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FY16 Results Presentation

Returning FXL to Profitable Organic Growth

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FXL Key Questions

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Key Question	FXL view
Can FXL deliver organic earnings growth?	• Rebuilding Commercial finance offer • Ireland presents significant market opportunity • Achieving scale in Australian cards business and expand scope to capture current point of sale trends • Leverage new technologies through Oxipay and Kikka
Can the Point of Sale Lease product be reinvigorated?	• Product redesign ongoing to match demographic changes in technology and ownership models
How quickly can the Commercial finance offer in the market be fixed?	• Value proposition rebuilt and offer in market • Number of new merchant partnerships signed • Pipeline of new business growing significantly
What is the outlook on impairment losses?	• Marginal increase expected as credit cycle shifts • Underwriting rigour being enhanced via technology
Can the run rate of capex spend be reduced?	• Move to cloud based technology solutions will allow reduction in ongoing capex spend • Increased rigour being applied to capex prioritisation
Can the overall Return on Equity be maintained?	• Non-core businesses being divested or run-down • Re-shaping of profit pool from leasing to cards will step down ROE but improve earnings sustainability
Will FXL continue to consider M&A as a growth strategy?	• Opportunities considered if deemed right for FXL, i.e. value accretive and in relevant adjacencies • However, key focus remains profitable organic growth

FY16 Highlights

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- FY16 Cash NPAT $97.0m solid result in line with expectation ✓
- Significant growth momentum achieved in Cards business with further major contract signed with Flight Centre Group ✓
- Entered NZ Cards market through strategic acquisition of Fisher & Paykel Finance – integration on track and beginning to deliver expected growth and synergies ✓
- Recycling capital out of discontinued non-core businesses and now repositioned for profitable organic growth ✓
- Rebuild of Commercial finance business tracking ahead of expectations ✓

FXL Highlights

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Transformational acquisition of FPF completed taking portfolio above $2bn

FlexiGroup ($m)	FY15	FY16	Growth v PCP
Cash NPAT [1]	90.1	97.0	8%
Statutory NPAT	82.7	50.2	(39%)
Volume	1,136	1,350	19%
Closing Receivables	1,428	2,094	47%
Cash Flow from Operating Activities	121.2	147.4	22%
ROE % [2]	23%	19%	(4%)
Cash Earnings per Share (cents) [2]	28.7	28.0	(2%)

Notes:

1. Cash NPAT excludes amortisation of acquired intangibles $3.7m (FY15: $3m), deal acquisition costs $5.6m (FY15: $1.9m), impairment of TOT goodwill $8.5m, fixed assets written off $12.3m and additional receivables provisioning $16.7m. FY15 also excludes a one off residual value loss in Enterprise business of $2.5m.
2. ROE and Cash EPS in FY16 impacted by timing lag between capital raised in Nov-15 (22% of issued share capital) and FPF acquisition completed in Mar-16

FY17 Cash NPAT Estimate

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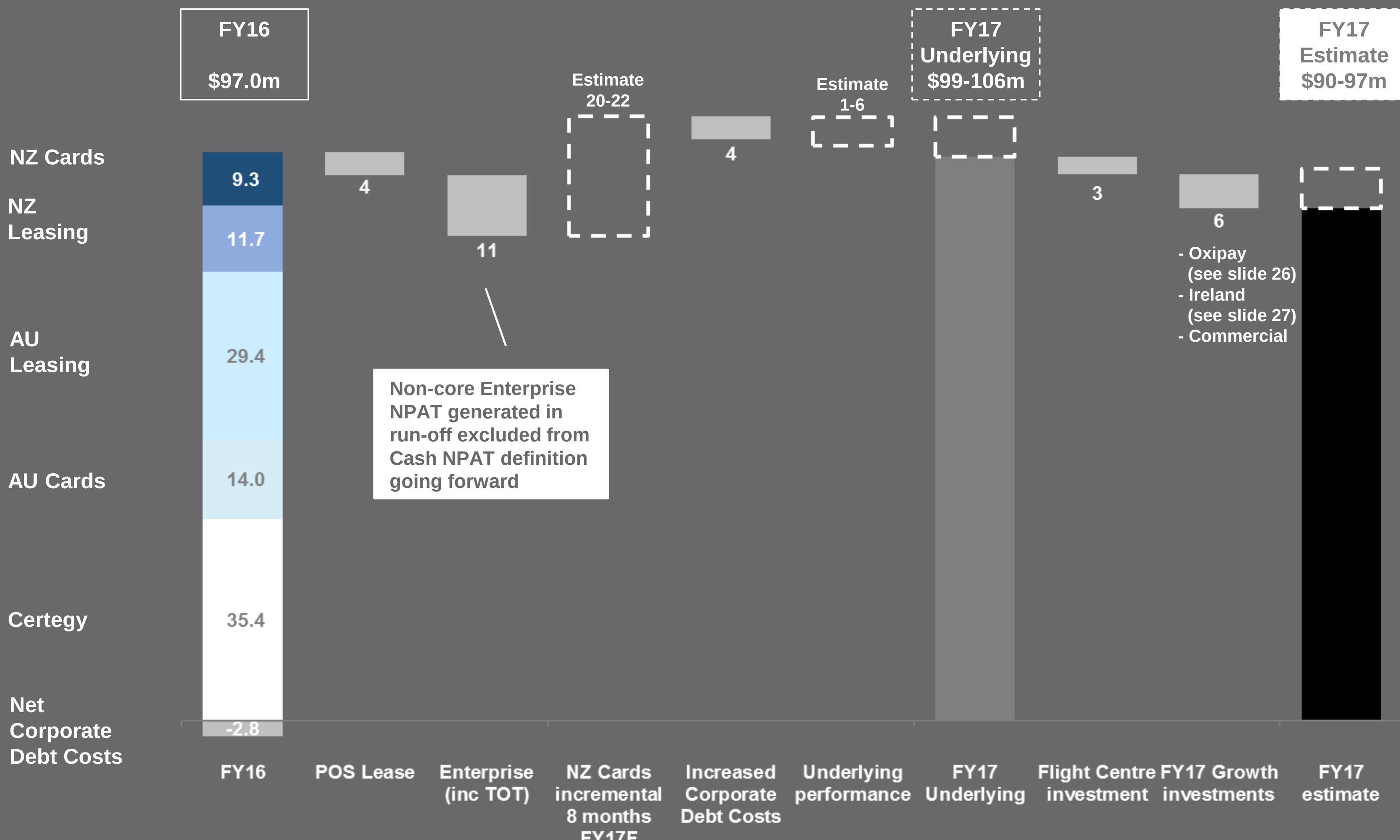
FY17 impacted by full year FPF contribution, growth investments & POS lease decline



Key assumptions:

1. Exchange rate used for New Zealand of $1.00 AUD = $1.08 NZD

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- **Creating a simpler, more cohesive FXL focussed on driving organic growth and strong cash flow across high returning core businesses**

