

Investor Presentation

1H2015 Results

16 February 2015



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Overview

Financial Results & Dividend

- NPAT \$19.7m, up 29.6% on 1H14 and in line with outlook range provided at 2014 AGM
- Strong revenue growth of 13.3% on PCP
- EPS¹ of 8.12 cents
- Improvement in PBT margin on FY14, to 33.5%
- Dividend 4.725 cps, fully franked
- ROE² 28.6%

➤ **On target to meet or exceed
FY2015 prospectus forecast**

Strategy & Operations

- Performance targets met / exceeded despite muted environment
- Disciplined strategy execution and enhanced competitive differentiation ensure business well positioned for growth
- Company actively pursuing product, marketing and efficiency enhancements
- Further progress in UK and New Zealand
- Increased recognition of value proposition accelerates structural demand trends

1: Net Profit After Tax divided by weighted average number of shares for six months to 31 December 2014.

2: 2H14 Pro forma Net Profit After Tax plus 1H15 Actual Net Profit After Tax divided by total equity as at 31 December 2014



- Economic confidence affected by Budget and government uncertainty, global slowdown and impact of Chinese resources demand
 - Tender length and process patterns improved marginally on 2H14
 - Tender process length reflecting increased sophistication of offering and more elaborate assessment of proposals
- Regulatory environment
 - Import tariff change: impact on business negligible
- RV trends
 - Normalisation continued in line with expectations
- Competitive behaviour
 - Mostly rational, with occasional aggressive tactics

1H2015 Operating Performance - Australia

Growth Strategy Execution



- Maintain focus on:
 - Bringing new entrants to outsourced fleet management model
 - Increased penetration of market and existing customers
 - Converting fleet management customers to full leasing services
- Further enhancement of differentiated value proposition
- Proprietary innovation take-up strong

Examples

- ✓ Large fleet for major infrastructure company
- ✓ Operating lease wins from competitors
- ✓ Additional fuel management product to existing customer
- ✓ State government department converted to operating lease
- ✓ Enhanced telematics offering
- ✓ Driver Safety Intelligence product interest exceeds expectations



1H2015 Operating Performance - Australia

Tender and Customer Acquisition Activity



Corporate

- Tenders:
 - Pipeline remains full
 - Selective, focused tendering
 - Market share gains through strong win rates
- Non-tender environment:
 - Pursuing select opportunities in smaller to medium end of market

Salary Packaging

- Further strong progress in Corporate and Government segments

Examples

- ✓ New wins and contract extensions including wider product range and improved terms with 2 energy sector customers
- ✓ Woolworths delivery fleet
- ✓ Extension of novated relationship into tool-of-trade space
- ✓ Tool-of-trade win in transport sector
- ✓ AFP
- ✓ Australian arm of major international professional services firm



1H2015 Operating Performance - UK



- Economic recovery continues - operating environment positive
 - Feedback on product offering very favourable
 - NFP segment very receptive to salary packaging offering
 - Initial driver take-up slower than expected, but recent order pipeline growth encouraging
 - Introduced new on-line salary sacrifice quoting system
-
- ✓ About 20 salary packaging schemes launched or in implementation phase, including Birmingham University, Certas Energy
 - ✓ Sole supply tool-of-trade wins

1H2015 Operating Performance - NZ



- Fleet management market activity has increased
- Business pipeline growth strong
- Taking full advantage of established relationships with local financial institutions to pursue add-on opportunities
- Competitor pricing very aggressive but unlikely to be sustainable

- ✓ Contract to manage build and delivery of specialist prison transport units for large global services provider
- ✓ Fully Maintained Operating Lease wins in industrial sector
- ✓ Sale and lease back tender win in IT sector

