

21 August 2019

Manager Company Announcements
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

By E-lodgement

McMillan Shakespeare Limited 2019 Appendix 4E

This release contains an announcement to the Australian Stock Exchange Limited (ASX) regarding the following:

1. Appendix 4E in accordance with listing rule 4.3A of the ASX listing rules.
2. 2019 Annual report, including financial statements for the year ended 30 June 2019.

Yours faithfully
McMillan Shakespeare Limited

A handwritten signature in blue ink, appearing to read 'Mark Blackburn', with a large circular flourish at the end.

Mark Blackburn
Chief Financial Officer and Company Secretary

McMillan
Shakespeare
Limited

Appendix 4E



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1. Details of the reporting period and the previous corresponding period

Current period: 1 July 2018 to 30 June 2019

Previous corresponding period: 1 July 2017 to 30 June 2018

2. Results for announcement to the market

	Percentage change	Year ended 30 June 2019 \$'000	Year ended 30 June 2018 \$'000
2.1			
Revenues from continuing operations	0.8%	549,675	545,404
2.2			
Profit from ordinary activities after income tax attributable to members	26.6%	63,672	50,303
2.3			
Net profit from ordinary activities after income tax attributable to members	26.6%	63,672	50,303

2.4 Dividends

	Amount per security	Franked amount per security
Final dividend	\$0.40	\$0.40
Interim dividend	\$0.34	\$0.34
Total dividend (interim plus final)	\$0.74	\$0.74

There is no dividend reinvestment plan in operation.

2.5 Dividend record date

Ex-dividend date	28 August 2019
Record date for determining entitlements to the dividend	29 August 2019
Dividend payment date	11 September 2019

2.6 Information on note 2.2

Net profit after-tax for the year of \$63,672,000 includes the after-tax impact of the impairment of goodwill and other intangible assets, acquisition related items and a one-off provision for a UK contract as detailed in note 14. Underlying Net Profit after Tax and Amortisation that excludes these items is \$88,697,000, a 5% decrease on the preceding year of \$93,519,000.

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3. **Statement of Comprehensive Income**
Refer Statements of Profit or Loss and Other Comprehensive Income in the Annual Report.

4. **Statement of Financial Position**
Refer Statements of Financial Position in the Annual Report.

5. **Statement of Cash Flows**
Refer Statements of Cash Flows in the Annual Report.

6. **Statement of Changes in Equity**
Refer Statements of Changes in Equity in the Annual Report.

7. **Details of Dividend Payment**
Refer Dividends note in the Annual Report.

8. **Dividend reinvestment plan**
None.

9. **Net tangible assets per security**

	Year ended 30 June 2019 \$	Year ended 30 June 2018 \$
Per ordinary share	2.18	2.01

10. **Control gained over entities during the financial year**
None.

11. **Details of Joint Venture entities**
Refer Investment in Joint Venture note in the Annual Report.

12. **Significant information on financial performance and financial position for investors**
Refer Results Presentation announced to the ASX and the Annual Report.

13. **Accounting standards used by foreign entities**
Not applicable.

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14. Commentary on the results for the financial year

Underlying Net Profit after Income Tax and Amortisation (UNPATA), being net profit after tax but before the after-tax impact of acquisition related items (including impairment charge for goodwill and other intangible assets, acquisition expenses and the amortisation of acquired intangible assets and contingent consideration items) has been used to measure financial performance of the Group for several years. UNPATA in FY19 excludes one-off provision for a UK contract. The Group believes this measure of performance best represents the underlying operating results of the Group. For the year ended 30 June 2019, Group UNPATA of \$88.7 million was 5% lower than the previous year.

	FY19 \$'000	FY18 \$'000
NPAT (item 2.2)	63,672	50,303
Amortisation of intangible assets acquired on business combination after-tax	3,568	3,514
Fair valuation of deferred consideration and finance charge	(957)	(5,206)
Impairment of intangible assets after-tax ¹	18,174	38,000
One-off provision for a UK contract ²	3,726	-
Due diligence costs after-tax	514	-
Disposal of business ³	-	6,908
Consolidated UNPATA	88,697	93,519

- 1 Non-cash impairment for the carrying value of intangible assets in the Retail consumer finance business which forms part of the Group's Retail Financial Services (RFS) segment. This business represents approximately 2% of the Group's UNPATA.
- 2 The one-off provision relates to a series of short-term contracts, allowing for the return of vehicles without the customary contract break fee with a customer that has subsequently been placed in administration and many vehicles having being returned prematurely.
- 3 Relates to the exit of the Money Now point of sale motor vehicle consumer finance business.

	FY19 \$'000	FY18 \$'000	FY19 \$'000	FY18 \$'000
	Revenue		UNPATA ¹	
Group Remuneration Services	221,851	207,712	66,069	64,148
Asset Management	245,792	243,726	17,229	21,601
Retail Financial Services	80,689	92,547	6,359	8,634
Segment operations	548,332	543,985	89,657	94,383
Unallocated			(960)	(864)
Consolidated UNPATA			88,697	93,519

- 1 Segment UNPATA does not include unallocated public company costs and interest from Group treasury funds.

Basic earnings per share as shown in the financial statements was 77.0 cents per share (2018: 60.9 cents per share) and on a diluted basis was 76.4 cents per share (2018: 60.6 cents per share). Basic UNPATA per share is 107.3 cents per share (2018: 113.2 cents per share).

Refer to the FY19 Results Presentation announced to the ASX on 21 August 2019.

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15. Audit

This report is based on accounts which have been audited.

For more information, please contact:

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