

BS:CT

2 March 2015

Manager of Company Announcements
Australian Securities Exchange Ltd
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

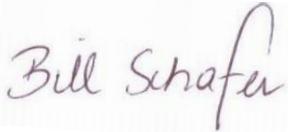
Dear Sir/Madam

Wide Bay Australia Limited (WBB) – Investor Presentation

Please find attached an investor presentation to be presented to analysts and representatives of institutional investors.

The presentation provides a review of Wide Bay Australia's operating activities, strategic initiatives and performance.

Yours Sincerely,



Bill Schafer
Company Secretary

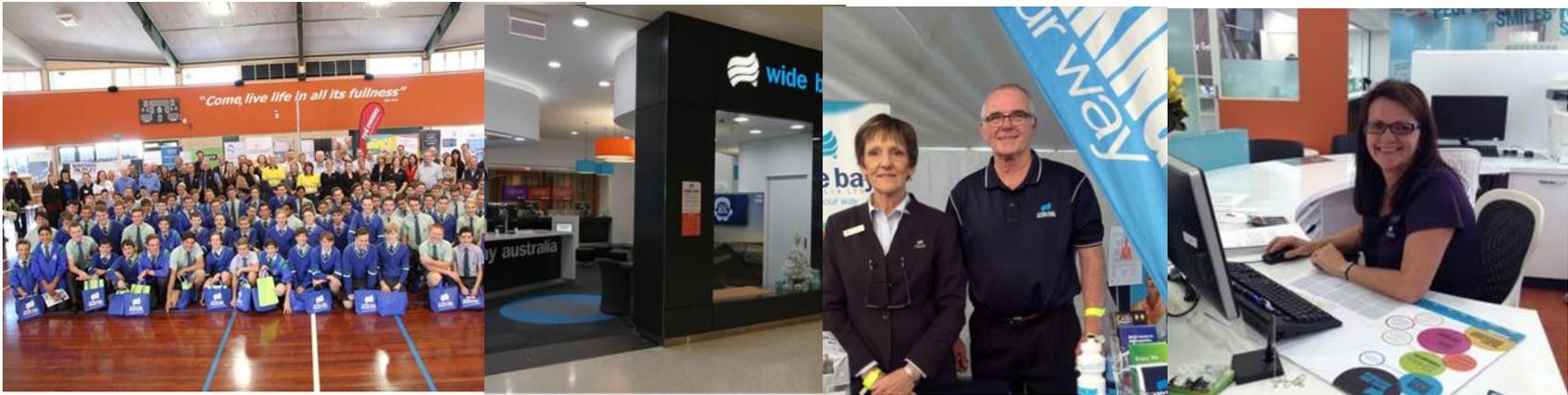


Investor Presentation

March 2015

Highlights

- Loan Book growth - 4.3%
- Chief Entity NPAT increased - 2.5%
- NIM improvement - 7 basis points
- Credit quality continues to improve
- Capital remains strong - 14.90%
- Technology improvement continues
- Banking Licence approved – live 1st April 2015



