INVESTOR PRESENTATION

1H2018 RESULTS

13 FEBRUARY 2018

SG Fleet Group

Integrated Mobility

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Contents

TOPIC

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Overview

Highlights

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FINANCIAL RESULTS & DIVIDEND

NPAT $31.6m (up 18.8%)

Underlying NPATA[1] $34.8m (up 9.8%)

Total revenue $154.2m (up 15.4%)

EPS 12.35cps (up 17.3%)

Profit split weighted more towards 2H as in previous years

Interim dividend 8.78 cps (up 16.5%)

- Strong dividend growth continues
- 4.4% dividend yield[2] (2H yield typically stronger)

Pro forma[3] net corporate leverage 0.5x

- Pro forma total leverage 0.9x

STRATEGY & OPERATIONS

Focus on core business plus adjacencies as tech solutions demand accelerates

Accelerating high value-add business strategy

Strong activity in corporate environment / continued mixed consumer sentiment

Actively addressing headwinds – 2H performance now back on trend

UK set up for sustainable growth

NZ progress continues

Group-wide operational efficiency drive

Continued industry focus on scale creation

1: Underlying NPATA = Net Profit After Tax before acquisition-related expenses incurred during the reported period and excluding amortisation and impairment of intangible assets on an after tax basis.
2: Based on declared dividend and reported period VWAP
3: Leverage ratio calculated on pro forma EBITDA excluding acquisition-related expenses

Operational Review - Australia

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ENVIRONMENT

Economy

- Positives emerging towards period end
- Business conditions improving

Operating environment

- Retail environment subdued – impact differs
- Regulatory impact on insurance products

BUSINESS ACTIVITY - CORPORATE

Good pipeline continues

- Overall customer sentiment improving and corporate opportunities pipeline growing
- Number of 1H tenders to be awarded in 2H

New customer wins and expansion of offering with existing customers

- Increased traction for tech solutions and add-ons with corporate and government customers

Heavy commercial fleet contributions lower in line with FY17 observations

- Pressure on funding commissions / Maintaining RV discipline
- Approximately $1.4m negative impact vs. pcp

BUSINESS ACTIVITY - CONSUMER

Good customer wins with more opportunities in pipeline

- Across both sgfleet and nlc channels

Exploring multiple additional lead-generation avenues

- Implementing relationship with CarAdvice

Strong accessories sales

- Improved management of product mix
- Focus on higher revenue per sale

Add-on insurance commissions

- Approximately $1m negative impact vs. pcp

Mixed environment, but addressing challenges and positives emerging

Operational Review - United Kingdom

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ENVIRONMENT

Economy

- General environment stable

Operating environment

- Strong growth in light commercial market
- Personal leasing becoming increasingly popular

BUSINESS ACTIVITY

Targeting high growth areas

- Launch of personal leasing product, including van-based offering for sole traders supported by quotation portal – pilots underway
- Motiva expertise in light commercial deployed across customer book

Launch of several new salary packaging schemes as segment activity continues to recover

- HMRC has clarified legislation
- Progress across number of sectors

Greater volumes help improve procurement terms and disposal process

Piloting alternative fuel van fleet with large courier group

- Base for development of future specialised offering

Investigating further acquisition opportunities

Significant scope for growth

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Operational Review - New Zealand

ENVIRONMENT

Economy

- Growth rate expected to hold steady
- Record new vehicle registrations

Operating environment

- Large tender activity continues
- Electric/hybrid variants in strong demand - Government EV targets exceeded

