

THINKSMART POSTS RECORD PROFIT - EXCEEDS FULL YEAR PROSPECTUS FORECASTS

- *EBITDA (pre IPO costs) of \$8.3 million vs \$8.1 million forecast; FY NPAT (pre amortisation and IPO costs) of \$5.1 million vs prospectus forecast of \$5 million*
- *Maintains 2008 Prospectus EBITDA Forecast of \$16.7m before US operating Results*
- *To commence staged roll-out in USA in Q2 2008*
- *Funding structure and retail partner relationships create low risk, high-opportunity platform for growth.*

ThinkSmart Limited (ASX:TSM), an international computer and office equipment financing company, today reported that it has exceeded its full-year prospectus forecasts with record EBITDA (pre IPO costs) of \$8.3 million for the year ended 31 December 2007. That compared with a forecast of \$8.1 million.

Net Profit After Tax (pre amortisation and IPO costs) was \$5.1 million, exceeding a prospectus forecast of \$5 million. ThinkSmart maintains its 2008 Prospectus EBITDA Forecast of \$16.7m before US operating results.

A solid performance from existing markets in the UK, Australia and Spain underpinned combined like-for-like growth in settled volumes of 28 percent compared with the previous corresponding period. Total revenue increased 35 percent to \$36.3 million to deliver EBITDA growth of 380 percent.

The business is set for continued growth from existing and new markets in 2008 and will open an office in North America next month before a Q2 roll-out with US office equipment retailer Office Depot.

Partnering with Office Depot will see ThinkSmart initially deploy in 21 stores in the Tampa region of Florida prior to roll-out across Florida (circa 132 stores) and subsequent expansion to Office Depot's 1,183 stores nationally by Q1 2009.

Commenting on the outlook, ThinkSmart founder and CEO, Ned Montarello, said: "We have a solid platform for continued growth and expansion. Our existing territories posted a result that exceeded prospectus forecasts in 2007 with a notably strong performance from the Australian business, lifted by new and renewed relationships entered into during the year.

"Despite softer trading conditions for our retail partners in Europe, we've continued to post trading results in line with expectations, driven by strong like-for-like growth. What we are seeing is that during periods of tighter customer spending, the focus of our retail partners on ThinkSmart's margin-rich product is greater than ever."

"ThinkSmart transparent B2B funding model stands up well in current international market conditions because the structure of the programs eliminate refinancing risks.

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“Looking forward, we have significant continued growth prospects from both our existing operations and new businesses being launched,” said Mr Montarello.

“We will commence trading in the US with an on-ground sales and marketing team while initially servicing the roll-out via our European call centre operations using the same deployment model that has proven successful in Europe. Consistent with expectations, we expect to deliver an operating result for the US of -\$1.6m EBITDA in 2008 which will see us operating across all of Office Depot’s Florida stores.

“We have also recently commenced trading in New Zealand and are due to commence trading in Italy in March, neither of which were accounted for in prospectus forecasts, and we remain confident of re-opening in France in 2008.”

ThinkSmart’s winning of a tender with The Warranty Group to provide support training services in Woolworths’ consumer electronics stores is a recent example of the company continuing to expand its businesses to create new revenue lines from core competencies. The introduction of new product lines such as warranty, as well as increased trading volumes from multiple territories, will have a positive impact in offsetting a strong Australian dollar on overseas earnings, said Mr Montarello.

About ThinkSmart: ThinkSmart is a leading international financial services company that is focused on the delivery of B2B finance products through the retail environment. The business currently operates with market leading retailers and financial institutions in Europe and Australia where it has built a reputation for processing high volumes of low value business finance transactions both quickly and efficiently.

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