



# Firstfolio on the march

Listed financial services group Firstfolio kicked off 2010 on the front foot having completed three acquisitions and signed off on a major distribution deal.

Two acquisitions – First Chartered Capital (a \$3.5bn loan portfolio and 35 retail franchise outlets) and Loan Services Australia (\$2bn in mortgage managed loans) – were completed just before Christmas, while the third, that of Xplore Capital’s \$400m mortgage-managed book was due to be completed in the early part of 2010.

The settlement of \$5.5bn worth of loan acquisitions (First Chartered and LSA) took the fast-expanding group’s mortgage-managed and aggregation portfolio to \$18bn. The First Chartered acquisition gives Firstfolio access to SMEs along the eastern seaboard with franchise owners seeing “an increase in demand for finance”.

The successful completion of

these transactions meant Firstfolio’s mortgage loan book had grown by more than 30% during 2009.

“Our strategy of expanding distribution capability and scale in aggregation is paying off,” said CEO Mark Forsyth, adding that he expected a “smooth integration process for the acquired assets”.

Besides expanding its loan book size, Firstfolio also increased its distribution footprint after signing an agreement with private health insurer Medibank Private to provide its members with free home loan health checks and discounts on mortgage products.

The deal with the health insurer marks the third financial services partner to sign up to BLOOM, its proprietary B2B software application, following agreements with AV Jennings and Virgin Money.

The BLOOM platform will allow Medibank to offer a

customised mortgage and financial services offering to their own customers.

Penny Fraser of Medibank Private described the partnership with Firstfolio as an “exciting initiative” for its members.

BLOOM had been launched by Firstfolio, following its acquisition of online broker eChoice in 2008 and is a key element of its long-term organic-growth strategy.

Forsyth said Firstfolio was working on a pipeline of further partnership opportunities that should unfold in 2010.

## ► Key points

- Loan book up 30% in 12 months
- Valued at \$18bn
- Deal signed with Medibank Private
- Further partnership opportunities in the pipeline



Mark Forsyth