Financial Results

Financial Summary



	Actual	Pro forma ¹ Actual	Variance	Pro forma Actual	Prospectus Forecast
A\$m	1H15	1H14	1H15 vs. 1H14	FY14	FY15
Revenue	85.4	75.4	13.3%	156.5	168.5
Total Expenses	(56.8)	(53.4)	(6.4%)	(105.7)	(112.3)
Profit Before Tax	28.6	22.0	30.0%	50.8	56.2
Net Profit After Tax	19.7	15.2	29.6%	35.4	39.2
Profit Before Tax Margin	33.5%	29.2%		32.5%	33.4%
Net Profit After Tax Margin	23.1%	20.2%		22.6%	23.3%

¹: Refer to Section 4.2 of the Initial Public Offering Prospectus for further information on the preparation of the above financial information and to Section 4 generally for the notes to the financial information and the assumptions and sensitivities underlying the basis of forecast financial information.

Underlying Growth



	Pro forma ¹ Actual	Pro forma Actual	Variance ²
June Y/E (A\$m)	1H15	1H14	1H15 vs. 1H14
Revenue	85.4	75.4	13.3%
Impact of Novated Disruption ³		3.4	(100.0%)
Adjusted Revenue	85.4	78.8	8.4%
Profit Before Tax	28.6	22.0	30.0%
Impact of Novated Disruption		2.9	(100.0%)
Adjusted Profit Before Tax	28.6	24.9	14.9%

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2: The above growth rates do not adjust for the change of capital structure arising from the payment of a pre-IPO dividend of \$47 million. FY2014 and FY2015 financials include no interest income on this reduction in cash. FY2012 and FY2013 include the actual interest income earned by sgfleet in those periods and therefore may not be directly comparable to FY2014 and FY2015 in this regard.

3: The Impact of the novated disruption is an estimate based on a number of assumptions

Revenue

Overview



	Actual	Pro forma ¹ Actual	Variance	Pro forma Actual	Prospectus Forecast
A\$m	1H15	1H14	1H15 vs. 1H14	FY14	FY15
Management and maintenance income	30.6	29.9	2.3%	59.8	62.6
Additional products and services	24.5	18.1	35.4%	41.7	46.7
Funding commissions	15.1	11.6	30.2%	23.6	29.8
End of lease income	5.9	5.7	3.5%	12.7	9.7
Rental income	5.4	6.7	(19.4%)	12.2	11.9
Other income	3.9	3.4	14.7%	6.5	7.8
Total Revenue	85.4	75.4	13.3%	156.5	168.5

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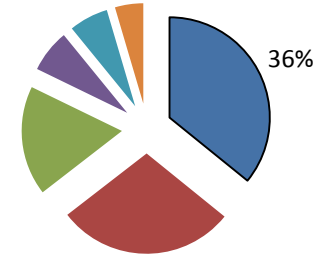
Revenue

Analysis



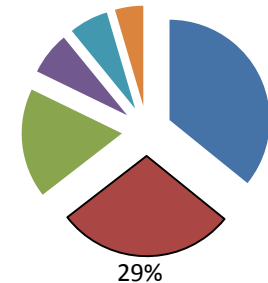
Management and maintenance income

- \$30.6 million – up 2.3% on PCP
- 4.6% growth in average fleet size on PCP
- Fleet growth partly driven by contracts without underwritten maintenance



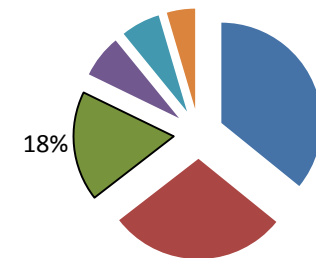
Additional products and services

- \$24.5 million – up 35.4% on PCP
- Underlying growth of 21.7% adjusting for novated disruption in PCP
- Increased accessory penetration per unit driven by greater accessory penetration into corporate tool-of-trade vehicles



Funding commissions

- \$15.1 million – up 30.2% on PCP
- Underlying growth of 16.6% adjusting for novated disruption in PCP
- Driven by improved finance margins



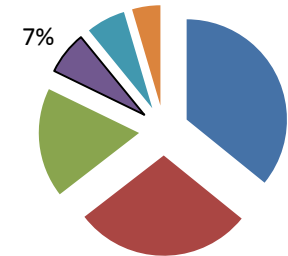
Revenue

Analysis (ctd.)



