



ASX RELEASE

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THORN ANNOUNCES SIGNIFICANT INCREASE IN PROFIT OUTLOOK

The directors of THORN Group Limited (ASX:TGA) today announced a projected profit after tax of between \$16.8m and \$17.8m for the full year ending 31 March 2010.

This profit after tax projection incorporates some \$14.3m to \$14.8m that will be generated through organic business growth, an increase of around 18 per cent on the prior year result of \$12.3m, and circa \$2.5m to \$3.0m in one-off tax benefits flowing from the Federal Government's investment allowance, the majority of which will be recognised in the first half.

Managing Director John Hughes commented that "the growth in profitability from the core business really underlines the ability of the organisation to not only perform strongly during the good times but also through times of economic uncertainty. The business is built on a very solid base of recurring revenue streams which provides a sound level of confidence going forward and provides a firm foundation for future strategic development".

Mr Hughes further commented that "it also pleasing to report that the increase in profitability is resulting from a combination of factors including high levels of new customers, consistently low levels of customer arrears and bad debts, along with stringent cost controls."

Whilst the Company continues to enjoy a continuing high level of demand for flat panel televisions and PCs, it is also benefiting from a substantial increase in demand for other product segments particularly the whitegoods segment with refrigerators and washing machines.

The Company intends to report half year results for the period ending 30 September 2009 on 26 November 2009.

The THORN Group of companies includes Radio Rentals (in all states except South Australia), Rentlo, BigBrownBox.com.au, Cashfirst, Thorn Financial Services and Thorn Business Services.

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