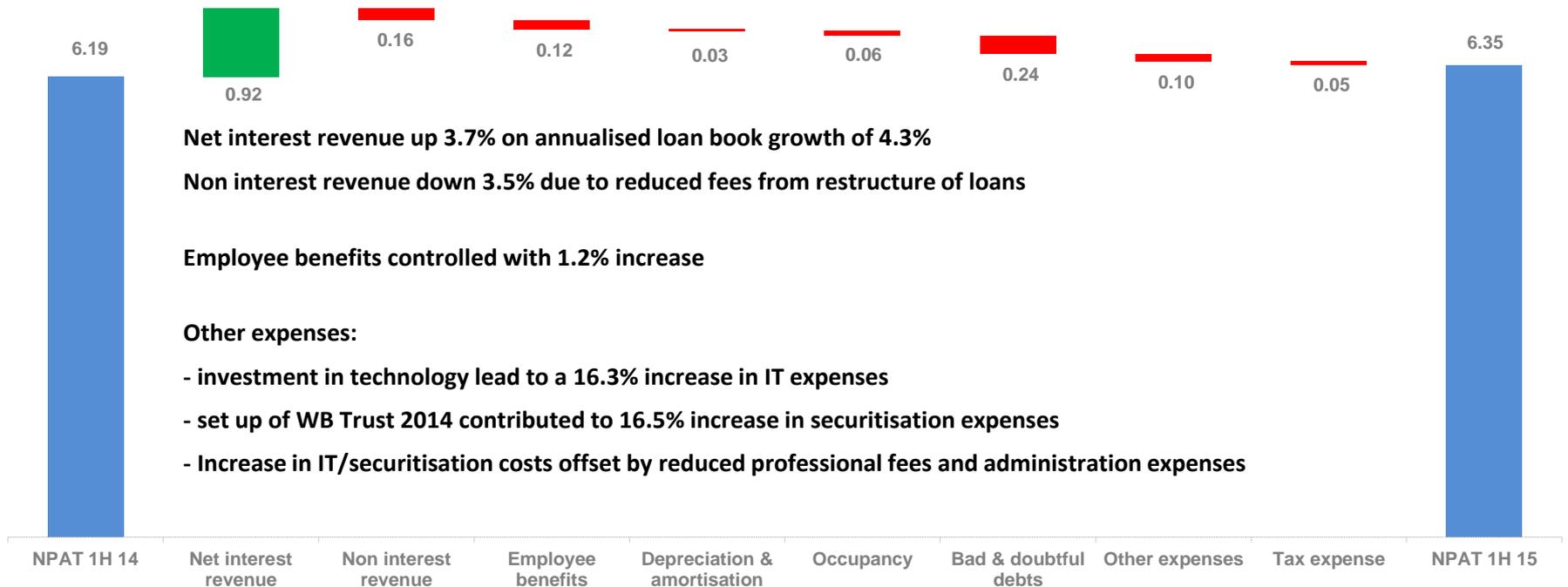
1H 2015 - Building Momentum for Sustained Growth

	H1 2015	H1 2014	Change
Net profit after tax – group (\$m)	6.50	7.19	▼ -9.6%
Net profit after tax – chief entity (\$m)	6.35	6.19	▲ 2.5%
NIM (%)	1.81	1.74	▲ 7bps
Cost-to-income ratio – group (%)	67.9*	66.3*	▲ 160bps
Cost-to-income ratio – chief entity (%)	68.0*	68.7*	▼ -70bps
Capital Ratio (%)	14.90	14.21	▲ 69bps
Earnings per share (cps)	17.7	19.8	▼ -10.6%
Return on equity (%) Annualised	6.6	7.5	▼ -90bps
Dividend – fully franked (cents)	14.0	13.0	▲ 1.0c