FXL FY16 Scorecard

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AU Cards scale	Major contract gained to drive scale in AU Cards business		*Partnership agreement with Flight Centre Group announced and store roll-out Sep-16*
FPF Acquisition	Complete acquisition of Fisher & Paykel Finance in NZ		*Acquisition completed Mar-16* *Business performing in line with expectations* *Integration plan and synergies on track*
OxiPay launch	Build and launch low touch, consumer friendly payment product into market		*Oxipay product being launched to market* *Relationships with significant number of merchants*
Oracle roll-out	Implementation of Oracle cloud general ledger platform		*Platform went live 1 July 2016*
Sales culture	Sales culture to be reinvigorated with focus on channel partner relationships		*Sales team partner alignment being reworked* *On the ground team being expanded to cover Flight Centre store network*
Certegy	Growth strategy to be developed for Certegy excluding Energy Storage		*Ezi-Living product launched and shopping cart integration delivered* *More work required to build out growth strategy*
Non-core businesses	Exit non-core businesses and redeploy capital		*TOT sale process progressing well* *Paymate and Blink divested* *Enterprise portfolio in run-down*
Commercial	Commercial finance offer rebuilt and gaining traction in AU market		*Value proposition and sales processes rebuilt* *Several new introducer agreements signed* *Kikka cross sell to existing customers commenced*

Financial Performance

Track record of consistent profit growth and high returns

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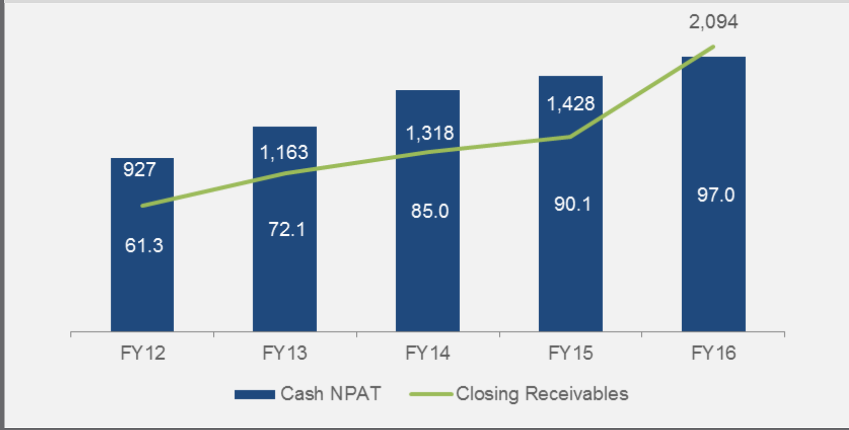
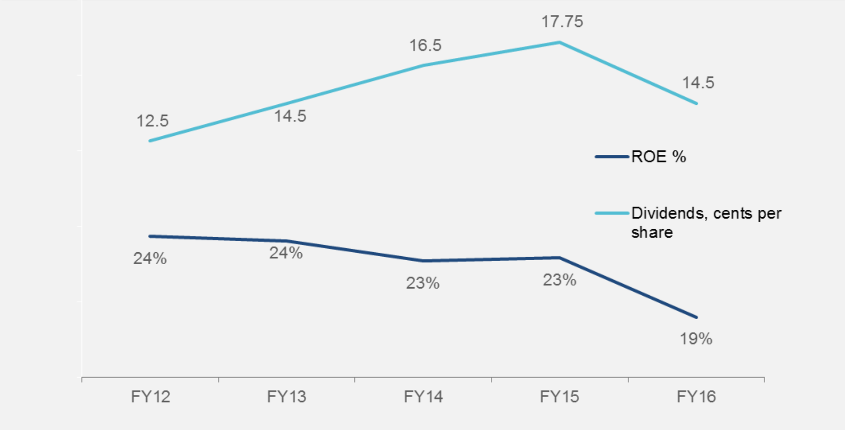
Performance highlights

- Group Cash NPAT at $97.0m is up 8% v pcp
- Cash NPAT CAGR growth of 12% over past 4 years
- Cash NPAT growth underpinned by diversification, organic growth, successful acquisitions and implementation of funding strategies to reduce costs
- Dividend paid out in FY16 at 56% of Cash NPAT
- Dividend per share lower from FY16 due to shares issued as part of capital raise in Nov-16 (22% of issued share capital)
- Re-shaping of profit pool from leasing to cards will step down ROE but improve earnings sustainability

