

Thorn Group Limited

ACN 072 507 147

ASX ANNOUNCEMENT

30 SEPTEMBER 2011

THORN MARKET UPDATE

Retail and financial services company, Thorn Group Limited (ASX: TGA), has received notification that its subsidiary National Credit Management Limited (NCML), a leading provider of integrated receivables management services in Australia, has been unsuccessful in the new tender for work on behalf of the Australian Tax Office.

NCML has been part of the ATO panel for the past four years and has consistently delivered a high level of performance, having been ranked either 1 or 2 in the last 3 quarterly reviews.

Thorn Managing Director John Hughes, commented that “this is obviously disappointing, particularly given NCML’s consistent high level of performance, however the loss will only have a short term impact that is not material to the financial performance of the overall group.”

Mr Hughes added: “We have a number of other contracts coming to fruition for NCML that will offset the impact of the ATO loss in the medium term and our key focus remains on developing a more comprehensive receivables management model that provides significant value adds for commercial clients.”

NCML was recently successful in securing a forward flow PDL contract with one of the major banks and is well positioned to take advantage of other opportunities that may occur in the market.

Cashfirst has now reached a loan book of \$15m. Cashfirst does not provide “payday loans” and is therefore not materially affected by proposed changes to the National Consumer Credit Protection Act. Mr Hughes commented that “whilst we are not a payday lender we support the Minister’s proposal for an interest rate and fees cap for payday loans and have provided input as to the level of these that we believe are reasonable.”

Thorn Equipment Finance, previously Thorn Business Services, has enjoyed significant growth in recent months under the leadership of new General Manager Antoine Laval. The groundwork has now been set for solid future growth particularly in the SME market where there continues to be a significant level of unsatisfied demand for funding.

The core Radio Rentals & Rentlo stores continue to perform well, even though market conditions are challenging and pleasingly installations of products continues to exceed prior year performance.

For further information please contact:

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ABOUT THORN GROUP LIMITED (ASX: TGA, www.thorn.com.au)

Thorn Group is a retailing and financial services company and a leader in the household goods rental market. Its core business is Radio Rentals, a brand in Australia since 1937 and now with over 80 outlets nationally. Other group businesses comprise Thorn Business Services, providing commercial finance for SMEs, Cashfirst, providing personal loans up to \$5000, and National Credit Management Limited, a full service receivables management company.