovate</b>	<ul style="list-style-type: none"> <li>▪ Leadership coaching</li> <li>▪ Opportunities for internal development and succession planning</li> </ul>
	<b>People are engaged and can perform their best</b>	<ul style="list-style-type: none"> <li>▪ Balanced scorecard</li> <li>▪ Regular performance conversations</li> </ul>
	<b>Eclix sustains its competitive advantage through its people</b>	<ul style="list-style-type: none"> <li>▪ Employee referral program</li> <li>▪ Employee share ownership plans</li> </ul>
	<b>People know they are respected</b>	<ul style="list-style-type: none"> <li>▪ Flexible work environment</li> <li>▪ Best practice parental leave scheme for Australia (12 weeks)</li> </ul>
	<b>People know they are valued</b>	<ul style="list-style-type: none"> <li>▪ Employee Assistance Program</li> <li>▪ Extensive range of employee benefits and discounts</li> </ul>
	<b>People are effectively supported</b>	<ul style="list-style-type: none"> <li>▪ Accessible and supportive HR team</li> <li>▪ Robust, real time people information and metrics</li> </ul>

**06**

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# Consumer

Jeff McLean and Bevan Guest

**06**

# Consumer

Jeff McLean and Bevan Guest

## Agenda

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**1. How we compete**

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**2. Fleet / Novated**

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**3. Direct CarLoans Finance**

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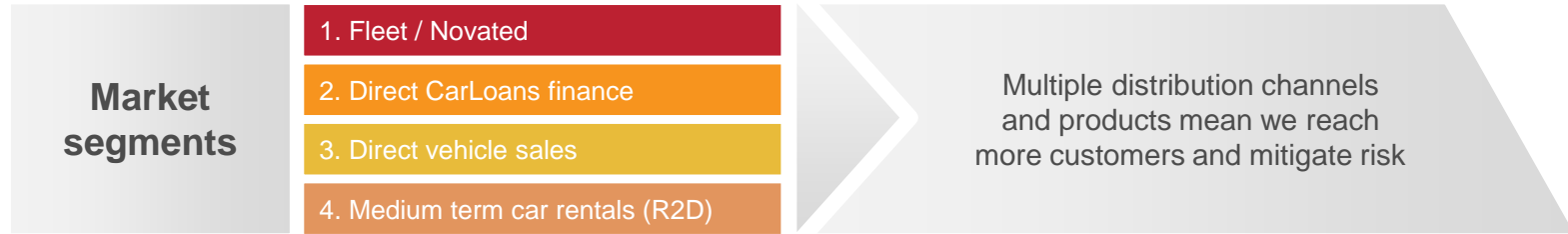
**4. Direct vehicle sales - AutoSelect**

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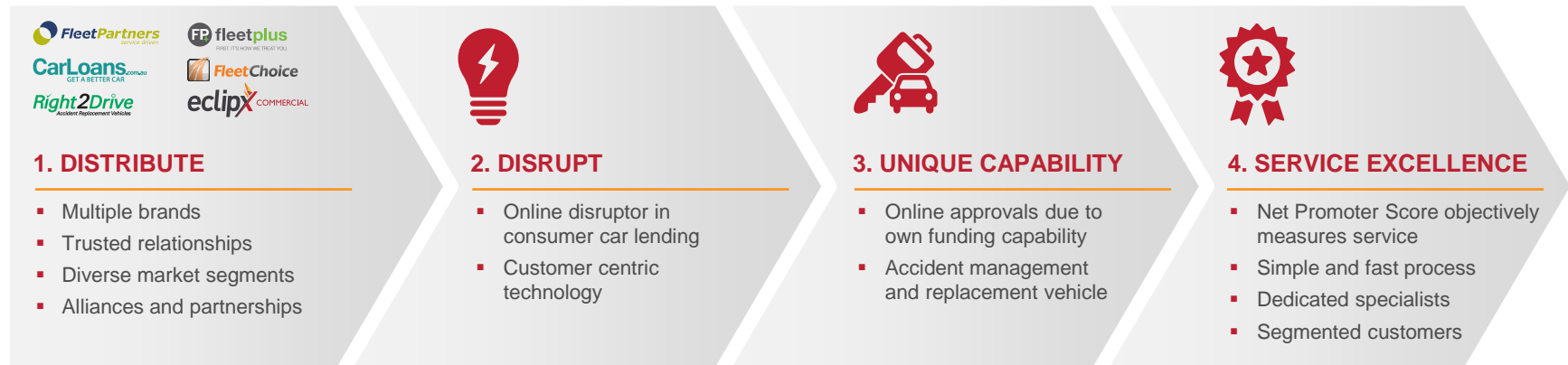
**5. Medium term car rentals (R2D)**