Consistent Cash NPAT and Receivables growth

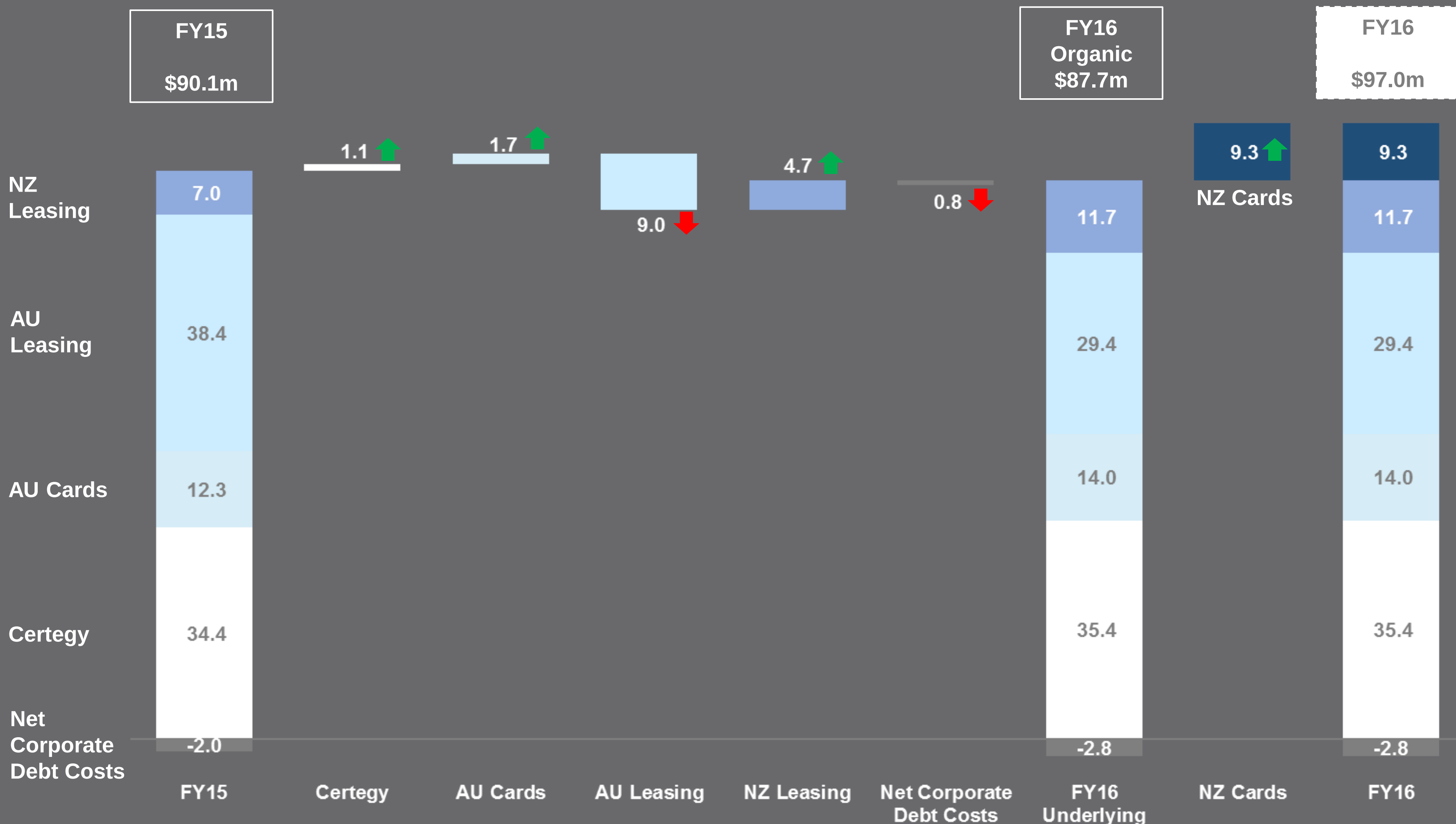


Dividend & Return on Equity



FY16 Cash NPAT Bridge

Cash NPAT result impacted by Point of Sale Lease and rebuild of Commercial offer



Segment Overview

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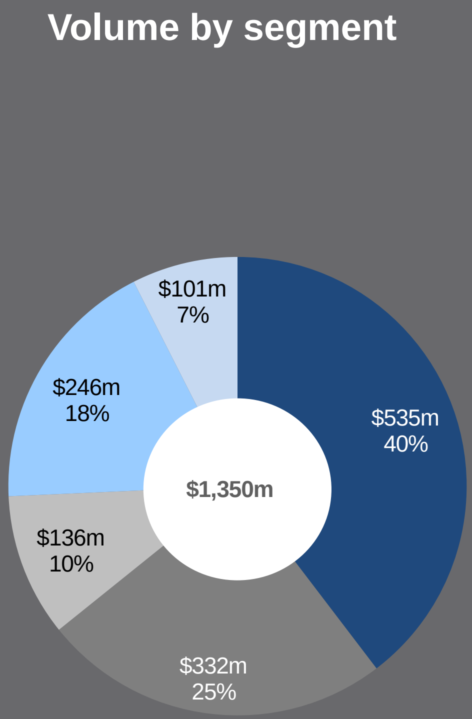
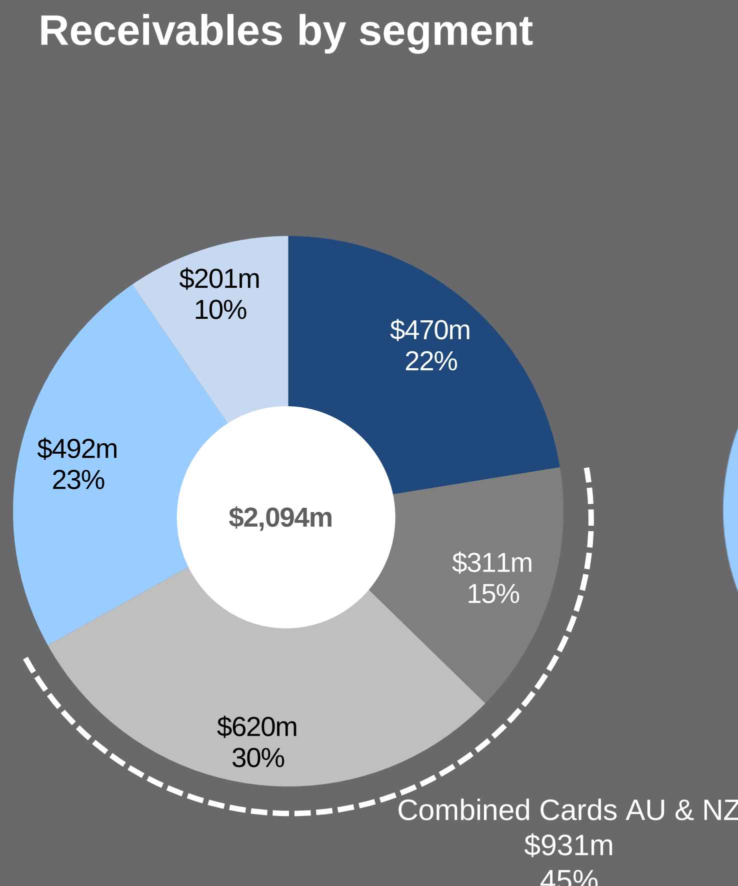
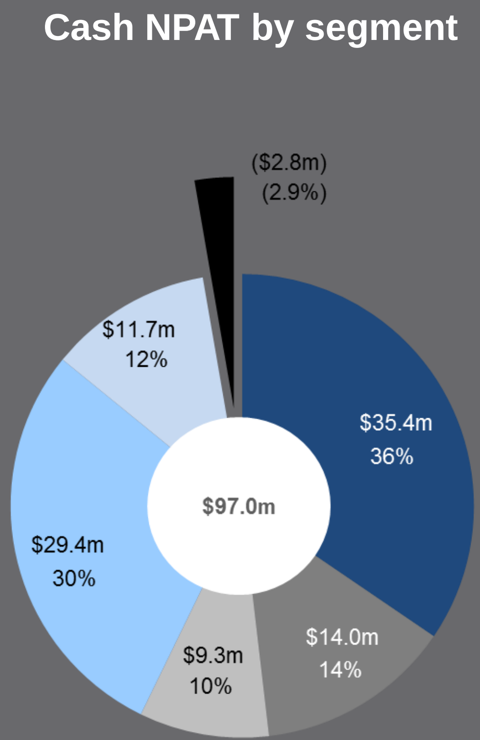
Business mix changing - Cards now makes up 45% of overall FXL receivables







Notes:

FY16 only includes 4 month contribution from Fisher & Paykel Finance on Volume and Cash NPAT

Impairment Losses

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Impairment has increased predominantly in Enterprise – core portfolio stable

Performance

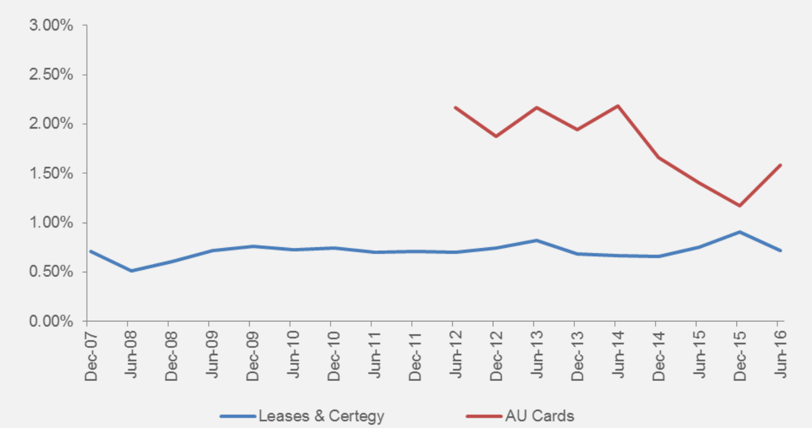
- Net underlying impairment losses have increased to 3.5% of ANR from 3.1% in FY15
- Certegy impairment losses have increased however pricing is risk based and margins are being maintained
- POS Leasing experienced some increased fraud activity as a result of moving business to increased online applications. This has been addressed through enhanced fraud detection technology and process, with losses and arrears stabilising in 2H16
- Impairment rates on AU Cards portfolio has increased in line with anticipated seasonal trends

Outlook

- Flexible payment options rolled out in AU Leasing 2H16 (weekly, fortnightly, monthly) enables customers to align payments with their income
- Continued process improvement to drive further improvement in collections performance
- FXL will continue to drive growth in customer segments it understands in terms of risk, and will not relax its credit underwriting criteria
- Segment impairment rates expected to be stable

Net Impairment Losses	FY15	FY16	Impairment / ANR %
No Interest Ever	$14.4m	$19.9m	4.2%
Interest Free Cards	$6.7m	$8.5m	3.1%
New Zealand Cards	$0.0m	$4.0m	2.6%
Australia Leasing	$22.4m	$45.0m	8.6%
New Zealand Leasing	$1.0m	$1.2m	0.7%
Leases	$23.4m	$46.2m	6.6%
Net Impairment Losses	**$44.5m**	**$78.6m**	**5.0%**
Impairment / ANR %	**3.3%**	**5.0%**	
Impairment / ANR % (underlying)	**3.1%**	**3.5%**	

FlexiGroup 90+ Delinquency



Note:

POS, SME and NZ Leasing plus No Interest Ever's write off policy is after 120 days. Enterprise and AU Cards' is after 180 days.

