FLEXIGROUP

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FlexiGroup (FXL) Overview

- FXL - Market Financials:
  - ASX Top 300 stock with market cap of approximately USD400m.
  - $124m cash at bank[1] as at 30JUN10
  - 8.2x P/E - trading at a 32% discount to ASX Small Industrials
  - FY2011 Guidance 11% - 16% cash NPAT growth

- FXL – the company:
  - Founded in 1988 leasing office equipment to businesses.
  - Diversified with retail point of sale consumer/small business finance, mobile broadband, and vendor finance mid-large ticket leasing businesses.
  - USD590m receivables; 1m finance customers; 50k broadband subscribers
  - 400+ employees with operations in Australia, New Zealand and Ireland

- Well positioned to benefit from a robust Australian economy and to capitalize on post GFC funding paradigm

1 Includes $49.7m in restricted cash which is held as part of FXL's funding arrangements which is not available to the Group. Restricted cash is reflected as an offset to Borrowings on the Balance Sheet. Interest on these accounts goes to FXL. Cash loss reserves are fully refundable to FlexiGroup once the loans from the banks have been repaid. FXL's funders have a charge against the cash loss reserves as security over the receivables that they have funded.

FlexiGroup Businesses – 4 Verticals

Retail Point of Sale Interest Free

- Trading since 1989, acquired Oct 2008
- Interest free & cheque guarantee products offered in diverse industries
- Increases sales volumes for retailers
- No interest (ever) payable by the customer

Retail Point of Sale Lease - IT & electrical

- Trading since 1988, IPO Dec 2006
- Lease products offered in IT & electrical channels
- Preserves margin for the OEM/ Vendor
- Customers appreciate loaner, protect & affordable monthly payments

Retail Point of Sale Mobile Broadband - IT

- Launched in retailers, Feb 2009
- Casual and contract mobile broadband offered through IT retailers
- Increases margins for the retailers
- Customers enjoy easy in-store activation, protect & loaner features

OEM & Vendor Lease to commercial accounts

- Recruited an experienced industry team in Nov 09
- OEM / Vendor leasing to business
- Increase sales volumes for OEMs / Vendors
- Affordable, tax deductible means for customers to acquire assets

Key FY10 Metrics

$290m assets financed
+49% growth
150,000 transactions p.a.

$226m assets financed
+4% growth
100,000 transactions p.a.

54,000 active subscribers
+235% growth

$19m assets financed
+252% growth

Group Highlights

- Fully franked final dividend of 4.5 cents - 50% increase on FY09.
- Diversification strategy is on track. New businesses (Interest Free, Mobile Broadband and Vendor Finance) producing strong profit and volume growth
- Risk containment strategy in 2007 - 2009 (early in the GFC) results in reduced credit impairment costs in FY10
- New and existing funders provide $220m in new funding facilities; funding secured for $1.3bn in volumes over the next 2 years
- FXL's culture of excellence brings recognition for our people:
  - International IT Award - iCMG Architecture Excellence Award
  - Australian Telecommunications Association Awards NSW Best Call Centre; 50-120 FTE (Customer Acquisition) & <50 FTE (Collections)

Strong Financial Performance

- **Profit:** FY10 Core NPAT[1] of $60.0m (inc tax credit). Cash NPAT[2] up 24% to $41.6m
- **Volume:** 30% growth. Leases, Interest Free, Mobile Broadband double digit growth
- **Credit:** Continued improvement in quality; impairment falls by 10% to 4.4% of ANR[3]
- **Balance Sheet /Cash flow:** $124.5m cash at bank[6]; +42% operating cash flow on FY09
- **Fully franked final dividend:** 4.5 cents per share paid October 15th 2010 (50% incr FY09)

	FY10		Change FY09 - FY10
Cash NPAT [2]	$41.6m	⬆	24%
Core NPAT [1]	$60.0m	⬆	79%
Volume[4]	$549m	⬆	30%
Net Operating Cash Flow [5]	$53.4m	⬆	42%
End of period cash (Unrestricted and Restricted) [6]	$124.5m	⬆	22%

Notes:

1. Core NPAT includes one off $18.4m tax credit and excludes Certegy Intangibles amortisation of $1.1m
2. Cash NPAT excludes Certegy intangible amortisation of $1.1m in FY10 and $18.4m one off tax credit.
3. ANR is Average Net Receivables
4. Volume is all volumes for leases, loans, vendor finance, Certegy and gross revenue for Blink mobile broadband.
5. Net operating cash flow is cash generated by the business before self funding of loans and leases and capitalisation of loss reserves. Excludes the one off $18.4m tax credit which was received after financial year end close.
6. Unrestricted cash is FlexiGroup's available cash at bank and includes cash which is held as part of FXL's funding arrangements which is not available to the Group. The balance was $15.9m at Jun-09 and $25.2m at Jun-10. Restricted cash is cash loss reserves of $49.7m reflected as an offset to Borrowings on the Balance Sheet.