* Excluding bad and doubtful debts

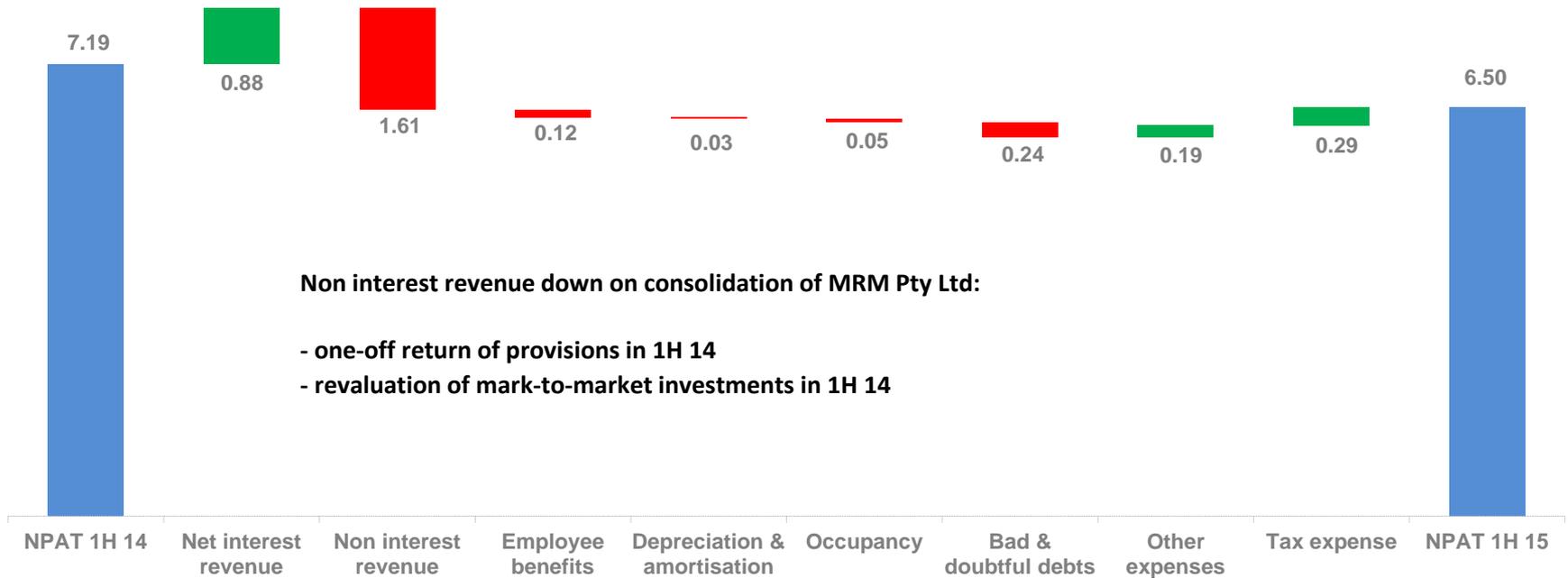
NPAT – Chief Entity

NPAT Movement (Chief Entity) 1H 14 v 1H 15 (\$M)



