



International plans for eChoice

Key points

- eChoice and Domain in final stages of integration
- eChoice to be split into mortgage and broader "oracle" platforms
- Middle East and Asian markets first to be approached regarding an international expansion of eChoice
- Firstfolio considering four to five businesses for acquisition in calendar 2009

Firstfolio chief Mark Forsyth has flagged international expansion plans for its recently acquired business, eChoice Home Loans.

The news follows Firstfolio posting a \$1m profit for the half year ended 31 December 2008 – a mere three months after making the eChoice and Domain acquisitions. At the time of posting the results, Forsyth also forecast earnings in the range of \$6m–8m for calendar 2009, strengthened by the acquisitions.

Speaking to *AB*, he said both businesses were in the final stages of integration and anticipated the process would be completed by mid-2009.

He said that 75% of an integration was normally done in the first three months, and the remaining 25% took anywhere between six and nine months depending on specific elements such as contractual arrangements. However, he

said, Firstfolio is well on track to have both eChoice and Domain fully integrated by June. Forsyth added that Firstfolio was also looking at eChoice's potential as an "oracle" platform.

He said eChoice had originally not been limited to the mortgage space, and only later became eChoice Home Loans. Segmentation of the platform is currently a part of the company's strategy going forward.

"Part of our strategy is to split up the two bits of business, eChoice and eChoice Home Loans... [and] obviously we want to expand the eChoice brand domestically," he said.

Additionally, Forsyth said, Firstfolio had commenced a discussion about taking the eChoice brand internationally, with the Middle Eastern and Asian markets the first to be approached with the possibility.

However, Firstfolio's expansion plans are not limited to the online platform. Forsyth revealed the financial services business also has its eye on four or five local businesses, and was looking to grow to \$15bn–20bn in loan book size in calendar 2009: "I'd like to see 5–10% of our income margin come from other products other than mortgages."

The group's loan book currently stands at \$11.6bn. •