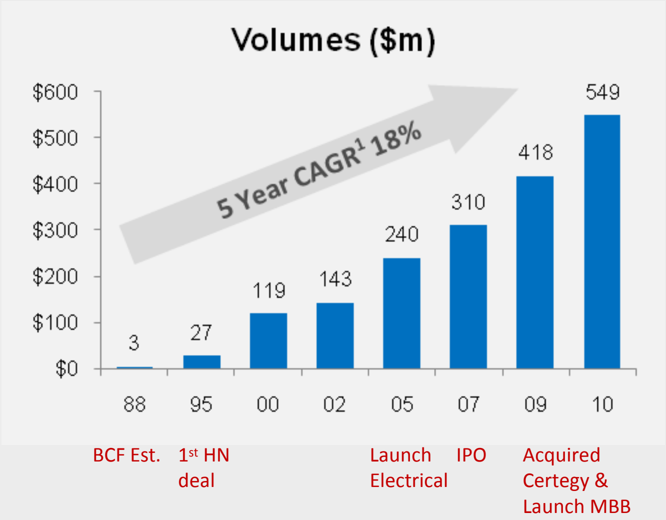
FlexiGroup's performance amongst the best in the ASX300 throughout GFC

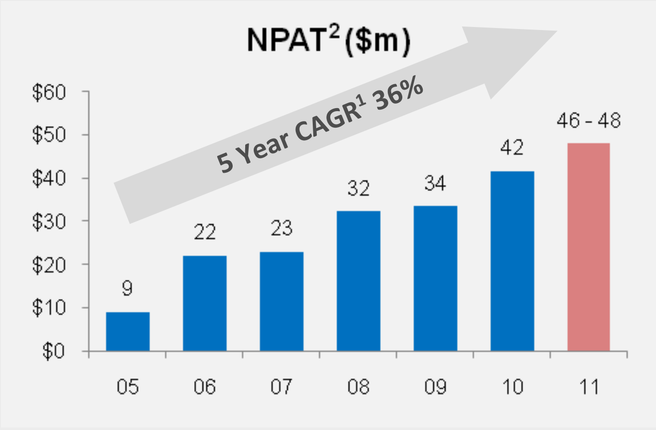
Metric		FXL Performance		Position in ASX 300[2]	
Earning per share growth	FY08- FY10 EPS CAGR[1]	29%	▶	**Top 10%**	✓
Dividend per share growth	FY08- FY10 DPS CAGR[1]	17%	▶	**Top 5%**	✓
Total Shareholder Returns	ASX 300 TSR Ranking – last 12 months	12th	▶	**Top 5%**	✓
Price Earnings ratio	P/E ratio FY10[3]	7.65x	▶	**Bottom 15%**	

Notes:
1. EPS and DPS data used is FlexiGroup's reported NPAT for financial years FY08 – FY10
2. Ranking in ASX 300, represents FlexiGroup's position in the ASX300 (excluding mining and metals companies)
3. Based on FlexiGroup's FY10 cash NPAT

Well Positioned for Growth

Market	➡ Under serviced market due to post GFC funding paradigm
Funding	➡ With new and existing committed funding, facilities are in place to capitalise on growth opportunities
Profit	➡ New profit opportunities with Certegy and BLiNK through product innovation
Acquisition	➡ Opportunities expected to provide further growth potential
Guidance	➡ FY11 Cash NPAT of $46m-$48m, 11% to 15% ahead of FY10 $41.6m