NZ Cards excluded from chart due to alignment on provisioning and write-off policy to be done in FY17

Balance Sheet

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Appropriate gearing maintained as balance sheet can support further growth

Performance

- FXL remains appropriately geared with recourse Debt/Equity at 67% after increased corporate facility drawn down to partly fund FPF acquisition
- SPV borrowings are non-recourse to FXL
- Borrowings are matched to customer contract term and interest rates are fixed to match fixed income products
- FXL currently sits comfortably within all covenants on Corporate Debt facility

Outlook

- 76% of total borrowings (including hedged positions) are fixed rate, which provides protection against underlying movements in base interest rates
- Remaining 24% of borrowings relate to AU Cards and the corporate facility which are funded off a floating rate. FXL has the ability in IFC to vary the customer rates to match any underlying change in official interest rates

	Jun-15		Jun-16	
Summarised Balance Sheet	**FlexiGroup excl. SPV's**	**FlexiGroup incl. SPV's**	**FlexiGroup excl. SPV's**	**FlexiGroup incl. SPV's**
Cash at bank	29.4	29.4	39.1	39.1
Cash at bank (restricted)	100.9	100.9	135.3	135.3
Receivables and customer loans	59.4	1,405.1	45.0	2,036.4
Investment in unrated notes in securitisation vehicles	116.2	-	184.9	-
Other assets	55.8	55.8	69.1	69.1
Goodwill and intangibles	195.0	195.0	399.7	399.7
Total assets	**556.7**	**1,786.2**	**873.1**	**2,679.6**
Borrowings	45.0	1,300.9	142.0	1,970.4
Cash loss reserve available to funders	-	(26.4)	-	(21.9)
Other liabilities	101.2	101.2	118.7	118.7
Total liabilities	**146.2**	**1,375.7**	**260.7**	**2,067.2**
Equity	**410.5**	**410.5**	**612.4**	**612.4**
Gearing (based on Net Tangible Assets)	**21%**	n/a	**67%**	n/a
Gearing (based on Total Equity)	**11%**	n/a	**23%**	n/a

Funding

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Committed support from banks and institutions, diverse funding sources

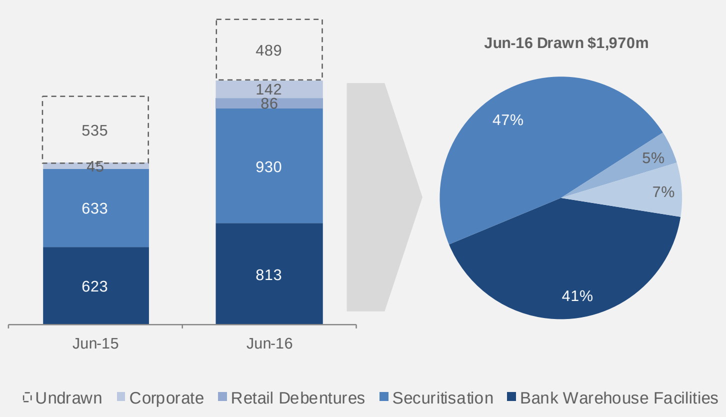
Funding Structure

- Continued focus on maintaining an optimised and conservative funding structure
- Underpinned by multiple committed debt facilities, matched term and rate structures for wholesale debt and an active debt capital markets presence
- Additional funding diversification added through acquisition of debenture program in NZ Cards
- Strong and stable relationships with 6 Australian institutions providing revolving committed facilities
- Overall funding rate increased slightly driven by an increased mix of funding in NZ (higher swap rates) in addition to higher cost of unused limit fees on Corporate Debt facility

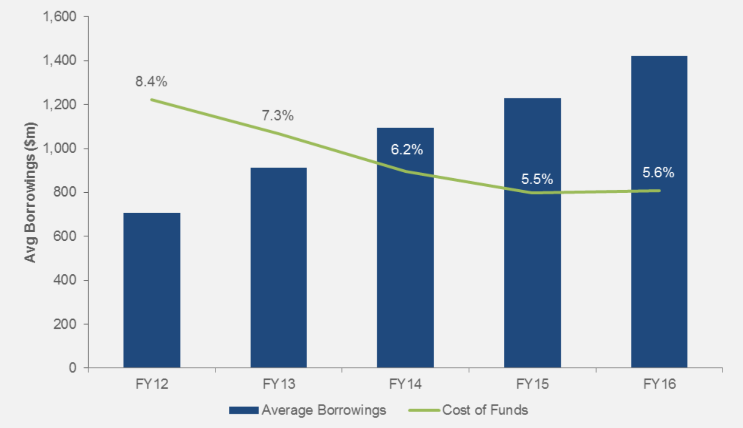
Outlook

- FXL has substantial unused committed revolving facilities to fund growth in the foreseeable future
- FXL will continue to securitise through its ABS program to decrease cost of funds, improve capital efficiency and maintain diversification of funding sources
- In April 2016, FXL completed a $260m Certegy securitisation issuance

Funding Facilities ($m)



Securitisation supports cost of funds improvements



Cash Flow

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Strong operating cash flow supports investment into receivables growth

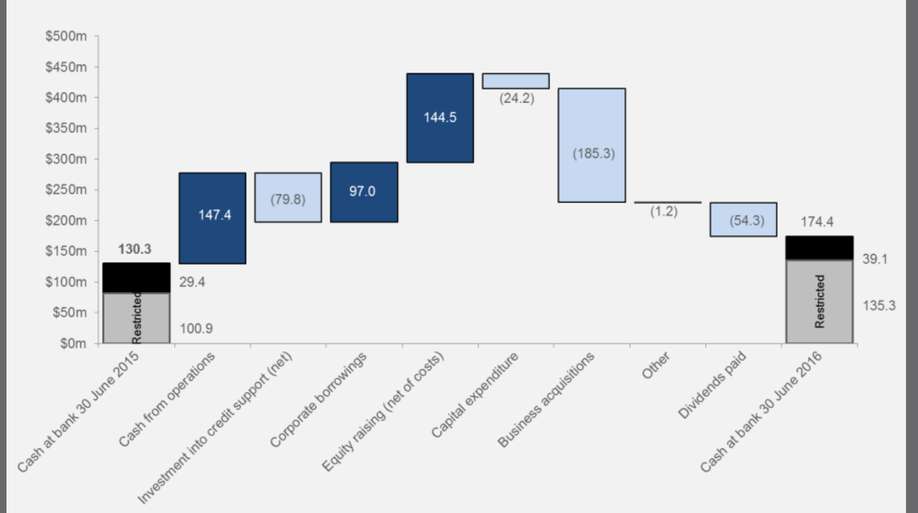
Performance

- Cash at bank was $174m as at 30 June 2016
- Impressive operating cash flow generation capabilities of the business allow FXL to reinvest funds into receivables growth and partially fund major acquisition in FY16
- Corporate borrowings were increased to fund acquisition of Fisher & Paykel Finance
- 1 significant securitisation completed during 2H16
- Capital expenditure to upgrade IT platforms and support continuing diversification of the business

