

25<sup>th</sup> February 2016



**THINKSMART GROUP OPERATING NPAT\* UP 104% ON STRONG UK GROWTH;  
DIVIDEND DECLARED OF 1.1 CENTS PER SHARE FULLY FRANKED**

Key Financial Achievements for the six months ended 31 December 2015

- Statutory NPAT for the period is \$1.8m delivering EPS of 2.23c, up 123% on the same period last year
- Group Operating NPAT\* for the period is \$3.1m, up 104% on same period last year
- 317% growth in Operating EPS\* to 4.17c from 1.00c for same period last year
- UK delivered 51% year-on-year growth in EBITDA to £3m for the six month period and growth in active customer contracts to 61,800
- Strong balance sheet with total cash reserves as at 31 December 2015 of \$14.6m
- Declares fully franked dividend of 1.1c per share to be paid 21 March 2016 with a Record Date of 7 March, in addition to 3.5c per share paid in September 2015
- Group Operating NPAT\* is expected to be in the range of \$4.5m to \$5.5m for the full year to 30 June 2016\*\*. This compares to \$3.5m for the year to 30 June 2015

ThinkSmart Limited (**ASX: TSM**), a financial technology company and leader in digital, paperless, retail point of sale finance, today announced Operating\* half-year earnings of \$3.1m up 104% year-on-year, delivering increased Operating\* earnings per share for the six months to 31 December 2015 of 4.17 cents, up 3.17 cents on the 6 months to 31 December 2014.

Group NPAT on a statutory basis for the period was \$1.8 million, including \$1.3 million of non-operating expenses net of related tax credit, delivering earnings per share for the period of 2.23 cents, up 123% on the same period last year.

Based on the 2015/16 half year performance, the outlook for the second half and the on-going strong cash position the Board has decided to declare a further dividend of 1.1 cents per share fully franked to be paid 21 March with a Record Date of 7 March 2016. This will result in the Group's current franking account balance being fully distributed such that future dividends may be un-franked or only partially franked.

"There have been further significant achievements in the last 6 months reflected in our financial performance," ThinkSmart Executive Chairman Ned Montarello said.

"We continue to execute our strategy of building long term value in the UK with a focus on the release and distribution of our leading integrated online basket and mobile finance solutions for retailers and continual optimisation of our credit scoring and decision engine capabilities to maximise volumes and manage risk.

'We are investing significantly in our proprietary systems, people, and funding platforms to further leverage our sector leading software and processing IP.'

\* Operating NPAT excludes any items arising from the on-going non-operating activities relating to the strategic review initiated by the Board to unlock value in the UK business for shareholders. Operating EPS excludes these non-operating costs and associated tax credits.

\*\* Based on an average exchange rate of 2.1 AUD:GBP for the remainder of the financial year

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Mr Montarello said the UK business continued to perform well and had been assisted by a strong UK economy with a positive outlook for continued growth in retail sales, consumer confidence and further reductions in unemployment.



“In this period we have extended our relationship with Dixons Carphone to 2019 and our £60 million funding with Secure Trust Bank to July 2018 on improved terms,” he said.

“Our historic banking pedigree and governance disciplines allowed us to be one of the first businesses in our sector to be formally approved by the Financial Conduct Authority for leasing, and we are in the process of applying for an extension to our permissions to also include consumer finance, which will further position us for diversification and accelerated growth.

“As announced in August, the Board has appointed Canaccord Genuity, a global full-service investment banking and financial services group, as its strategic advisor, along with other advisers, to explore options to unlock value in the UK business to maximise value for shareholders. This work is well progressed and we are targeting this review to be completed by the end of the financial year.

“The first half of our 2015/16 financial period has been very positive for ThinkSmart, reshaping our balance sheet and providing solid foundations for continued growth ahead. Although we have seen some growth in new originations in our two core products, we expect stronger growth with the relaunch of these products, targeted in the final quarter of this financial year. We are anticipating full year Group Operating NPAT\* for 2015/16 to be in the range \$4.5m to \$5.5m, up from \$3.5m for last year.”

## ENDS

### Further information:

[www.thinksmartworld.com](http://www.thinksmartworld.com)

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### ABOUT THINKSMART:

ThinkSmart Limited (ASX: TSM) a Financial Technology company and leader in digital, paperless, retail point of sale finance which processes high volumes of transactions quickly and efficiently through its SmartCheck proprietary technology. This enables online credit approval in just a few minutes whether customers are online or in store. Our products are executable throughout today's complex retail channel, creating additional revenue and enhanced margin performance – on and off line.

For over 12 years, ThinkSmart has been an exclusive partner to Dixons Retail, now the newly merged Dixons Carphone Group Plc, where we have developed compelling Business and Consumer lease finance propositions, most recently introducing Upgrade Anytime – a first to market offer which enables consumers to upgrade to the very latest computing and vision products, bringing more technology to more customers more often.

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