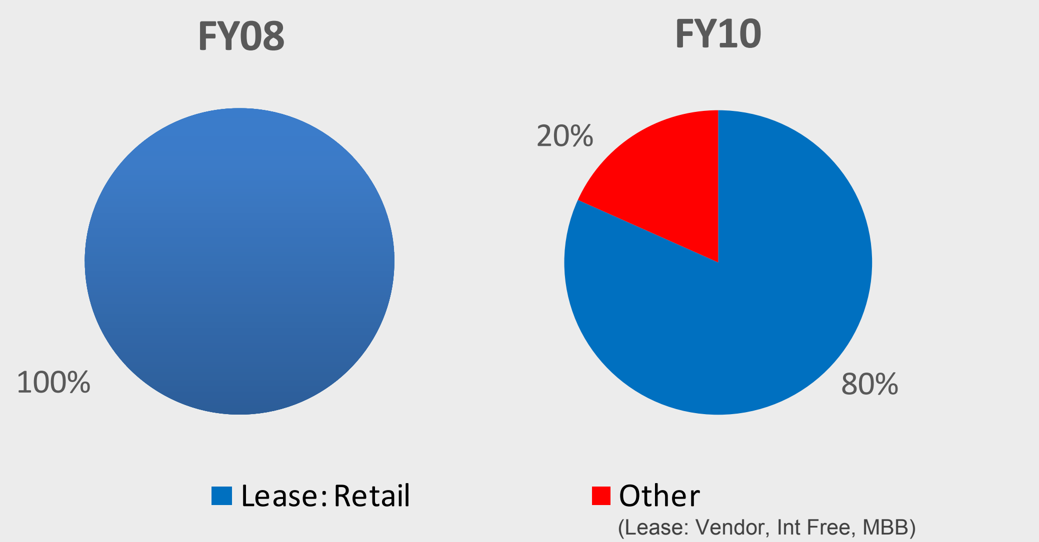
Notes:
1. 5 year CAGR calculation is to FY10
2. NPAT excludes Certegy intangible amortisation of $1.1m in FY10 (FY09: $0.7m) and $18.4m one off tax credit.

Through downturn and GFC, FXL diversified into 4 businesses and increased NPAT 35%[1]

- In FY08 point of sale small ticket leasing produced 100% of profit
- In just two years, new businesses (interest free, vendor finance, mobile broadband) contribute 20% of profit
- This trend is expected to continue given strong volume growth and NPAT margins of these businesses

Cash NPAT Contribution

Diversification impact - strengthens as business lines mature.



Notes:
1. 35% NPAT growth is on a compound annual growth rate (CAGR) over the 2008-2010 period on a reported NPAT basis.

New businesses deliver strong volume growth and profit margins

- Current NPAT margin[1] 27%
- Strong growth from new business segments which are expected to deliver 30% to 35% NPAT margin
- All FXL Businesses target minimum 5%+ NPAT/ANR[2]

	Retail Point of Sale Interest Free	Retail Point of Sale Lease - IT & electrical	Retail Point of Sale Mobile Broadband - IT	OEM & Vendor Lease to commercial accounts
FY10 Key Metrics	$290m assets financed +49% growth 150,000 transactions p.a.	$226m assets financed +4% growth 100,000 transactions p.a.	54,000 active subscribers +260% growth	$19m assets financed +252% growth
FY11 Target	certegy ezi-pay NPAT Margin[1]: 30% NPAT ANR[2]: 5%	FLEXI RENT NPAT Margin[1]: 25% NPAT ANR[2]: 8%	BLINK NOTHING'S EASIER NPAT Margin[1]: 35% NPAT ANR[2]: n/a	FLEXI COMMERCIAL NPAT Margin[1]: 35% NPAT ANR[2]: 4%

Notes:
1. NPAT Margin is Cash NPAT divided by total operating income
2. NPAT to ANR is Cash NPAT divided by average net receivables

Strong focus on growth and product innovation – Certegy continues to exceed expectations

Interest Income and Performance

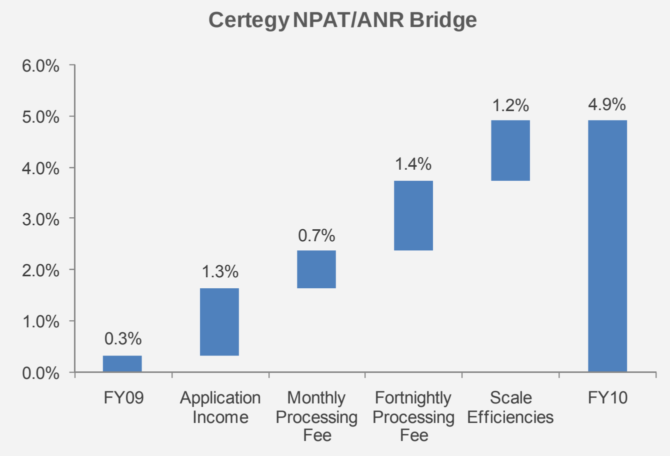
- Certegy FY10 Cash NPAT[1] $7.6m exceeds guidance
- Operating income increased by $17.4m in FY10, driven by volume growth, fortnightly processing income and increased application income.
- 2H10 volumes +13% (like for like) driven by solar, home, and fitness.