Outlook

- Dividend payout forecast to remain at 50-60% of Cash NPAT
- Investment into receivables and unrated notes in securitisation vehicles to support portfolio growth
- Capex investment (ex NZ Cards) to reduce in FY17. Disciplined approach to future capex expenditure to support more immediate revenue opportunities

Cash Flow Bridge FY16 ($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

Segment Overview

Australia Cards

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18% active customers growth delivers 14% NPAT growth

Key financial performance highlights

- FY16 Cash NPAT increased by 14% v pcp driven by 40% growth in new volume and 34% growth in receivables
- New business volumes (Interest Free and Card Spend) are up $95m (40%) on FY15
- Total active accounts have increased by 18% to 122k

Growth Outlook

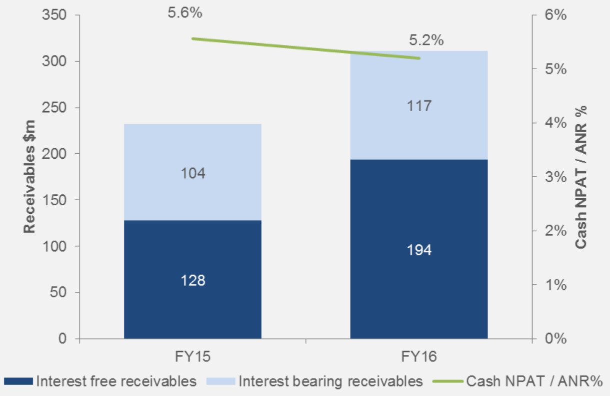
- Volume growth is lead indicator to future NPAT growth as customers revolve through initial interest free period to interest bearing and card/account utilisation
- Embed and optimise recent strategic contract wins (e.g. Flight Centre) – will provide scale
- Opportunity exists to leverage 122k active customers by applying segmentation approach developed in NZ Cards
- Evolve technology to seamless point of sale solution and online shopping cart integration

Interest free cards finance offered through retail point of sale

Australia Cards, $m	FY15	FY16	Growth v PCP
Total Volume	$237m	$332m	40%
Closing Receivables	$232m	$311m	34%
Cash NPAT [1]	$12.3m	$14.0m	14%
Cash NPAT/ANR %	5.6%	5.2%	(0.4%)
Active customers	103,207	122,076	18%

Notes
1. Cash NPAT excludes amortisation of acquired intangibles $0.6m (FY15 $1.8m).

Cash NPAT & Receivables Growth



No Interest Ever (Certegy)

Cash NPAT increased by 3% v Volume decline of 3%

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Key financial performance highlights

- Cash NPAT growth of 3%, achieved despite 3% volume decline through tight control of costs utilising the highly scalable platform
- Solar volumes remain stable at ~$15m per month as industry continues to go through transformation
- VIP / Repeat volumes (lower risk / higher margin) continue to grow to record levels through increased use of digital engagement
- Volume loss experienced as a result of several merchants who ceased trading in the year (e.g. solar and bed retailers)

Growth Outlook

- New Ezi-Living product launched in July 16 to focus on home renovation sector (high value / lower risk)
- Energy storage for domestic solar systems gaining traction – opportunity to leverage existing dealer relationships and ~120,000 installed customer base
- Shopping cart integration will drive new on-line sales opportunities across 4,600 merchant base
- Increased investment in direct to consumer engagement across digital and traditional marketing platforms

certegy ezi-pay

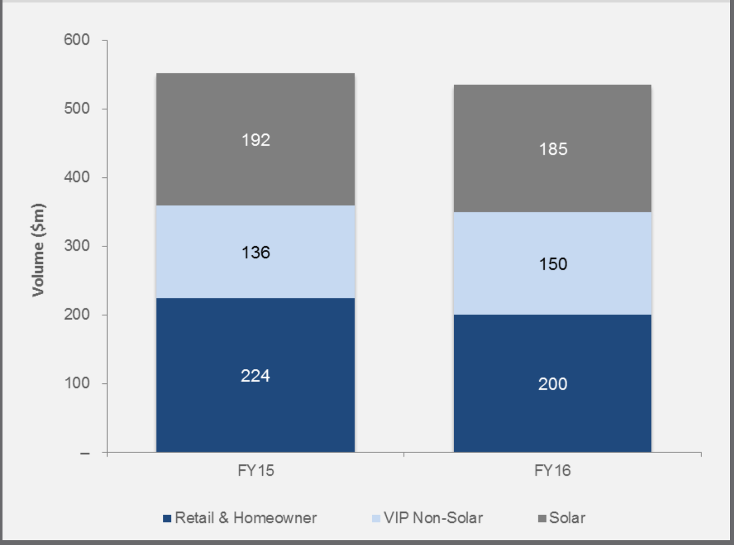
No interest ever payment processing primarily in homeowner sector

No Interest Ever (Certegy), $m	FY15	FY16	Growth v PCP
Volume	$552m	$535m	(3%)
Closing Receivables	$478m	$470m	(2%)
Cash NPAT	$34.4m	$35.4m	3%

Notes

1. Cash NPAT excludes amortisation of acquired intangibles $0.2m (FY15 nil).

Certegy Volume Mix ($m)



Australia Leasing

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Cash NPAT down 23% driven by decline in receivables across all sectors

Key financial performance highlights

- Cash NPAT decrease primarily driven by lower receivables across all sectors resulting from lower volume levels
- Commercial rebuild continues with value proposition and sales processes rebuilt in Q4. Commercial volumes have stabilised at $25m during 2H16 with margins being improved
- Point of Sale profitability continues to be negatively impacted by decreasing retail technology pricing and consumer trends

Growth Outlook

Point of Sale

- Opportunities for refreshed product offerings to provide enhanced value for customers and improvements in penetration levels of key channels
- Online capabilities continue to expand with further developments planned for digital integration with channel partners

Commercial

- Scope for organic growth: rebuild of Commercial product offer progressing strongly with clearly defined value proposition in targeted sectors
- Proven commercial finance leadership team recruited with focus on operational and sales processes
- Leverage new technology being trialled through Kikka product

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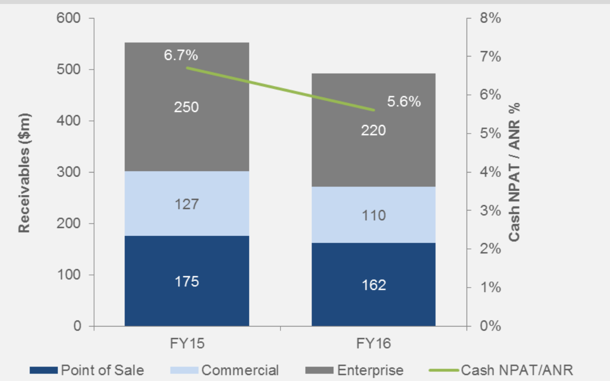
Leasing of IT, electronics and other assets through Point of Sale, Dealers and Vendors

Australia Leasing, $m	FY15	FY16	Growth v PCP
Volume	$285m	$246m	(14%)
Point of Sale	$120m	$114m	(5%)
Commercial	$60m	$50m	(17%)
Enterprise (non core)	$105m	$82m	(22%)
Closing Receivables	$552m	$492m	(11%)
Point of Sale	$175m	$162m	(7%)
Commercial	$127m	$110m	(13%)
Enterprise (non core)	$250m	$220m	(12%)
Cash NPAT [1]	$38.4m	$29.4m	(23%)
Cash NPAT/ANR %	6.7%	5.6%	(1.1%)

Notes

1. FY16 Cash NPAT excludes amortisation of acquired intangibles of $1m (FY15: $0.8m) and acquisition costs of $4.9m (1H15: $0.1m), impairment of goodwill $8.5m, write offs of $12.3m and provisions of $16.7m.

