



OPERATIONAL UPDATE

Cash Converters International Limited ('the Company') is pleased to provide the following brief update on operations and acquisitions since 31 December 2009:

- In April 2010, three traditional stores and three buys and loans centres (all ex franchised stores) were acquired in Queensland and a further two traditional franchised stores will be acquired in May, one in Victoria and one in Western Australia. The total price to be paid for these acquisitions is approximately \$4,355,000, which includes assets of \$2,739,000. The acquisition of these stores is anticipated to increase the Company's EBIT by approximately \$1,100,000 in its first full year of ownership;
- The acquisition of these eight stores will take corporate store numbers in Australia to 25. There are now 52 corporate stores in the group, with 27 in the UK and 25 in Australia;
- The UK's 150th store (including corporate and franchised) opened in April, making it our largest store network worldwide;
- The loan book for Safrock Finance which stood at \$31.9 million at 31 December 2009 has grown 17% to \$37.2 million as at 2 May 2010;
- The total cash advance loans out for the month of April 2010 was a record \$16.1 million;
- The trial of the cash advance loan system and the Safrock personal loan system in the UK has been successfully completed and these products will now be rolled out progressively across the network in due course. Currently both products are available from nine of the corporate stores. The personal loan book has grown to £420,000 since the launch in October 2009 and all default and bad debt key performance indicators remain in line with our Australian bench marks;
- On the 23 February 2010 the Company completed a transaction with Quickdraw Financial Solutions Pty Ltd to acquire its cash advance software platform licence rights to South Australia and the Northern Territory and transfer its cash advance customers in these territories to our wholly owned software supplier MON-E Pty Ltd. The Company expects this transaction to deliver at least \$1.3 million in additional fee revenue in a full financial year;
- Cash Converters remains on track to meet or improve on the previously announced full year net profit forecast of between \$20.5 million to \$21.0 million.

For and on behalf of the board

Ralph Groom
Company Secretary
4 May 2010

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