

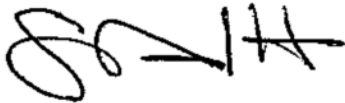
18 April 2016

Market Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

**PSC INSURANCE GROUP LIMITED (PSI) INVESTOR PRESENTATION – APRIL 2016**

Attached for immediate release is a copy of the Investor Presentation being presented to investors and analysts this week in a roadshow commencing with Sydney today.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'S. Abbott', written in a cursive style.

Stephen Abbott

Company Secretary

# Investor Presentation

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April 2016

# Refresh

- Commenced in FY07 with first acquisition.
- Grown through organic and acquisitive means since, with a proven track record in acquisitions, turnarounds and establishments.
- Insurance services and intermediary business across Australia, UK and NZ.
- Experienced and highly invested board, management and staff, committed to long term value creation.
- IPO December 2015 was motivated by being in the best structure to grow the business and shareholder value over the long term.

# December 2015 Half Year Results

- Revenue – Underlying up 36% to \$27.6m on pcp and ahead of prospectus forecast of \$27.0m.
- Growth the result of both acquisitions and broad based organic growth.
- EBITDA – Up 19% to \$6.7m on pcp and ahead of prospectus forecast of \$5.9m. Pcp did not include the UK reinsurance business which has highly seasonal profitability weighted to 2H. Result driven by sound organic revenue growth and tight cost control.
- NPATA – Underlying up 30% to \$3.7m. FY15 had a number of one off costs associated with the IPO (~ \$1.5m in staff share costs) and FY14 had one off revenue from fair value increase in investments.

# Management Focus



# Organic Revenue Growth

- Above market growth in Australian broking, strong growth Australian network and Australian underwriting agency.
- UK wholesale broking marginally down, with earnings soundly up (in £), UK reinsurance well up on pcp.
- Agriculture and forestry expertise picked up in Reliance acquisition.
- Focus on civil and construction.
- Strong AR growth in the network business.
- Life cross selling strategy commenced and showing early positive signs.
- Direct online business for micro and small business in early phase, with resources dedicated.
- Above prospectus revenue for half year due to organic growth which has passed through to earnings.

# Australian Reliance and Reliance Franchise Partners

- Staged completion over February of the Perth and Sydney insurance broking businesses and Reliance Franchise broker network business.
- Completion conditions for Melbourne and Brisbane insurance broking businesses were not met. Transactions will not proceed.
- Capital committed of \$24m (including loan assets), reducing to ~ \$21.5m upon planned refinance of the loans.
- 35% of purchase price deferred 12 months on a rise and fall revenue basis.
- 12 month run rate revenue expectation of \$11m and EBITDA of \$3.3m, and expectation the businesses will positively influence the FY16 result.
- Medium term business improvements expected.
- Integration progressing steadily.
- These results were not included in prospectus forecasts.

# Other Corporate Activity

- Completion of acquisition of complementary Adelaide based insurance broker.
- Bolt on to existing operations to provide increased scale, talent and operational expertise in the Adelaide market.
- Revenue expectation of ~ \$0.7m.
- Completion of another tranche in the Johns Lyng Group investment.
- Actively working on 2 acquisition opportunities presently.



# Strategy

- No change from previous communications.
- Organic growth and business improvement remains the key focus.
- Selective acquisitions where we see medium term improvement opportunity across predominantly turnarounds and lifestyle businesses.

# Conclusion

- We are comfortable with where the business is placed. FY16 results are sound and we expect to exceed prospectus forecasts, excluding the impact of the recent acquisitions.
- FY16 acquisition activity expected to produce sound medium term results and be a further platform for future organic earnings growth from business improvement.
- Relentless approach to improvements from highly invested board and staff.