Cash NPAT & Receivables growth



New Zealand Leasing

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67% Cash NPAT increase driven by high quality receivables growth

Key financial performance highlights

- Well established NZ commercial leasing business, success achieved from strong position in commercial leasing sector
- Cash NPAT at $11.7m is up 67% on the prior year driven by a full 12 months of TRL ownership, strong receivables growth, continued low impairment rates and synergies realised
- Reduction in Cash NPAT/ANR metric is due to a shift in receivables mix, with a greater proportion of larger, lower yielding, lower risk government and commercial transactions

Growth Outlook

- Scope for organic growth: diverse and integrated customer base offers significant opportunity to deploy 'direct to customer' sales model across all sectors
- The NZ Ministry of Education have signed a 2-year extension of their existing contract with TRL. The TELA program leases approximately 47,000 laptops to NZ teachers and principals over a three year period
- Increased penetration into large scale existing vendor relationships to drive further growth in SME and Education
- Enhance Spark relationship in SME and deploy managed services product offering in large customer base

FLEXIRENT equico Funding Technology trl leasing technology finance

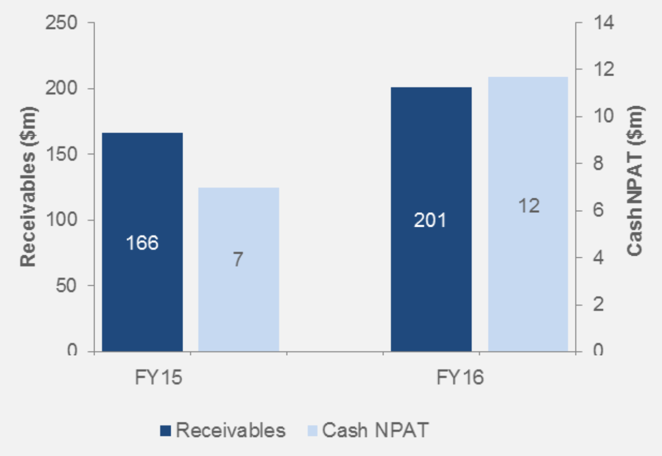
Leasing of IT, electronics and other assets

New Zealand Leasing, $m	FY15	FY16	Growth v PCP
Volume	$62m	$101m	63%
Closing Receivables	$166m	$201m	21%
Cash NPAT	$7.0m	$11.7m	67%
Cash NPAT/ANR %	9.5%	6.7%	(2.8%)
Cash NPAT (NZD)	*$7.6m*	*$12.7m*	*67%*

Notes

1. FY16 Cash NPAT excludes amortisation of acquired intangibles of $0.8m (FY15: $0.1m) and deal acquisition costs of $0.1m.

Cash NPAT & Receivables Growth



New Zealand Cards

Scope for significant organic growth: strategic FPF acquisition and Q Mastercard launch

Key financial performance highlights

- Performance in line with expectation including synergies being identified and realised
- New Zealand Cards formerly Fisher & Paykel Finance (FPF) acquired on 18 March 2016 contributed Cash NPAT of $9.3m for the four months ended 30 June 2016
- Net Portfolio income continued to grow over the four month period due to the increase in card volume, improved product yield mix and lower cost of funds
- Receivables balance of $620m has been driven by organic growth in existing channels and acquisition of new merchant channels for our cards (food and fuel)
- Operating Expenses have decreased over the period as the synergies resulting in the integration of New Zealand Cards have begun to be realised

Growth Outlook

- Scope for organic growth: reinvigorating sales culture and scope for increased volumes through Q Mastercard
- Scheme card roll-out commenced and will continue across FY17
- Potential to launch co-brand cards with major retail partners to drive customer and partner loyalty

Note: FY16 represents 4 months contribution since acquisition

Interest free cards finance offered through retail point of sale

New Zealand Cards, $m	FY16
Volume	$136m
Closing Receivables	$620m
Cash NPAT[1]	$9.3m
Cash NPAT/ANR %	6.1%
Cash NPAT (NZD)	*$10.1m*

Notes

1. FY16 Cash NPAT excludes amortisation of acquired intangibles of $1.3m, acquisition costs of $0.4m.

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Path to double-digit Cash NPAT growth in FY18

	Cards – NZ	Cards – AU *	Certegy	Leasing – NZ	Leasing – AU	Cash NPAT growth
FY17 Volume growth	8-10%	15+%	1-3%	8-10%	1-3%	
FY18 Volume growth	10-12%	15+%	8-10%	10%	5-10%	>10%

* Cards AU volume outlook upgraded from 10% growth per Strategy Day presentation 31 May 2016 following announcement of partnership with Flight Centre on 8 August 2016

Key Growth Initiatives

Key initiatives to return FXL to profitable organic growth

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1. Upscaling AU Cards business through leveraging strategic contracts
2. Oxipay launched to market targeting millennials spend
3. Investing in Ireland business to capture market opportunity
4. Rebuild of Commercial Finance business
5. Roll out scheme card in NZ and improve cost to income ratio
6. Driving sales and marketing culture
7. Exiting non-core business units

Upscaling AU Cards business through leveraging strategic contracts

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Market Opportunity	Strategy	Execution Priorities
• FXL has grown its' AU Cards business significantly since FY14 through originating new customers via retailers at point of sale • Active customer base now >122k however FXL has not been focussed on maximising card usage and revenue opportunities • Recent product developments and technology enhancements will facilitate deeper customer engagement and drive card usage • Recent strategic contract wins to provide increased customer activations and drive scalable low-cost operations • Further opportunities exist to expand product into SME sector	• Optimise existing distribution footprint through retailer affinity and direct connections with channel partner sales staff • Evolve technology to seamless point of sale solution and online shopping cart integration • Leverage best practice with NZ Cards on customer segmentation to drive engagement and card usage • Strong focus on mid-tier retailers who have not been well serviced by majors • Expand product and marketing team towards customer lifecycle management leveraging data insights to drive portfolio profitability	• Roll out of Flight Centre partnership agreement (Sep-16) • Adopt customer segmentation approach developed in NZ Cards into AU Cards • Program of customer tests to identify successful behavioural drivers across segments • Technology build to support integration to channel partner POS technology (inc online) • Review operating platform for fitness for purpose given growth • Consider launch of scheme card under one brand to incentivise customer and channel partner loyalty

Oxipay launched into market targeting millennials spend

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oxipay

Market Opportunity

- Demand growing for low value, high volume online & in store instalment payment solution offered by merchants at no cost to consumer
- Retailers value proposition driven by propensity for higher basket size and avoid self funding lay-by
- FXL has extensive experience with in store solutions provided by Certegy used by approx. 1.35m customers and 4,600 merchants
- Opportunity to leverage this experience and create a digital platform initially for lower value transactions and shorter terms – minimal development cost
- Product comparable to Afterpay but with ability to increase transaction values and terms over time

