

Media Release

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Mortgage Choice Financial Planning generates profit for February

Continued revenue growth and prudent expense management has resulted in the Mortgage Choice Financial Planning division delivering its first profitable monthly result in February 2016.

The Mortgage Choice Financial Planning business commenced in late 2012 and has grown organically since then. Today, financial planning revenue represents 4.1% of group revenue and is on a strong growth trajectory. Revenue for 1H FY16 is up by 63% on 1H FY15.

“At Mortgage Choice we understand that combining financial planning and mortgage broking under the one roof creates a very compelling customer proposition,” Mortgage Choice chief executive officer John Flavell said.

“We are very pleased to be delivering increased value and better outcomes to more of our customers by meeting their wealth and borrowing needs.”

At Mortgage Choice’s half yearly financial results presentation in February, Mr Flavell said he was “confident” the financial planning business would be profitable on a monthly basis by financial year’s end.

“To say we have now achieved this goal four months before the end of the financial year is deeply satisfying,” he said.

“Whilst the result at a Group level is very pleasing, what is equally pleasing is that we are seeing an increasing number of financial planning franchisees moving into profit on a monthly basis.”

Even though there is a degree of seasonality in the revenue generated by the financial planning business, Mr Flavell said it was important to note that the proportion of recurring revenue (coming from ongoing advice fees and insurance renewal premiums) continues to grow strongly.

“This strong growth in recurring revenue combined with organic growth in new business growth gives me the confidence to state that positive results like the one delivered in February are repeatable, and I look forward to the financial planning business making a positive profit contribution to the Group in FY17 and into the future,” he said.

For further information, photos of the new logo, or to arrange an interview, please contact:

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Important information

This article is for general information purposes only. It has been prepared without considering your objectives, financial situation or needs. You should, before acting on the advice, consider its appropriateness to your circumstances.

About Mortgage Choice

Mortgage Choice is an ASX listed company that seeks to help Australians with all of their financial needs. Established in 1992, Mortgage Choice was originally established to help Australians improve their financial situation by offering a choice of home loan providers, coupled with the expert advice of a mortgage professional. Since that time, the company has grown and developed into a fully fledged financial services provider. Today, Mortgage Choice helps customers source car loans, personal loans, credit cards, commercial loans, asset finance, deposit bonds, and risk and general insurance. Further, the company offers Australians access to real, relevant and affordable financial advice through our qualified financial advisers. Mortgage Choice has no balance sheet or funding risk, and consistently delivers strong profits and attractive yields. It listed on the ASX in 2004 (MOC) and is a member of the Mortgage & Finance Association of Australia (MFAA). Mortgage Choice holds an Australian Credit Licence: no. 382869 and Mortgage Choice Financial Planning Pty Limited holds an Australian Financial Services Licence: no. 422854. Both licences are issued by ASIC. Recent recognition: 2014 Australian Broking Awards *Best Diversification Program*; 2013, 2012, 2011 Australian Broking Awards *Major Brokerage of the Year – Franchise*; 2013, 2012 Australian Broking Awards *Best Ethical/Social Responsibility Program*; 2012 Australian Broking Awards *Best Training and Education*; No.1 on The Adviser magazine's 2012, 2011, 2010 and 2009 *Top 25 Brokerages* list; 2012, 2010, 2009, 2008, 2006 and 2005 MFAA Awards *Retail Aggregator/Originator of the Year*; 2011, 2010, 2009 and 2008 10 Thousand FEET *Top 10 Franchise list*; 2010 Forbes Asia-Pacific *Best Under A Billion list*. Visit www.mortgagechoice.com.au or call customer service on 13 6678.