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## OUR POINTS OF DIFFERENCE



## 01

Multiple brands in novated...

Eclipx's  
multi-brand  
novated strategy  
means greater  
market coverage



## 02

...with opportunity to cross-sell into fleet

- Eclipx is targeting further cross-sell penetration into its fleet customer base
- An improving CRM and data analytics capability will facilitate this growth



## 03

...supplemented by growing distribution partnerships

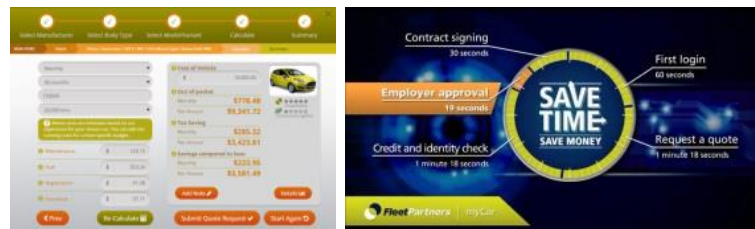
- Online distribution and credit approval available in our novated brands
- Distribution partnership with a major trading bank



## 04

...leveraged by technology

MyCar is a dedicated novated user portal for employers and employees



## 01

Large fragmented market with no clear leader...

### Indirect

- Circa \$13.6bn annual market
- No clear Industry leader
- Lack of car knowledge & value proposition

### Direct

- Circa \$3bn annual market
- Low barriers to entry
- Saturated market
- High acquisition cost



## 02

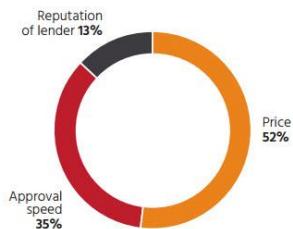
Has enabled Eclix to disrupt through distribution



## 03

Leveraging our extensive relationships to source the best deal for customers

Overall factors which most influenced the choice of lender

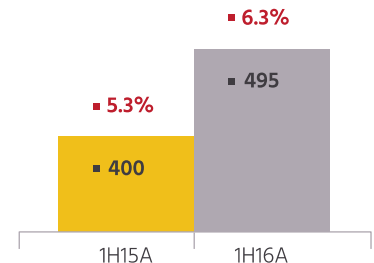


Source: Automotive Finance Insight, October 2013, ACA Research

## 04

Resulting in above system growth in Australian Consumer segment

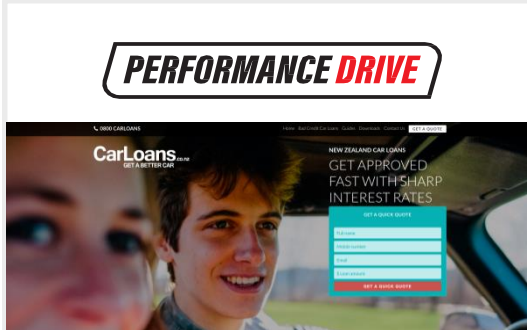
24% p.c.p AUMOF growth



■ Closing AUMOF<sup>1</sup> (\$m) ■ NOI/Avg AUMOF<sup>2</sup> (%)

## DIGITAL

- Significant Search Engine Marketing (SEM) capability
- PerformanceDrive (Eclipx subsidiary) is a content-led car review site with 1,000,000+ videos watched in March 2016
- White label landing pages increase segment and channel penetration