Strategy

- Utilise existing Certegy back end platform to facilitate speed and low cost to market
- Create a digital front end under a new brand (Oxipay) for ease of use and integration into online shopping carts
- Cross sell Oxipay to existing FXL merchants as an additional solution for their customers
- Leverage Certegy credit decisioning processes to reduce risk and provide higher transaction values and longer terms over time
- Leverage vast Certegy VIP customer base to use Oxipay product

Execution Priorities

- Build front and back end processes on existing platforms (complete)
- Develop branding (complete)
- Develop marketing plan to cover existing and new merchants (complete)
- Cross sell existing buyers and sellers onto Oxipay platform (ongoing)
- Finalise pricing model (complete)
- Expand sales team and upskill existing sales team on Oxipay product (ongoing)
- Product will be in market in September

Investing in Ireland business to capture market opportunity

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Market Opportunity	Strategy	Execution Priorities
• FXL has operated in Ireland for 8 years - business is profitable and approaching critical mass • FXL currently only provider of point of sale rental/lease product and minimal competition across point of sale finance • As the Irish economy continues to recover strongly from the GFC, significant opportunity exists to roll out a point of sale ownership product • Multiple major retailers are requesting a finance product that suits a broader market, many have well established relationships with FXL in Australia & New Zealand • Achieving 10% penetration in these retailers represents ~€100m opportunity	• Scale market opportunity through close engagement with retail partners to identify best fit point of sale product to launch in market • Apply 'buy not build' approach to identifying technology platform to drive lower cost and speed to market • Align with Ireland credit bureau and other credit information providers to optimize credit decisioning • Set up local funding in Euros to support growth and minimise fx volatility	• Commence Irish credit license application process • Establish Euro funding line • Engage with existing and potential retail partners to design product construct • Build scale in local management and sales team • Review potential platforms for suitability and cost • Build out business plan

Conclusion

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- Focus on strong core businesses and organic growth opportunities
- Reinvigorating growth through sales culture and leveraging NZ Cards and new contract wins across FXL. Sales pipeline building
- Significant opportunities for organic growth in Cards, Commercial leasing and Certegy - Certegy growth strategy being addressed
- Introducing new products to leverage technology and shifting customer demographics (Oxipay & Kikka)
- Next deliverables: Cards – Flight Centre, return to growth in Commercial volumes and Oxipay customer & merchant acquisition
- Creating a simpler, more cohesive FXL focussed on driving organic growth and strong cash flow across high returning core businesses

Appendix

Consolidated Statutory Income Statement

FLEXIGROUP

A$ MILLION	2015	2016
Total portfolio income	340.8	396.4
Interest expense	(67.6)	(79.0)
Net portfolio income (before impairment)	**273.2**	**317.4**
Impairment losses	(44.5)	(78.6)
Net portfolio income (after impairment)	228.7	238.8
Employment expenses	(61.6)	(70.4)
Depreciation and amortisation expenses	(9.4)	(14.3)
Operating expenses	(44.8)	(84.4)
Total expenses	**(115.8)**	**(169.1)**
Profit before income tax	**112.9**	**69.7**
Income tax expense	(30.2)	(19.5)
Statutory profit after tax	**82.7**	**50.2**
Amortisation of acquired other intangible assets	2.9	3.7
Residual value loss	2.5	0.0
Impairment of goodwill and other intangible assets	0.0	8.5
Fixed Assets Written Off	0.0	12.3
Receivables provisions	0.0	16.7
Acquisition and integration costs	2.0	5.6
Cash net profit after tax	**90.1**	**97.0**

Consolidated Statutory Balance Sheet

FLEXIGROUP

A$ MILLION	Jun-15	Jun-16	Excluding SPV's Jun-15	Excluding SPV's Jun-16
Assets				
Cash at bank	130.3	174.4	130.3	174.4
Loans and receivables	1,428.0	2,093.8	82.3	102.4
Allow ance for losses	(22.9)	(57.4)	(22.9)	(57.4)
Net receivables	1,405.1	2,036.4	59.4	45.0
Other receivables	46.4	45.9	46.4	45.9
Investment in unrated notes in securitisation	-	-	116.2	184.9
Inventory	4.2	0.9	4.2	0.9
Plant and equipment	5.2	6.1	5.2	6.1
Goodw ill	150.4	298.9	150.4	298.9
Other intangible assets	44.6	100.8	44.6	100.8
Disposal group held for sale	-	16.2	-	16.2
Total Assets	**1,786.2**	**2,679.6**	**556.7**	**873.1**
Liabilities				
Borrow ings	1,300.9	1,970.4	45.0	142.0
Loss reserve	(26.4)	(21.9)	0.0	0.0
Net borrow ings	1,274.5	1,948.5	45.0	142.0
Payables	35.7	49.1	35.7	49.1
Current tax liability	9.2	1.8	9.2	1.8
Provisions	5.5	7.7	5.5	7.7
Derivative financial instruments	7.3	20.0	7.3	20.0
Contingent and deferred consideration	5.9	8.2	5.9	8.2
Net deferred tax liabilities	37.6	25.4	37.6	25.4
Disposal group held for sale	-	6.5	-	6.5
Total Liabilities	**1,375.7**	**2,067.2**	**146.2**	**260.7**
Net Assets	**410.5**	**612.4**	**410.5**	**612.4**
Equity				
Contributed equity	161.9	356.8	161.9	356.8
Reserves	(3.0)	8.1	(3.0)	8.1
Retained profits	251.6	247.5	251.6	247.5
Total Equity	**410.5**	**612.4**	**410.5**	**612.4**

Consolidated Statutory Cash Flows

FLEXIGROUP

A$ MILLION	Jun-15	Jun-16
Cash flows from operating activities		
Interest and fee income received	340.0	402.7
Payments to suppliers and employees	(118.3)	(131.8)
Interest paid	(68.7)	(79.1)
Income taxes paid	(31.8)	(44.4)
Net cash inflows from operating activities	**121.2**	**147.4**
Cash flows from investing activities		
Payment for purchase of plant & equipment and software	(26.4)	(24.2)
Payment for business acquisitions	(18.8)	(185.3)
Payment for deferred consideration relating to business acquisitions	(3.0)	(1.5)
Net movement in:		
Customer loans	(64.3)	(108.6)
Receivables due from customers	14.9	50.3
Net cash outflows from investing activities	**(97.6)**	**(269.3)**
Cash flows from financing activities		
Dividends paid	(52.5)	(54.3)
Proceed from equity raising, net of transaction cost	0.5	144.5
Treasury shares purchased on market	-	(0.8)
Cash settled share based payment	-	(0.1)
Net movement in borrowings	52.6	75.5
Net cash inflows/(outflows) from financing activities	**0.6**	**164.8**
Net increase in cash and cash equivalents	**24.2**	**42.9**
Cash and cash equivalents at the beginning of the half-year	**106.6**	**130.3**
Effects of exchange rate changes on cash and cash equivalents	**(0.5)**	**1.2**
Cash and cash equivalents at end of the half-year	**130.3**	**174.4**

