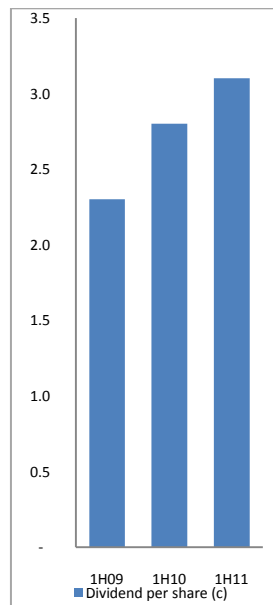
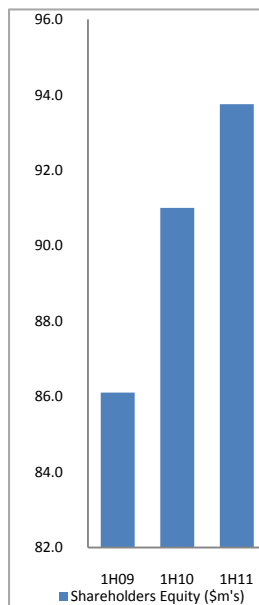
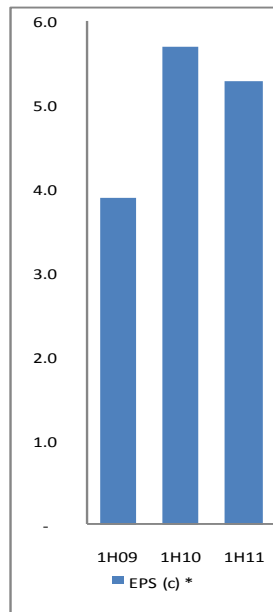
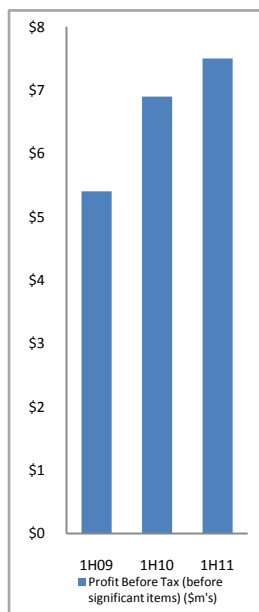


## Financial Highlights



## Shareholder Information

In line with our Environmental Policy, we are reducing the amount of hard copy material we produce. Therefore, while this interim report to shareholders will no longer be available in hard copy commencing 2012, we will continue to post the report online.

Further shareholder information can be found on our website at <http://www.collectionhouse.com.au/investors-overview>

Here you will find information on the following topics:

- ASX Announcement
- Presentations to Investors
- Financial Reports
- 2010 Annual Report and copies of past Annual Reports
- Share price information (delayed by at least 20 minutes)

### Your account details

To register your email address online and maintain your account details, go to <http://www.collectionhouse.com.au/share-registry> and update your information.

### Shareholder's calendar

24 February 2011	Announce Half Year Results
7 March 2011	Interim Ex-Dividend Date
11 March 2011	Half Year record Date
25 March 2011	Interim Dividend Payment Date
25 August 2011	Announcement Full Year Results
23 September 2011	Annual Report circulated
28 October 2011	Annual General Meeting
7 November 2011	Full Year Ex-Dividend Date
11 November 2011	Full Year Record Date
25 November 2011	Final Dividend Payment Date

\*Whilst earnings on a pre-tax basis (before significant items) increased 9%, 1H10 EPS reflected a one off tax benefit related to Rapid Ratings Pty Ltd

[www.collectionhouse.com.au](http://www.collectionhouse.com.au)



## 2011 Half Year Report



## Chairman's Report

It is a pleasure to inform shareholders of the continued growth in revenues and pre-tax net profit, along with the increased fully franked dividends.

This has been a solid half with the good work of Tony Aveling over the past 3 years being expanded upon by Matthew Thomas during his first period as CEO. Matthew has done an outstanding job to date and the board is delighted with the smooth transition of CEOs. Matthew has the full support of the board, his executive team and staff and it is most pleasing to your board to see the enthusiasm within the company.

Our debt buying division continues to grow and it is worth noting that we expect to increase spending on new debt from an average over the past 3 years of \$30 million to between \$45 and \$55 million this year. The benefit of increased revenues in the next 3 years should be the result of that increased purchase level.

Now with over 10 years experience, including the purchase of over 1,300 individual portfolios with a face value of in excess of \$3.5 billion, we have both the historical data and the analytical skills to evaluate more accurately than ever before, portfolios that are available for sale.

With the commencement of our second decade after listing, we believe we bring to our investors a good mix of experience and enthusiasm to drive both revenues and earnings. While we will continue to

monitor our board composition and our business model, we are confident that we can maintain the solid progress that has been apparent over the past 3 years, for the foreseeable future.

Your board believes that this is an exciting time to be involved with Collection House.



John Pearce, Chairman

## Chief Executive Officer's Report

It is pleasing to be able to report a further first half of growth, and the fourth consecutive first half increase in dividends, shareholders equity and EBIT.

As anticipated in my presentation at the 2010 AGM, strong debt purchasing activity - being double that of the prior first half - has allowed us to grow our revenues, and in turn increase pre-tax profit by 9%.

As was also flagged previously, cost savings - particularly in executive remuneration - have also been realised and assisted in achieving bottom line improvements.

It is also pleasing to report that staff retention was not only maintained but further improved, with 72% of collection staff now of at least 12 months of service as at the end of the half (up from 70% at end of FY2010). This has helped increase productivity of CSOs in the purchased debt division to the highest level in over two years.


Our new collection platform ("C5") commenced pilot operations during the half and will be progressively enhanced and expanded through 2011, further extending our operational capabilities.

In parallel to this, we are on track to improve marketing capabilities during the second half as well as new service offerings which will both capitalise on and reinforce our organisational strengths of people and culture, ethics and compliance, diversity and technology.

## Outlook

As always, the second half is seasonally more challenging, and the second half has started with natural disasters in Queensland and other states which will have some longer term indirect impact on collections beyond the more apparent short term direct impacts.

However, we are confident that the work done in the first half on new strategic initiatives, combined with the continuing strong growth of our Purchased Debt Division, has us well placed to deliver further positive outcomes for shareholders in the future.



Matt Thomas, Chief Executive Officer