## CUSTOMER REACH

- Reaching different customers through new distribution alliances
- Comprehensive product set increases originations
- Specialised sales teams with a focus on product bundling



## CUSTOMER VALUE

- We find the best deal for customers and our speed of approval gives customers certainty
- Deepen new customer relationships through exceptional service delivery
- Dedicated specialist for every customer



Compatibility	At Acquisition	2016 and onwards
Distribution Channels	 SEM  Broker  Organic	 Digital  Broker  Retail  TV and Radio  Partnerships
Digital Capability and Process	SEM & Website 80% Offline / 20% Online	SEM, SEO, Social, Aggregator, Partnerships, Video, Re-targeting 50% Online / 50% Offline
Products	Brokered Car Loan Novated Lease	Car Loan (Brokered & Warehouse) Consumer Operating Lease Car Insurance & Warranty Novated Lease Car Buying 'Green' Loan
Supply Chain (Cross-sell)	 Buying  Insurance	 Buying  Aftermarket  Insurance  Tyres  Maintenance  Selling
People	 Single Device 9-5  Experienced Broker	 Multi-Device 24/7  Diverse Workforce Composition

## 01

Unique retail disposal channel....



- AutoSelect is a retail disposal channel for end of lease fleet vehicles supported for New Zealand
- Provides a unique distributional and infrastructural advantage over major competitors in the New Zealand market

## 02

...that is adaptive and dynamic



- Customers can bundle finance, accessories and insurance with their used car
- As vehicles have a known history, customers trust the brand – nearly a third of business is repeat
- AutoSelect can deliver to your door

## 03

...and yields greater margins on disposal



- With AutoSelect, Eclipx takes the margin that would otherwise go to an external agent when disposing a vehicle

## 04

...which can also leverage R2D expansion into New Zealand



- AutoSelect sites can be used to dispatch vehicles to R2D customers in NZ's three most populous metro areas
- Around 220 vehicles are available at AutoSelect sites on any given day – this removes short-term vehicle sourcing restraints on R2D through intercompany transfers within the Eclipx group



**07**

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INVESTOR DAY 2016 | 7 JUNE 2016

# Right2Drive

Damian Mullins

**07**

# Right2Drive

Damian Mullins

## Agenda

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**1. Business model – what we do**

---

**2. Market overview**

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**3. Our point of difference**

---

**4. Strategy and outlook**

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R2D provides a hire car to eligible "not at fault" drivers that have been involved in an accident at no-cost while their damaged car is being repaired

