

MARKET UPDATE: BBY Group Administrations

22 June 2015

Second Meeting of BBY Creditors

Today the concurrent meetings of creditors of each of the following 6 (out of the 10) BBY companies was held to determine the future of the BBY Companies in administration:

- BBY Holdings Pty Limited (Receivers and Managers Appointed) ACN 075 187 432
- BBY Limited (Receivers and Managers Appointed) ACN 006 707 777
- Broker Services Australia Pty Ltd (formerly Receivers and Managers Appointed) ACN 074 976 364
- BBY Advisory Services Pty Ltd (Receivers and Managers Appointed) ACN 102 761 008
- SmarTrader Limited ACN 115 752 102
- BBY Hometrader Pty Ltd ACN 134 838 207

The Remaining 4 BBY Companies

The Administrators successfully applied to the Supreme Court of NSW for an extension (to 30 September 2015) of the convening periods for calling a second meeting of creditors for the following 4 BBY companies:

- BBY Nominees Pty. Ltd. ACN 007 001 443
- BBY Protection Nominees Pty. Ltd. ACN 007 001 710
- Options Research Pty. Ltd. ACN 006 770 627
- Tilbia Nominees Pty Ltd ACN 007 001 578

The Administrators are obtaining and reviewing further records before reporting to affected creditors in accordance with the Corporations Act.

Developments

The Deed of Company Arrangement proposed for BBY Advisory Services Pty Ltd by BBY Asia Pacific Group Holdings Pty Ltd (a subsidiary of the AIMS financial group) was withdrawn prior to today's meeting.

Decisions Taken Today

1 Liquidation

Creditors voted **unanimously in favour** of the Administrators' recommendations that each of the following 4 companies be placed into liquidation and wound up and Stephen Vaughan and Ian Hall of KPMG Australia be appointed Liquidators:

- BBY Holdings Pty Ltd (the parent company),
- BBY Limited (the main trading company) and
- Broker Services Australia Pty Ltd (the employment company)
- BBY Advisory Services Pty Ltd

2 Deed of Company Arrangement

Creditors voted unanimously in favour of the Administrators' recommendation to accept a proposal for a Deed of Company Arrangement proposed by BBY Asia Pacific Group Holdings Pty Ltd (a subsidiary of the AIMS financial group) in relation to the following companies (on the basis that estimated returns would be higher than in a liquidation):

- Smartrader Limited and BBY Hometrader Pty Ltd (a 'pooled' deed proposal)

Where to From Here?

Next steps in the liquidations are set out on slide 27 of the Creditors' presentation.

Creditors' Presentation

Today's full presentation to creditors is available at kpmg.com/au/bby

Note:

Stephen Vaughan and Ian Hall of KPMG were appointed joint and several voluntary administrators of BBY Limited and 9 other group companies, as set out below, on 17 May 2015.

BBY Holdings Pty Limited (Receivers and Managers Appointed) ACN 075 187 432
BBY Limited (Receivers and Managers Appointed) ACN 006 707 777
BBY Advisory Services Pty Ltd (Receivers and Managers Appointed) ACN 102 761 008
Broker Services Australia Pty Ltd) ACN 074 976 364
BBY Nominees Pty. Ltd. ACN 007 001 443
BBY Protection Nominees Pty. Ltd. ACN 007 001 710
Options Research Pty. Ltd. ACN 006 770 627
Tilbia Nominees Pty Ltd ACN 007 001 578
SmarTrader Limited ACN 115 752 102
BBY HomeTrader Pty Ltd ACN 134 838 207
(All Administrators Appointed)