BUSINESS ACTIVITY

New wins in energy and health sector

Competing strongly in shared accounts

Continue to pursue sizeable sale & leaseback opportunities

- Demonstrated ability to transition fleets

Strengthening government relations reflect industry standing

- Transport Ministry
- Defence Force

Demand for EV management and telematics expertise grows

- Positioning as subject matter expert

Continued market share growth

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Financial Results

Financial Summary

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A$m	1H2018	1H2017	Variance
Total Revenue	154.2	133.6	15.4%
Total Expenses excluding acquisition-related expenses	(109.7)	(92.0)	19.2%
Underlying Net Profit Before Tax	**44.5**	**41.6**	**7.0%**
Margin	*28.9%*	*31.1%*	*(2.3%)*
Tax	(12.9)	(12.6)	2.4%
Underlying Net Profit After Tax[1]	**31.6**	**29.0**	**9.0%**
Margin	*20.5%*	*21.7%*	*(1.2%)*
Acquisition-related expenses	-	(2.4)	(100.0%)
Reported Net Profit After Tax	**31.6**	**26.6**	**18.8%**
Amortisation of Intangibles after Tax	3.2	2.7	18.5%
Underlying NPATA[2]	**34.8**	**31.7**	**9.8%**
Margin	*22.6%*	*23.7%*	*(1.2%)*
Underlying EPS (cents)	12.35	11.48	7.6%
Reported EPS (cents)	12.35	10.53	17.3%
Underlying Cash EPS (cents)	13.60	12.57	8.2%

- Results driven by a combination of organic growth, together with the benefit of the full 6 months of the UK acquisitions completed in the prior corresponding period
- Reduction in UPBT margins partly due to on-balance sheet lease portfolio funding in UK acquisitions

1: Underlying Net Profit After Tax = Net Profit After Tax before acquisition-related expenses incurred during the reported period.
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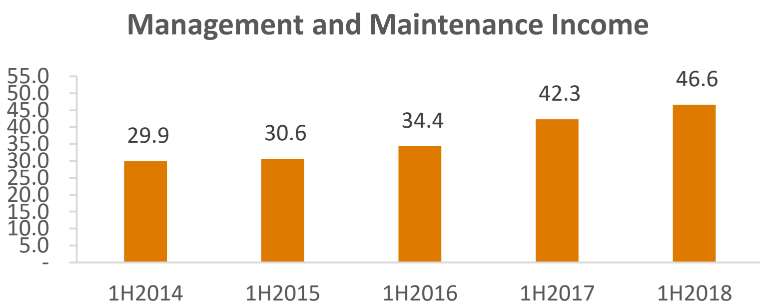
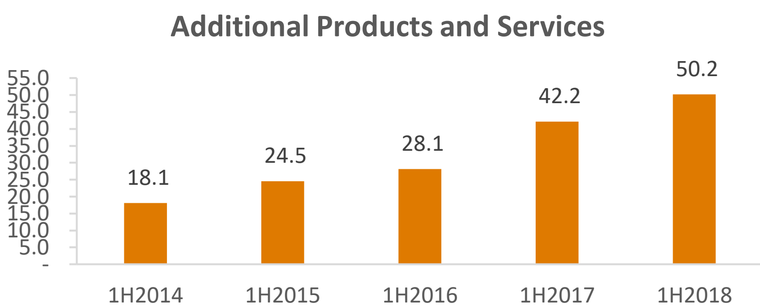
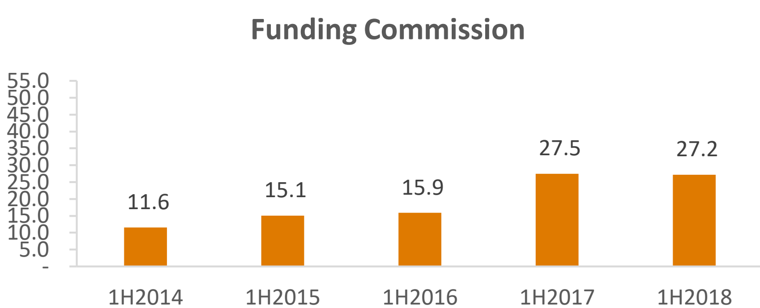
Revenue – Analysis



- Up 10.2%
- Driven by organic fleet growth and contribution from UK acquisitions



- Up 19.0%
- Growth in supplier incentives
- Synergies from nlc acquisition
- Adversely impacted by lower margins on warranty products