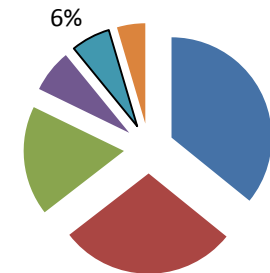
End of lease income

- \$5.9 million – up 3.5% on PCP
- Slightly higher disposal volumes vs. PCP, but prices have softened as expected



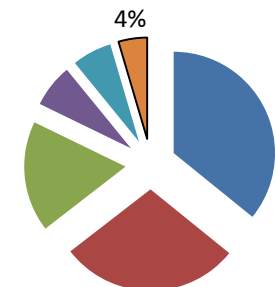
Rental income

- \$5.4 million – down 19.4% on PCP
- Fewer vehicles in informal extensions (inertia) compared to PCP



Other income

- \$3.9 million – up 14.7% on PCP
- Higher acquisition and disposal fee income from unfunded customers



Expenses



	Actual	Pro forma ¹ Actual	Variance	Pro forma Actual	Prospectus Forecast
A\$m	1H15	1H14	1H15 vs. 1H14	FY14	FY15
Fleet management costs	22.1	18.8	(17.6%)	38.6	44.1
Employee benefits expense	22.5	21.5	(4.7%)	42.7	44.0
Occupancy costs	2.0	2.1	4.8%	4.1	4.2
Depreciation, amortisation and impairment	3.4	3.8	10.5%	6.8	6.6
Technology costs	1.7	1.8	5.6%	2.9	3.2
Other expenses	3.2	3.3	3.0%	6.4	6.2
Finance costs	1.9	2.1	9.5%	4.2	4.0
Total Expenses	56.8	53.4	(6.4%)	105.7	112.3

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- Net cash position
- Higher vehicle inventory due to December holiday period
- Senior debt facility extended at lower rates
- On-balance sheet funding line for New Zealand lease portfolio executed

