

Chief Executive Officer Transition

3 March 2017

Australian Finance Group (**ASX: AFG**) today announced that after more than 23 years with AFG, CEO and Managing Director Brett McKeon will step back from his full time executive role. Mr McKeon will remain on the AFG board as an executive director with a focus on advocacy and support of AFG's broker network and their customers

Mr McKeon was one of the co-founders of AFG in 1994 and has led the Company from its beginning through its national expansion and successful IPO in 2015.

AFG Chairman Tony Gill said that Mr McKeon has established himself as a leading player in the evolution of AFG into the strong business it is today. His impact has been significant and far reaching.

"Brett will continue to be a leading spokesman for the industry and a strong advocate for the role that mortgage brokers play to promote choice and competition for mortgage customers in Australia.

Mr McKeon said it had been an honour to have led AFG over the past 23 years, from its establishment through to its position today as one of Australia's largest mortgage broking groups.

"The decision has not been easy but I feel now is the appropriate time for me to step back from my full time executive role at AFG. I am immensely proud of the achievements of AFG, our people and our brokers. AFG's guiding principles of fairness, shared prosperity and the provision of choice for Australian consumers has been central to our success.

"The role the mortgage broking channel plays has never been more crucial in ensuring true competition in the Australian lending landscape and I believe the business, as evidenced by the release of our half-year results, is well placed to grow even stronger. I have no intention to dispose of any shares, I remain committed to our team and the brokers who have served us so well over the years, and I know the management team have never been better placed to take the business forward.

The AFG Board has commenced a formal recruitment process assessing both internal and external candidates to determine the next CEO.

"We are in a fortunate position, where we have a strong internal candidate for the CEO position in AFG's current Chief Operating Officer, (and former CFO) David Bailey who will act as interim CEO," said Mr Gill.

"David has been with AFG for close to 13 years and is well known to AFG's brokers, partners and shareholders. In his roles with AFG, David has had direct responsibility for its business development, strategy and finance operations as well as leading our AFG Home Loans business including our securitisation programme.

"Brett and the Board have every faith in David and the AFG executive team to successfully steer the company through this transition and continue to grow the business."

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