- Down 1.1%
- Reduction in volume of Heavy Commercial Vehicles delivered
- Continued margin pressure due to competitive environment

Revenue – Analysis

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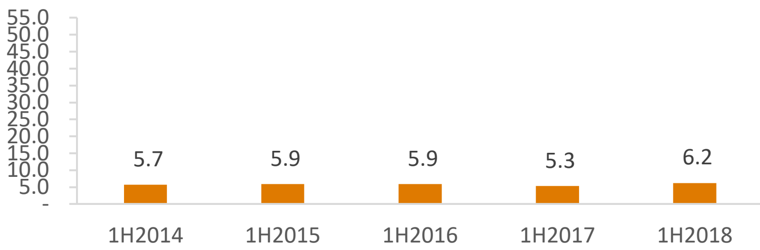
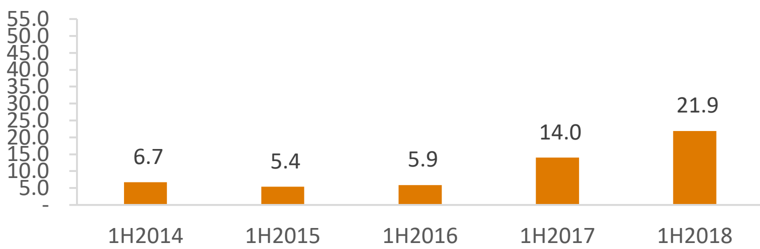
End of Lease Income



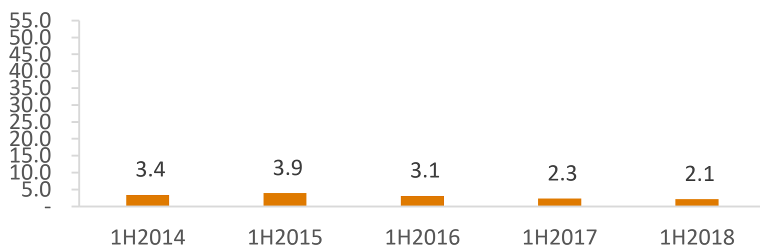
- Up 17.0%
- Full 6-month contribution from the two UK acquisitions made in the prior corresponding period
- Heavy Commercial disposal results continue to be soft

Rental Income



- Up 56.4%
- On-balance sheet lease portfolio funding in UK acquisitions

Other Income



- Down 8.7%
- Lower interest income

Expenses

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A$m	1H2018	1H2017	Variance
Fleet management costs	41.2	34.2	20.5%
Employee benefits expense	39.0	34.9	11.7%
Occupancy costs	3.0	3.0	-
Depreciation, amortisation and impairment	14.1	8.7	62.1%
Technology costs	2.6	2.4	8.3%
Other expenses	5.1	4.4	15.9%
Finance costs	4.7	4.4	6.8%
Total excluding acquisition-related expenses	**109.7**	**92.0**	**19.2%**

- Fleet management costs
  - Impact of UK acquisitions
  - Driven by growth in Management and Maintenance Income and Additional Products and Services revenue
- Employee benefits expense
  - Impact of UK acquisitions
- Depreciation, amortisation and impairment
  - Higher on-balance sheet lease portfolio assets due to UK acquisitions
  - $3.2m amortisation of capitalised intangibles from acquisitions
- Finance costs
  - Additional gearing for acquisition finance
  - Full 6-month impact of UK on-balance sheet lease portfolio funding

Balance Sheet, Cash Flow and Debt

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- Net corporate debt[1] – $68.8m
- Pro forma net leverage ratio[2]
  - Total leverage – 0.9x
  - Corporate leverage – 0.5x
- Retaining capacity for further growth opportunities
- Cash conversion – 103.9% of EBITDA
  - Lower than pcp due to growth in Do & Charge maintenance contracts

1: Net corporate debt excludes lease portfolio borrowings

2: Leverage ratio calculated on Pro forma EBITDA excluding acquisition-related expenses