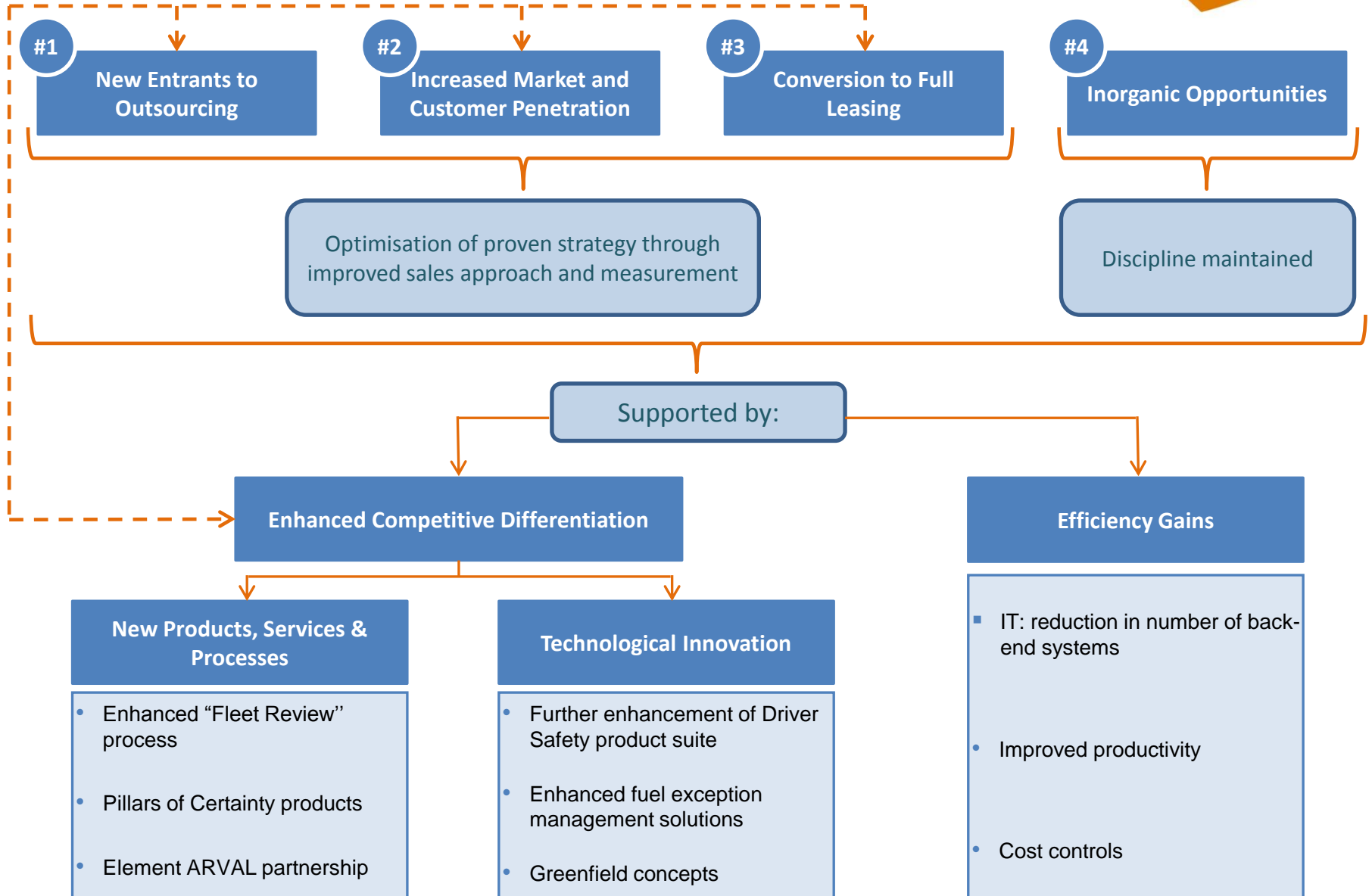
- Dividend of 4.725 cents per share, fully franked
- Payout ratio of 65%, based on 45% / 55% interim vs. full year payout split
- Record date: 2 April 2015
- Payment date: 22 April 2015

Outlook

- Value proposition continues to strengthen
 - Increased sophistication of offering supports trend towards specialist outsourced services
 - Consistent with general “Use / Don’t own” trend
 - More tailor-made and modular services increasingly reliant on purpose-developed technology
 - Customer development of technology in-house is uneconomic
- Structural outsourcing trends
 - Gradual trend towards international penetration levels expected to accelerate
 - At least one State tender likely to be issued during calendar year 2015
- Novated concept awareness and acceptance amongst employers and drivers remain strong

Growth Strategy

Execution



United Kingdom



- Significant upside for tested strategy
 - Focus on winning right type of business and strengthening competitive position
- Continue to explore select acquisition opportunities

New Zealand



- Sale and lease back opportunities
- Further leverage Trans-Tasman clients
- Actively exploring opportunities to take advantage of current industry dynamics

	Actual	Prospectus Forecast	1H15 % of Prospectus Forecast
A\$m	1H15	FY15	1H15
Revenue	85.4	168.5	50.7%
Total Expenses	(56.8)	(112.3)	50.6%
Profit before tax	28.6	56.2	50.9%
Net Profit after tax	19.7	39.2	50.3%
Profit Before Tax Margin	33.5%	33.4%	
Net Profit After Tax Margin	23.1%	23.3%	

➤ Targeting 10%+ NPAT growth, supported by margin expansion

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Questions