Segment Performance Overview

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	Volume			Closing Receivables			Cash NPAT [1]			Cash NPAT / ANR %		
	FY15	FY16	Growth v PCP	FY15	FY16	Growth v PCP	FY15	FY16	Growth v PCP	FY15	FY16	Growth v PCP
No Interest Ever	$552m	$535m	(3%)	$478m	$470m	(2%)	$34.4m	$35.4m	3%	7.4%	7.5%	0.1%
Australia Cards	$237m	$332m	40%	$232m	$311m	34%	$12.3m	$14.0m	14%	5.6%	5.2%	(0.4%)
New Zealand Cards	$0m	$136m	0%	$0m	$620m	0%	$0.0m	$9.3m	0%	0.0%	6.1%	6.1%
Australia Leasing	$285m	$246m	(14%)	$552m	$492m	(11%)	$38.4m	$29.4m	(23%)	6.7%	5.6%	(1.1%)
New Zealand Leasing	$62m	$101m	63%	$166m	$201m	21%	$7.0m	$11.7m	67%	9.5%	6.7%	(2.8%)
Net Corporate Debt Costs							($2.0m)	($2.8m)	40%			
Total FlexiGroup	**$1,136m**	**$1,350m**	**19%**	**$1,428m**	**$2,094m**	**47%**	**$90.1m**	**$97.0m**	**8%**	**6.8%**	**6.2%**	**(0.6%)**

Notes
1. Cash NPAT adjustments are detailed in individual segment results

FlexiGroup Target Customer Demographic

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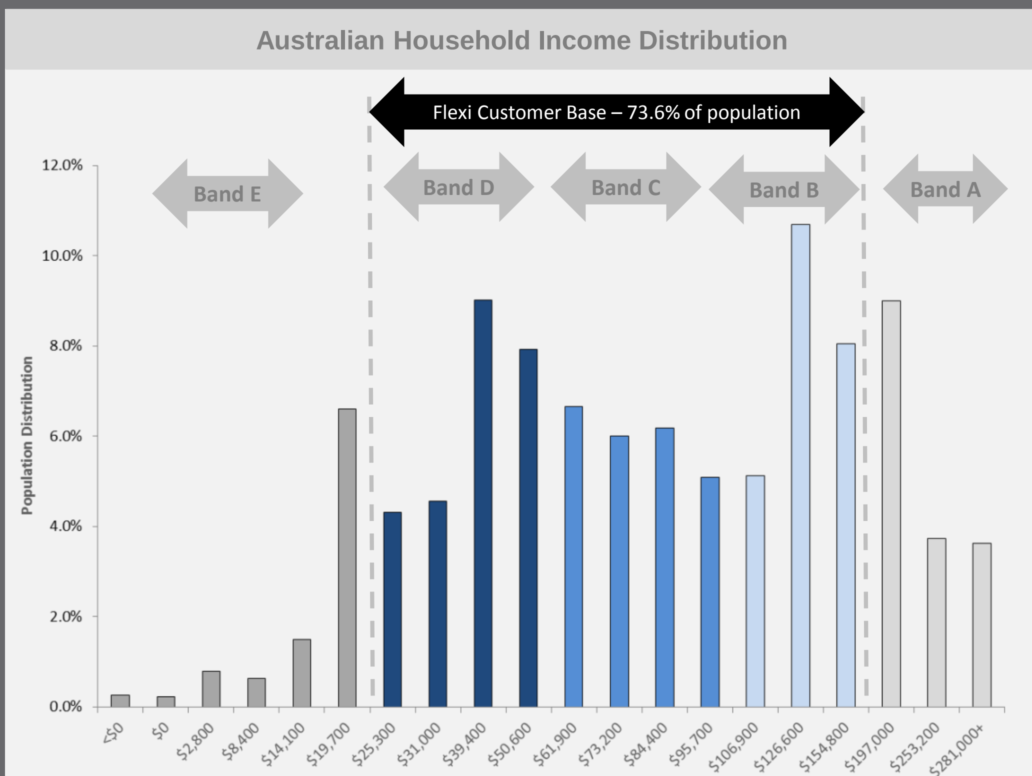
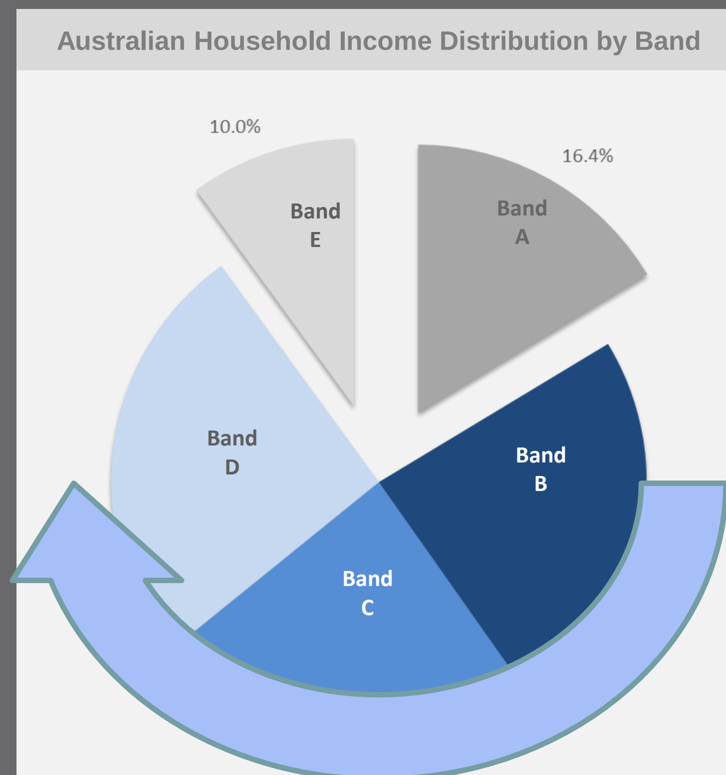
FXL's target audience is the mass middle market of Australian Consumers

Overview

- The Flexi suite of financial products are generally aimed at the mass middle market in Australia, New Zealand and Ireland
- Low income (Band E) and very high income (Band A) individuals are not generally part of the Flexi customer base
- The low income customer sector (Band E) is serviced by pay-day or subprime enders with higher interest rates and losses
- By targeting the middle market, Flexi achieves the optimal balance of volume, risk and profitability





FXL Overview

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No Interest Ever

certegy ezi-pay
oxipay

- Retail and homeowner “No Interest Ever” payment plan
- Key segments domestic solar, home improvement and high margin retail
- 1.5m customers have used product

Key metrics

- $470 million receivables
- 307,000 Customers

Australia Cards

Lombard Once

- Retail point of sale Interest Free Cards
- Visa card subsequently used for everyday retail purchases
- Key segments major furniture retailers, travel and home improvement

Key metrics

- $311 million receivables
- 122,000 Customers

Australia Leasing

FLEXI RENT
FLEXI COMMERCIAL

- Leasing - Point of sale, SME and Vendor program
- Key segments technology retailers, OEM vendors

Key metrics

- $492 million receivables
- 170,000 Customers

New Zealand Leasing

FLEXIRENT
equico Funding Technology
trl leasing technology finance

- Leasing - Point of sale, SME and Education
- Key segments education and government sectors, technology vendors

Key metrics

- $201 million receivables
- 51,000 Customers

New Zealand Cards

Fisher&Paykel Finance
Q CARD
Farmers finance

- Retail point of sale Interest Free Cards
- Mastercard subsequently used for everyday retail purchases
- Key segments major retailers, technology, furniture and travel

Key metrics

- $620 million receivables
- 405,000 Customers

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