Dividend

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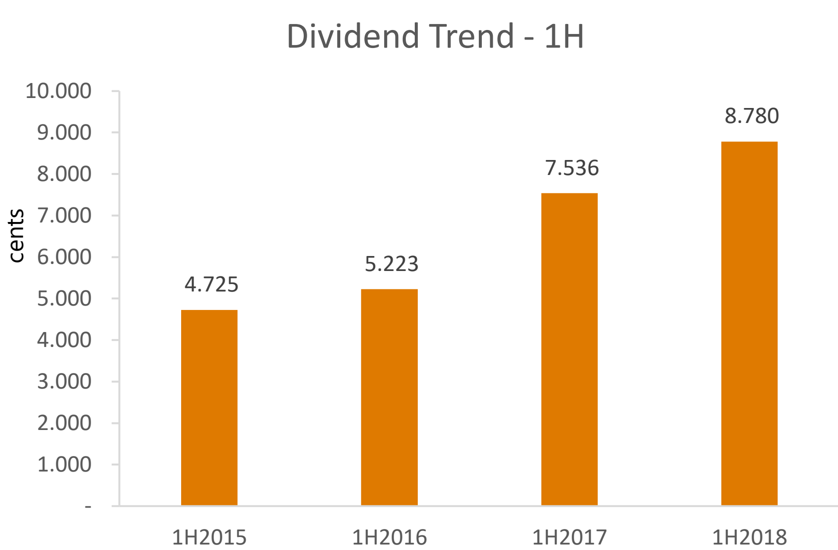

- Interim dividend of 8.780 cents per share fully franked
- Payout ratio of 65% of NPATA
- Record date: 28th March 2018
- Payment date: 19th April 2018

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Operational Updates

Operational Update

Integrations

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United Kingdom

Staff restructure complete

- Functional teams working well together
- Synergies to flow through as budgeted in 2H

Full systems migration on track for Q3 completion

- Moving to common platform

Successful roll-out of single sgfleet brand across three businesses

Integration costs included in 1H

nlc

A better way to buy cars

Sharing of best practice processes in final stages

- Common new car acquisition processes now implemented
- Used car trading process (TradeAdvantage) into sgfleet – driving greater volume and value
- sgfleet accessories range into nlc expanded further

Team integration

- Leadership transition – some disruption now addressed
- Combination of sales, marketing, relationship and support teams has improved customer experience and productivity

IT platform project on schedule

Entering final phase – Synergies on track

Operational Update

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Continued evolution of fleet management towards the provision of higher value-add mobility solutions is reshaping the industry

Demand evolves to more **bespoke**, **tech-assisted**, **integrated** solutions, requiring a **specialist**, **focused** provider

Value-add

- **bespoke**
- **tech-assisted**
- **integrated**
- **specialist**
- **focused**

SG Fleet's Development Strategy

- ✓ Group-wide adoption of best practice processes is improving ability to deliver complex, bespoke solutions
- ✓ In-house innovation capability
- ✓ Comprehensive, integrated solutions, yielding greater measurable customer benefits
- ✓ Expertise unique within industry, strengthened through acquisitions and in-house incubation
- ✓ Disciplined focus on core expertise areas, plus active exploration of add-ons in adjacencies

Building a stronger competitive position, with more embedded customer relationships, generating more sustainable returns

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Operational Update

Developing products and services range

- Corporate -

- Chain of Responsibility
- Next-gen Driver Safety
- Telematics
- Tech-based
- Mobility

- Consumer -

- TradeAdvantage
- CarAdvice
- Widening accessories range

Personal Contract Hire (UK)

Increasing number and quality of customer touchpoints

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Summary

Summary

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- Continued revenue growth
- Integrations entering final phase
- Healthy corporate pipeline
- Mobility concept brought into practice
- Actively addressing headwinds
- 2H performance back on trend
- UK: significant scope for growth
- NZ: continued market share progress
- Group-wide operational efficiency drive
- Targeting high value-add services
- Strategy focused on core expertise areas
- Exploration of scale opportunities

Strengthening competitive position in rapidly evolving operational landscape

Questions