## BUSINESS PROCESS / MODEL



### 1. CRASH

The car of a "not at fault" driver is delivered to a mechanic/smash repairer



### 2. REFERRAL

The driver is referred to R2D who arranges a replacement car



### 3. DISPATCH

When the damaged car is repaired the replacement car is collected



### 4. INVOICE

The insurer of the at fault driver pays the cost associated with this service

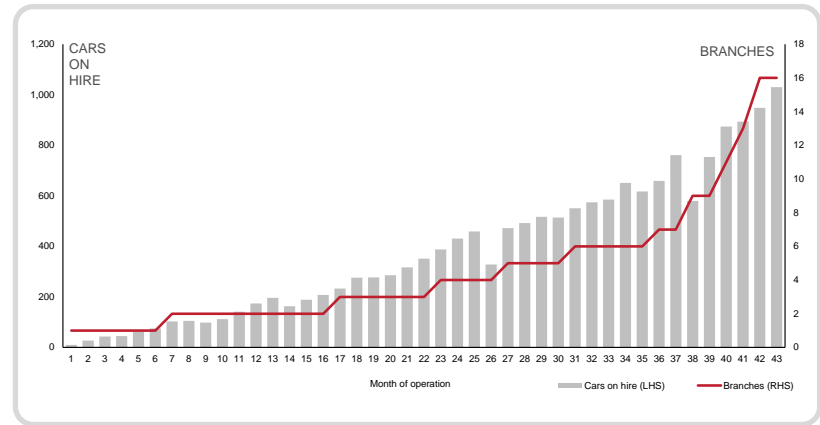
## 01

### A rapidly growing branch network



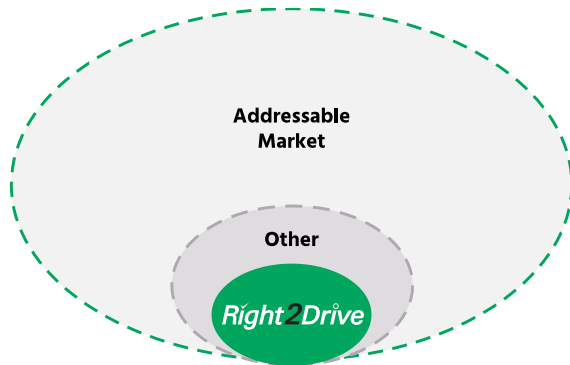
## 02

### Supports strong growth



## 03

Creates significant opportunities  
in a \$550m- \$750m market



## 04

With limited competition

**Right2Drive**  
*Accident Replacement Vehicles*



## OUR CUSTOMERS LOVE US



- Speed – we get our customers in a vehicle in 1 hour
- Flexibility – we operate 24/7
- Simplicity – we make a difficult claims management process simple

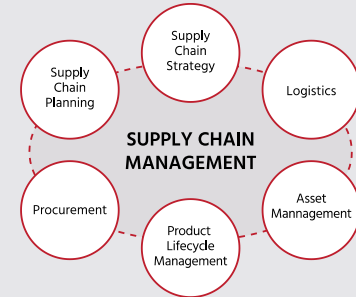
## BRANCH BASED DISTRIBUTION



- We're local
- Extensive referral networks
- Leverage ECX NZ AutoSelect locations



## SCALE WITH A HIGHLY INTEGRATED SUPPLY CHAIN



- Vehicle procurement efficiencies
- Highly synergistic across the Eclix business
- Leverage Eclix expertise to raise awareness and create a first mover advantage (SEM, SEO and PR)

## ECX STRATEGY

## HOW R2D WILL DELIVER

**Best in class customer service supported by the best people**

- Branch staff rewarded for customer centric behaviours
- Staff turnover well below industry average
- Brand is trusted by customers

**Increase distribution**

- Continued branch expansion
- Integration with Eclipx technology
- Leverage Eclipx fleet customer base to cross-sell R2D product

**Capture increased value through vertical integration & supply chain**

- Expands end of lease remarketing channels
- Captures increased value through vertical integration and supply chain

**Expand product set to increase revenue margins**

- R2D's size and national footprint provides economies of scale when dealing with insurers and referrers
- Expansion into adjacent segments (e.g. accident management and warranty vehicles)
- Deployment of Eclipx in-car telematics technology understand driver behaviour and reduce fleet management costs

**08**

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INVESTOR DAY 2016 | 7 JUNE 2016

# Equipment Finance

Anthony Roberts



**08**

# Equipment Finance

Anthony Roberts

## Agenda

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**1. How we compete**

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**2. Market overview**

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**3. Our customer value proposition**

---

**4. Outlook**

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Leveraging our expertise to provide tailored solutions to customers

## WHAT GIVES ECLIPX COMMERCIAL THE LEADING EDGE?



### 1. BEST ADVICE

Sales representative analyses customer asset requirements, usage history and growth ambitions



### 2. TAILORED SOLUTIONS

A greater understanding of customer needs provides the groundwork for a more tailored solution



### 3. FUNDING ACCESSIBILITY

Access to multiple funding options under the Eclix umbrella means saying yes to customers