Growth Outlook

- Target increasing NPAT / Receivables ratio to 6%
- Driven by continued build of above revenue improvements and from July launch of Ezi-Pay Express Product

certegy ezi-pay	NPAT Margin[3]	NPAT ANR [4]
	30%	5%

Interest Free[2]	FY10 ACTUAL	FY09/10 Growth
Volume	$290m	49%
Closing Net Receivables	$190m	61%
Certegy Cash NPAT [1]	**$7.6m**	**HIGH**



Notes:

1. Before amortisation of Certegy Intangibles of $1.1m in FY10.
2. FXL acquired Certegy on 13 Oct 2008.
3. FY11 Target. NPAT Margin is Cash NPAT divided by total operating income
4. FY11 Target. NPAT to ANR is Cash NPAT divided by average net receivables

Strong Australian volumes outperform

Performance

- Australian small ticket leasing volume growth of +7% for FY10. 2H10 +10% outperforming retail sector
- Conservative approach to credit in NZ and Ireland constrains volumes -6% and delivers increased NPAT
- As Personal Loan book runs off, receivables reduce

Growth Outlook

- Reduced competition. Opportunities in commercial solar, fleet management systems, telephony systems
- New distribution opportunity – Clive Peeters
- Mobile Broadband provides value add to leasing product
  - Flexi Advantage customer value proposition is now worth $2,500: 24 hour loaner plus replacement/repair if lost, damaged, stolen; online backup, and half price MBB included

FLEXI RENT	NPAT Margin[1]	NPAT ANR [2]
	25%	8%

Lease: IT & Electrical	FY10 ACTUAL	FY09/10 Growth
Leases	$224m	5%
Loans	$2m	-50%
Total Volume[3]	**$226m**	**4%**
Leases	$357m	-4%
Loans	$27m	-34%
Closing Net Receivables[3]	**$384m**	**-7%**
Flexirent NPAT[3]	**$33.4m**	**4%**

Notes:
1. FY11 Target. NPAT Margin is Cash NPAT divided by total operating income
2. FY11 Target. NPAT to ANR is Cash NPAT divided by average net receivables
3. Excludes Vendor Finance

Investment in customer acquisition during start up is expected to drive improved profitability in FY11

Performance

- Economic model: Revenue derived from monthly paying customers less data costs, customer acquisition costs and operating expenses
- 54,000 customers producing monthly income compared to 15,000 in FY09
- 2nd largest purchaser of mobile broadband from wholesale provider
- Strong market share at point of sale. 30% of leases include mobile broadband package

Growth Outlook

- Market forecast to grow 27% in 2011[1]
- FY10 NPAT -$0.7m. Positive in 2H10. Forecast approximately $3m in FY11
- NPAT improvement from
  - on-line customer self service - with minimal overhead increase to support growing customer base
  - acquisition costs will reduce with lower modem costs[2]
  - growth in active subscribers and upselling customers to contract plans

BLiNK NOTHING'S EASIER	NPAT Margin[3]
	35%

Mobile Broadband	FY10 ACTUAL	FY09/10 Growth
Active Customers (000's)	54	260%
Customer Acquisition Cost	$3.9m	N/A
BLiNK NPAT	**-$0.7m**	**N/A**

Notes:
1. Source IDC
2. Modem cost in FY11 expected to reduce by $15 over 2H10
3. FY11 Target. NPAT Margin is Cash NPAT divided by total operating income

FXL's Vendor Finance is well placed to deliver strong growth in FY11/12

Performance

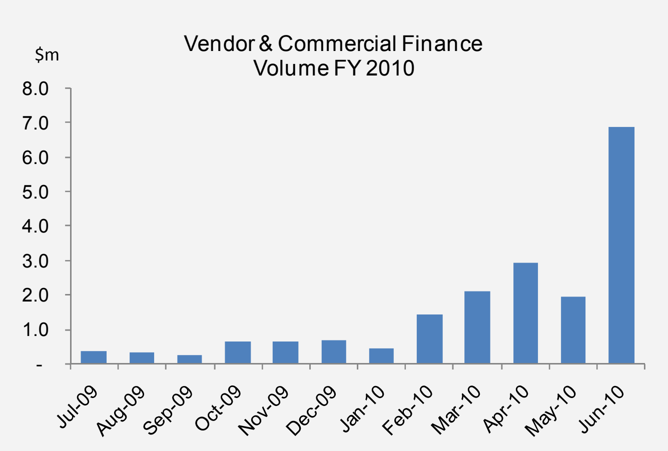
- Recruited experienced vendor finance team to target under serviced market as foreign and domestic banks have contracted or exited
- In the 5 years prior to joining FXL, the vendor finance team (collectively) financed $650m in assets
- FXL Vendor Finance program expected to ramp up to $5m per month run rate

