



ASX Announcement

Release date: 24 August 2016

Smartgroup announces 45% increase in H1 2016 profits, declares fully franked interim dividend of 9.8 cents

Smartgroup Corporation Ltd (ASX: SIQ), one of Australia's largest providers of salary packaging administration and novated leasing services, today reported its financial results for the half year ended 30 June 2016.

Profit after tax, as measured by NPATA, was \$18.1 million¹ for the half year, exceeding the prior half year by 45%. Revenue was \$60.9 million, exceeding the prior half year by 36%. Operating margins, measured as EBITA as a percentage of revenues increased to 42%¹.

Smartgroup had a net debt balance of \$30.4 million at 30 June 2016. Including the impact of acquisitions announced post 30 June 2016, Smartgroup's Pro Forma net debt balance was ~\$105 million at 30 June 2016.

The Board of Directors declared a fully franked interim dividend of 9.8 cents per share², payable on 30 September 2016 with a record date of 15 September 2016.

Smartgroup Chief Executive Officer Deven Billimoria said, "It has been a busy half year for the group. The recent acquisitions of Autopia and Selectus strengthen our core business, enabling us to service all segments of the salary packaging market. I have enjoyed working with each of the management teams of these businesses and look forward to supporting their continued focus on customer service and operational efficiencies."

¹ Calculated based on EBITA and NPATA excluding acquisition costs of \$0.6m pre-tax and \$0.4m post tax

² The Board has determined that the 9.8 cent dividend will be paid to shares issued under the previously-announced Share Placement Plan



Deven Billimoria and Chief Financial Officer Tim Looi will hold a briefing tomorrow to discuss the results. The details are as follows:

Time: 8:30 am AEST

Date: Thursday 25 August 2016

The audio briefing will be streamed live at this time and can be accessed via the Smartgroup company page on the Open Briefing website: <http://www.openbriefing.com/OB/2217.aspx>.

This can also be accessed from the investor section of the Smartgroup website:

<http://ir.smartgroup.com.au/investors/>.

For further information please contact:

Website: www.smartgroup.com.au

Email Investor relations: ir@smartgroup.com.au

Amanda Morgan
General Counsel and Joint Company Secretary
0413 602 112

Tim Looi
CFO and Joint Company Secretary
02 9119 8332

For media enquiries please contact:

Citadel-MAGNUS

Peter Brookes 0407 911 389

James Strong 0448 881 174