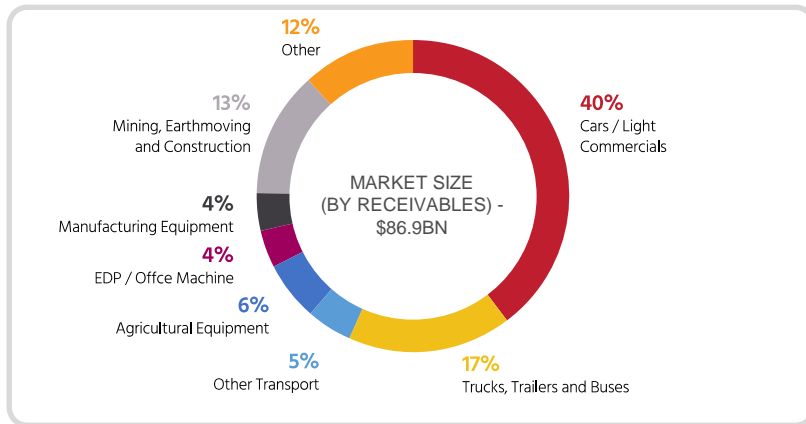


### 4. SPEED TO MARKET

Emphasis on fast turnaround allows customers to get on with doing what they do best

## 01

A large diverse market



## 02

Has enabled Eclipx to differentiate its customer value proposition

**eclipx** COMMERCIAL

- ✓ After sales service
- ✓ Relationships
- ✓ Specialisation
- ✓ Ease & convenience
- ✓ Buying experience
- ✓ Innovation

VS

Competitors

- ✗ After sales service
- ✗ Relationships
- ✗ Specialisation
- ✗ Ease & convenience
- ✗ Buying experience
- ✗ Innovation

## 03

And execute a go-to-market strategy



Expand distribution channels

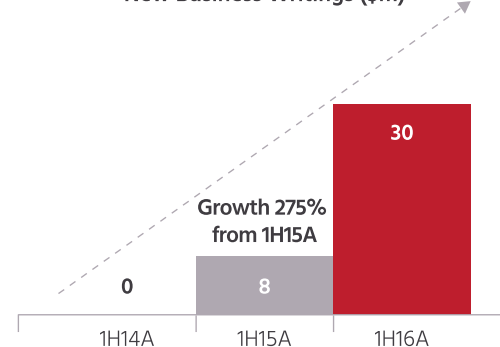
Create cross-sell opportunities

Extend across value chain

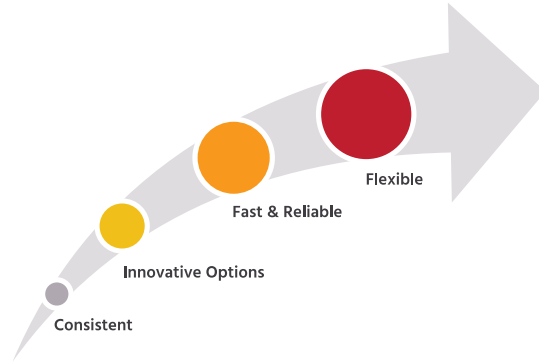
## 04

Resulting in a high growth business from a standing start

New Business Writings (\$m)

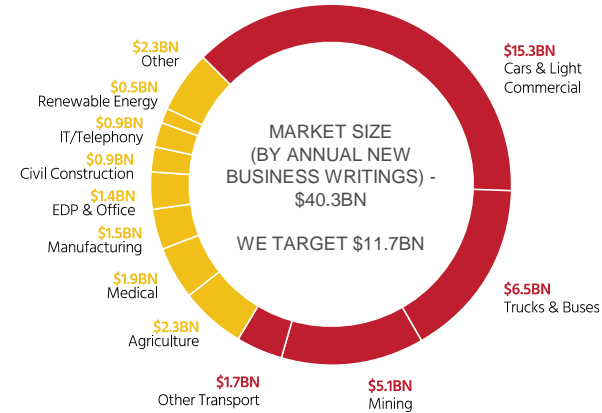


## UNIQUE CUSTOMER VALUE PROPOSITION



- Understanding of credit Risk, asset risk and channel risk creates unique program opportunities
- Customers acquire use of assets under various payment options
- Deep capability with a number of asset classes and broad funding base
- Qualification criteria and access to credit data results in consistent outcomes for customers

## TARGET MARKET



### Market selection criteria

- Business critical operating assets
- Long useful life assets
- Technological based assets
- Assets with deep primary and secondary markets
- Industry segments with minimal volatility



