

Thorn Group Limited

ACN 072 507 147

Chairman's AGM Address

19 AUGUST 2010

Once again I am delighted to report that Thorn Group Limited (previously known as RR Australia) achieved outstanding results for the year ended 31 March 2010, despite the slowdown in the retail sector. Thorn's core business, Radio Rentals and Rentlo in South Australia, continues to grow and the company has received glowing accolades for its performance since listing on the ASX in December 2006.

At the end of May the Company announced its results for the year ended 31 March 2010, and these have exceeded the market forecast with a net profit after tax of \$19.5m which included a once off tax benefit of \$3.1m

On a comparable basis the Company achieved a profit after tax of \$16.4m which was 33% above last year's profit and double the profit achieved in our first year of operation as a public company in 2007.

Managing Director John Hughes will shortly expand on the operations performance last year.

On 25 May the Board declared a fully franked final dividend of 3.76 cents a share which was paid on 22 July 2010. This brings the full year dividend to 6.32 cents this year compared to 4.79 cents last year, an increase of 32%

In a climate of tight liquidity, the Company has a strong balance sheet, with no net debt at year end, and capacity for the development of new growth strategies or acquisitions.

An important aspect of these results is that they confirm a market leadership position for Thorn as a combined financial services and retailing business.

This leadership position brings with it responsibilities, especially regarding the recent credit reform legislation. We support the move to further regulate the industry and our own responsible lending policy aligns with the new legislation.

Your Board acknowledges that it has an important role to play in fostering and upholding high standards of Corporate Governance. Pages 3 to 5 of the Financial Report set out details of the Company policies and practices with regard to corporate governance issues.

The Company also sets its remuneration policy for directors and senior executives in the Remuneration Report on pages 6 to 13 of the Financial Report.

The new financial year has started well and the Company is on track to deliver continuous earnings growth to its shareholders.

I would like to thank the Managing Director John Hughes and his staff for their efforts during the year in delivering outstanding results for our shareholders.

I also thank shareholders for their support since listing and my fellow directors for their input and encouragement during the year.

Bernard Carrasco
Chairman of the Board

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 70 stores nationally. Other group businesses comprise Thorn Business Services, providing commercial finance for SMEs, Cashfirst for personal loans and www.bigbrownbox.com.au, online retailer. Thorn trades as Radio Rentals in all states and territories except South Australia, where it trades as Rentlo.