



ANNOUNCEMENT

Parliamentary Joint Committee Recommendations

Cash Converters International Limited ("CCV") welcomes the recommendations made by the Parliamentary Joint Committee on Corporations and Financial Services in its report on the phase II reforms proposed by the Government as set out in the CONSUMER CREDIT AND CORPORATIONS LEGISLATION (ENHANCEMENTS) BILL 2011.

Following representations from CCV, its customers and other industry executives, the Committee, in its report released on the Friday 2nd December, 2011, analysed a wide range of matters pertaining to the Bill. Of the greatest relevance to CCV is the Committee's finding concerning short term small amount credit contracts as set out in the CCV announcement on 25 August 2011.

The Committee has concluded that the proposed fee caps comprising a 10% establishment fee and a 2% monthly fee are unworkable. The Committee said: *"In this regard, it does not appear that an appropriate balance has been struck between consumer protection and industry viability."* The Committee has recommended that the Government revisit key aspects of its reform package with further industry consultation.

CCV looks forward to working with the Government and industry representatives to achieve solutions which do achieve the right balance.

Managing Director Peter Cumins said: "We encourage the Government to amend its proposed regulation of the sector in line with the Committee's recommendations. The Company has always welcomed regulation that protects vulnerable and disadvantaged Australians. The Committee's thorough examination of the issues and its clear recommendations, gives rise to hope that a sensible outcome can be achieved which preserves a viable industry and maintains access to short term loans for all those Australians who need this form of finance".

Ralph Groom

Company Secretary

6 December 2011