## EXTEND SERVICE OFFERING

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- Expand vendor finance solutions and broker network
- Target five high future resale asset categories – construction, food processing, machine tools, medical and agriculture
- Operate in managed solutions space
- Greater cross-sell into fleet and vice versa



## TECHNOLOGY

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- Launch online broker portal
- Build auto credit decision capabilities
- Develop further online originations opportunities

**09**

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INVESTOR DAY 2016 | 7 JUNE 2016

# Funding

Paul Garvey

**09**

# Funding

Paul Garvey

## Agenda

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**1. Our funding platforms**

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**2. Our funding position**

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Eclipx's funding platforms are unique in the Australian and New Zealand fleet and equipment leasing market

## BANK WAREHOUSE

- **Key feature** – warehouses permit funding assets through drawing and repaying notes on an ongoing basis
- **Key advantage** – allows Net Interest Margin (NIM) and cash flow to be received throughout life of asset improving working capital

## ASSET BACKED SECURITIES (ABS)

- **Key feature** – permits warehouse headroom to be increased by pooling assets and refinancing through issuing ABS to institutional investors
- **Key advantage** – when markets are keenly priced, Eclipx can take advantage of the situation and undertake an ABS issue from warehouse assets and increase margins

## PRINCIPAL & AGENCY

- **Key feature** – Alternative funding option for Corporates and Government. Eclipx receives commission for referring assets to funders
- **Key advantage** – Eclipx has 18 funders on its panel so can offer the best rates to its customers

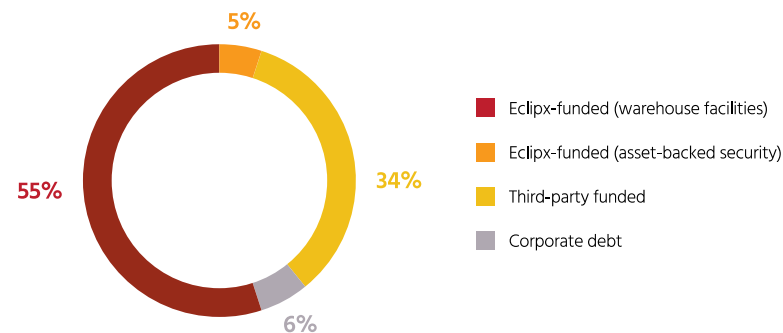
Diverse funding options including committed warehouse facilities and corporate debt supports new business growth

Eclipx has diversified and extensive sources of funding including warehouse facilities, asset-backed securitisations and principal and agency arrangements with a total of 18 funding partners

## FUNDING SUMMARY 31 MAR 2016

\$ million	Drawn	Undrawn	Total
Eclipx-funded (warehouse facilities)	1,065	166	1,231
Eclipx-funded (asset-backed security)	97	-	97
<b>Available funding (ex P&amp;A)</b>	<b>1,163</b>	<b>166</b>	<b>1,329</b>
Third-party funded	648	-	648
<b>Available funding (inc P&amp;A)</b>	<b>1,810</b>	<b>166</b>	<b>1,976</b>
Corporate debt	110	40	150
<b>Total</b>	<b>1,920</b>	<b>206</b>	<b>2,126</b>

## BORROWINGS AS AT 31 MAR 2016



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## HIGHLIGHTS

- Eclipx maintains a market leading range of funding options
- Warehouse facilities rated by Moody's, provides greater transparency to financiers and investors
- Fully matched financing of short-term lease receivables (typically less than 4 years) is attractive to banks and investors
- Significant committed funding of \$206m provides certainty and headroom for growth
- No bullet repayments on warehouse funding; financiers are repaid in line with repayments from customers
- Eclipx funding costs remains consistent with FY15
- All contracts are hedged at origination so that Eclipx bears no interest rate risk on base funding rates
- Currently finalising two new warehouses for large corporate and government business

**10**

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# CLOSING

**Doc Klotz**

Chief Executive Officer and Managing Director