Growth Outlook

- Signed 8 vendor partners to 3 year agreements with annual volume expected of $41m
- Ramp up to steady state of 4% NPAT / receivables as division leverages existing FXL infrastructure

FLEXI COMMERCIAL	NPAT Margin[1]	NPAT ANR [2]
	35%	4%

Lease: OEM / Vendor	FY10 ACTUAL	FY09/10 Growth
Volume	$19m	252%
Closing Net Receivables	$19m	74%
Vendor Finance NPAT	**$1.3m**	**n/a**

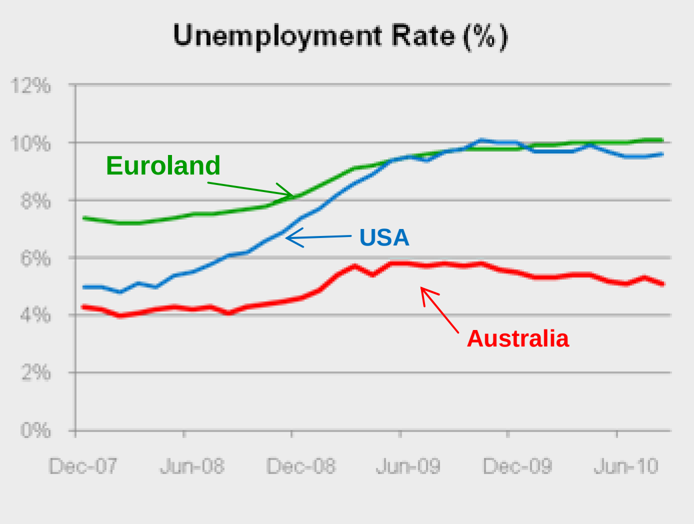


Notes:
1. FY11 Target. NPAT Margin is Cash NPAT divided by total operating income
2. FY11 Target. NPAT to ANR is Cash NPAT divided by average net receivables

FlexiGroup operates a sound credit quality business

- Net impairment losses in FY10 of $24.4m were 10% lower on prior year
- Superior results driven by:
  - 20 years experience in consumer and business credit embedded in FXL's credit scoring systems
  - Products financed are for customers day to day usage – this has kept losses and arrears stable
  - Low values and low repayments make our products affordable - even in difficult times
  - Customers' desire to retain important asset keeps losses and arrears stable
  - Customers pay a deposit on Certegy product
  - Australia OCT10 unemployment rate 5.1%; 4.75% forecast by late 2011/12

Net Impairment losses ($m)	FY09 ACTUAL	FY10 ACTUAL
Leases	15.6	10.9
Personal Loans	6.6	4.5
Leases/Personal Loans	**22.2**	**15.4**
Certegy	5.0	9.0
Total Net Impairment Losses	**27.2**	**24.4**
% of Avg Receivables	**4.9%**	**4.4%**



Outlook for FY11

- FY11 Cash NPAT guidance of $46m-$48m. Growth of 11% to 15% on FY10 Cash NPAT of $41.6m
  - Increased contribution from Certegy due to product innovation
  - Increased customer numbers support strong revenue growth from BLiNK Mobile Broadband
  - Growth in good credit quality verticals (commercial leases and Certegy) will support positive arrears trend
- FY11 volume growth resulting from
  - Growth in Vendor Finance segment with mid-large ticket leasing
  - Increased BLiNK Mobile Broadband penetration in retail channels
  - Certegy growing homeowner segment
  - Opportunities in Clive Peeters, commercial solar, fleet management and telephone systems
- Continued focus on value accretive acquisition opportunities[1]

Notes:
1.Consistent with previous guidance to the market, FXL is currently assessing potential acquisition opportunities that would be value accretive to FXL shareholders. However, at this stage, there is no certainty that any acquisition will be forthcoming or in relation to the terms, timing, or funding of any potential acquisitions. FXL will inform the market of any material matters in accordance with the ASX Listing Rules and the Corporations Act.