



## **FSA GROUP LIMITED**

**19 November 2007**

### **\$10 million Funding line secured for 180 Group**

The Directors of FSA Group Limited (FSA Group) are pleased to announce that FSA Group has secured funding for its subsidiary "180 Group" with Westpac Banking Corporation committing a funding facility of \$10 million.

This funding facility will enable 180 Group to accelerate the growth of its profitable bridging finance and factoring finance lending activities, which to now have been funded internally. 180 Group's outstanding loan book as at 31 October 2007 was around \$8 million.

FSA Group is positioning itself to be a major direct lender in its target market. Its direct lending services include residential mortgages (with Westpac committing a non-recourse funding facility of \$210 million), bridging finance and factoring finance.

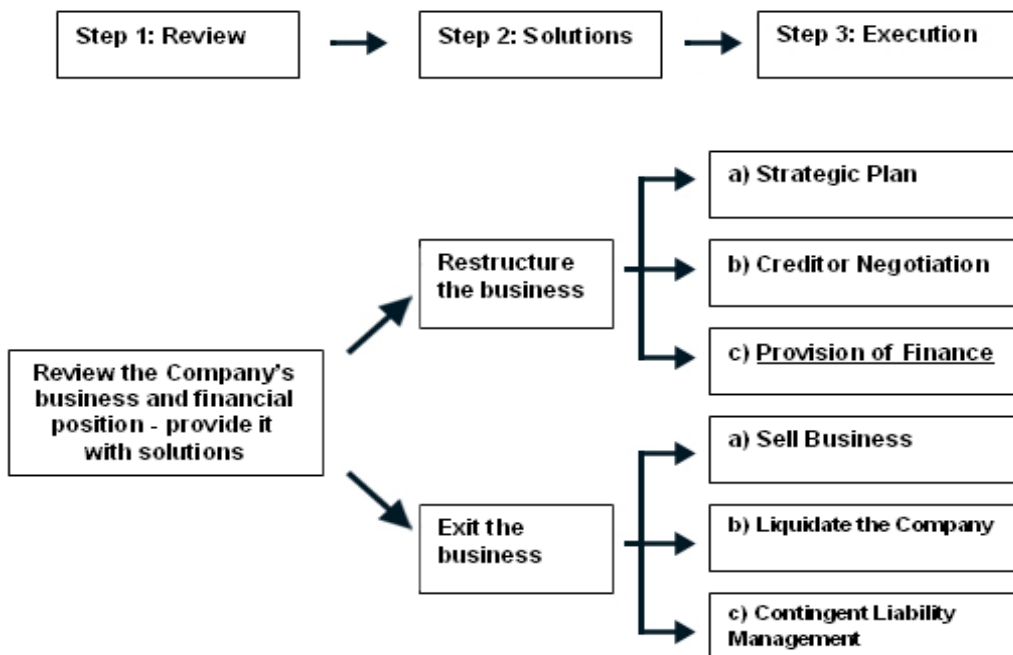
In the 2008 financial year FSA Group as direct lender will launch an Inventory Finance product. It will continue to investigate and trial other direct lending products.

Direct lending allows FSA Group to offer more comprehensive solutions directly to its clients. Importantly it creates recurring revenue and profit streams.

### **Background to 180 Group**

180 Group is a leading provider of debt solutions to businesses in Australia. The primary target client company assisted by 180 Group normally has an annual revenue of less than \$3 million. The role 180 Group fulfils is to review the client company's business performance and, based on the evidence ascertained, present the directors of the client company with a range of solutions to address and resolve the underlying issues.

## The 180 Group Process is mapped below



The provision of finance plays a critical role in the debt solutions provided by 180 Group. There is a range of finance solutions for which 180 Group acts as a broker on behalf of the client company and these are:

- Bridging Finance
- Factoring Finance
- Plant and Equipment Finance
- Mortgage Finance
- Inventory Finance

In addition to acting as a broker of finance, 180 Group can, where applicable, also be the lender. As direct lender 180 Group provides:

- Mortgage Finance (through its \$210m Westpac funding facility)
- Bridging Finance
- Factoring Finance

180 Group will be launching an Inventory Finance product as direct lender in the 2008 financial year and will continue to investigate and trial other direct lending products.

Part of the future growth strategy of 180 Group is to assist target client companies with revenue greater than \$3 million. It has been recognised that a current market opportunity also exists in this target group. Consistently with this opportunity, 180 Group is currently developing referral relationships to further complement and accelerate the existing deal flow.

**For and on behalf of the Board**  
**Duncan Cornish**  
**Company Secretary**