



30 May 2014

iSelect to acquire Energy Watch

iSelect Limited (ASX:ISU) today announced it had agreed to purchase all of the shares in General Brokerage Services Pty Ltd (trading as "Energy Watch") for AU\$10 million. Energy Watch is an Australian retail energy product comparison service. Completion of the acquisition is subject to the satisfaction of a number of conditions.

iSelect Chief Executive Officer Alex Stevens said the acquisition was an excellent strategic fit and marked another significant step forward in diversifying iSelect's revenue streams.

"iSelect Energy launched in early 2012 and it's a market we understand well. Energy is currently one of our fastest-growing businesses, underpinned by strong consumer demand and the ability of the iSelect end-to-end advice model to effectively meet that demand," said Mr Stevens.

"While we intend to operate Energy Watch as a separate business and brand for the foreseeable future, we believe the acquisition will unlock significant synergies with our existing iSelect Energy comparison business," he said.

"In terms of the retail energy market itself, we anticipate substantial retail energy price fluctuations to continue, coupled with ongoing deregulation of state energy markets. These factors will drive increased price sensitivity among consumers and a heightened need to select the best value energy products," said Mr Stevens.

The acquisition of Energy Watch will increase the size of iSelect's energy business, and see the iSelect Group become a leader in retail energy comparison.

It is expected that the acquisition will be Earnings Per Share (EPS) accretive in FY15 and beyond.

"Today's announcement reinforces our commitment to grow both organically and through sensible acquisitions, and builds upon our trusted consumer offering and market position as a leading Australian comparison service," said Mr Stevens.

Funding

The acquisition will be funded by existing cash holdings.

Completion

The acquisition is subject to all necessary regulatory approvals and the completion of a number of commercial matters to the satisfaction of iSelect.

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For further information, please contact:

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