



ASX Announcement

Release date: 16 August 2019

Smartgroup announces 5% increase in profits, declares fully franked interim dividend of 21.5 cents

Smartgroup Corporation Ltd (ASX: SIQ), a specialist employee management services provider, today reported its financial results for the half year ended 30 June 2019.

Profit after tax, as measured by NPATA¹, was \$40.5 million for the half year, a rise of 5% on the prior corresponding half year. Revenue was \$125.8 million, exceeding the prior corresponding half year by 3%.

Smartgroup had a net debt balance of \$32.5 million at 30 June 2019 with leverage of 0.3 times².

The Board of Directors has declared a fully franked interim dividend of 21.5 cents per share, representing an increase of 5% from the prior corresponding period, with a record date of 2 September 2019 and payment date of 16 September 2019.

Smartgroup Chief Executive Officer Deven Billimoria said, "It has been another successful 6 months for the Group with positive financial performance, client growth and continued success in expanding our service offering. We have made progress with the integration of acquired businesses and we remain focused on operational excellence and improving customer outcomes."

Deven Billimoria and Chief Financial Officer Tim Looi will hold a briefing on Monday 19 August 2019 to discuss the results. The details are as follows:

Time: 9.00 am (Sydney time)
Date: Monday 19 August 2019

The audio briefing will be streamed live at this time and can be accessed via the Smartgroup company page on the Open Briefing website: <http://www.openbriefing.com/OB/3357.aspx>. This can also be accessed from the Investors section of the Smartgroup website: <http://ir.smartgroup.com.au/investors/>.

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1. NPATA is net profit after tax, adjusted to exclude the non-cash tax effected amortisation of intangibles and significant non-operating items
2. Based on last twelve months proforma EBITDA, and excluding vehicle borrowings