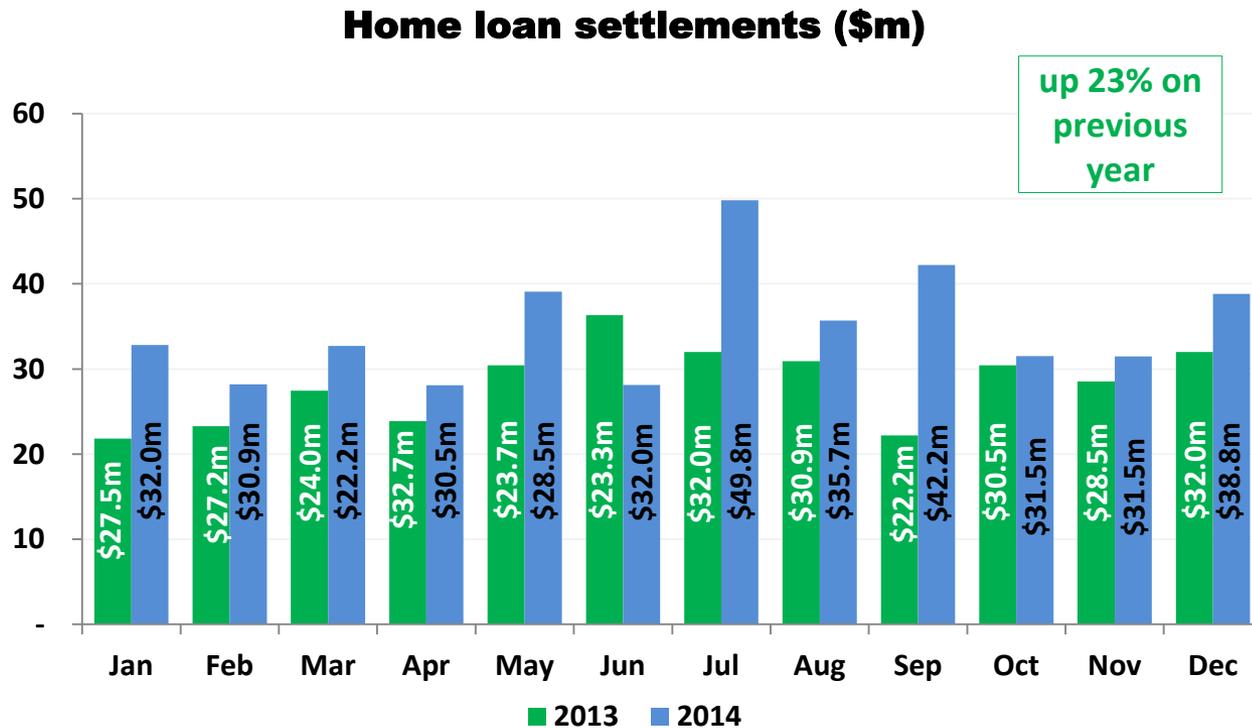
NPAT - Consolidated

NPAT Movement (Consolidated) 1H 14 v 1H 15 (\$M)

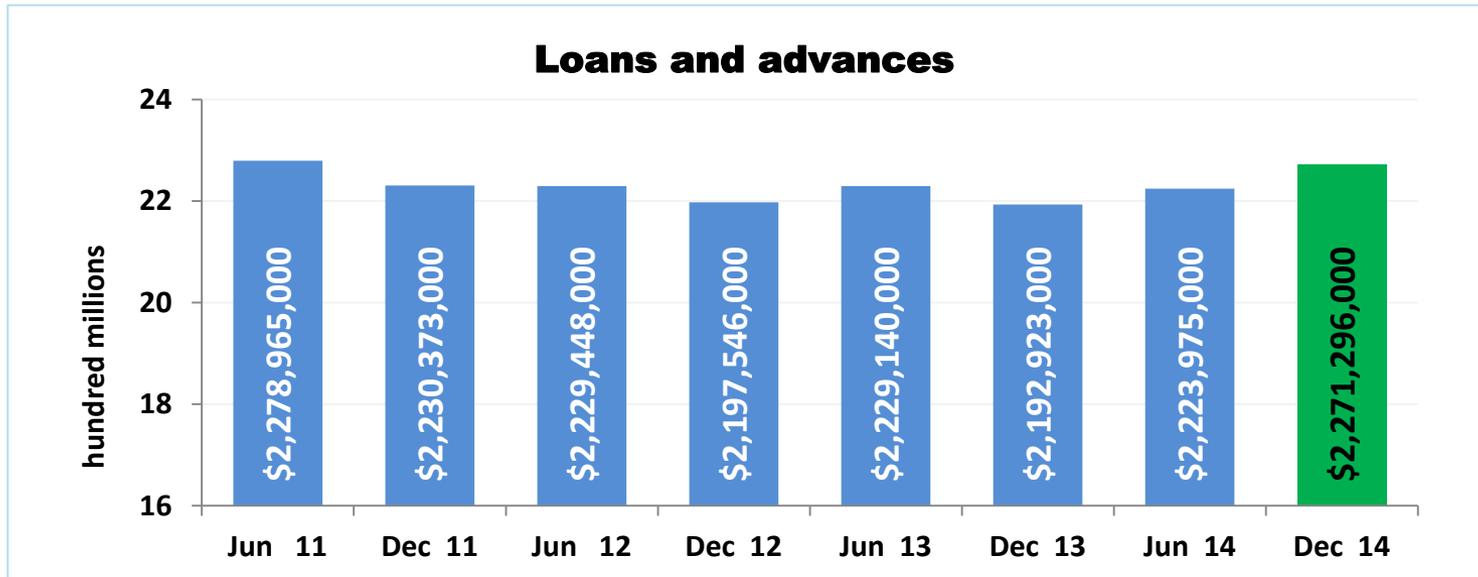


Strong Momentum in Settlements

- Settlements up 23% (2014 v 2013)
- Product and pricing strategies enhanced to meet strong competition



Loan Book Growth

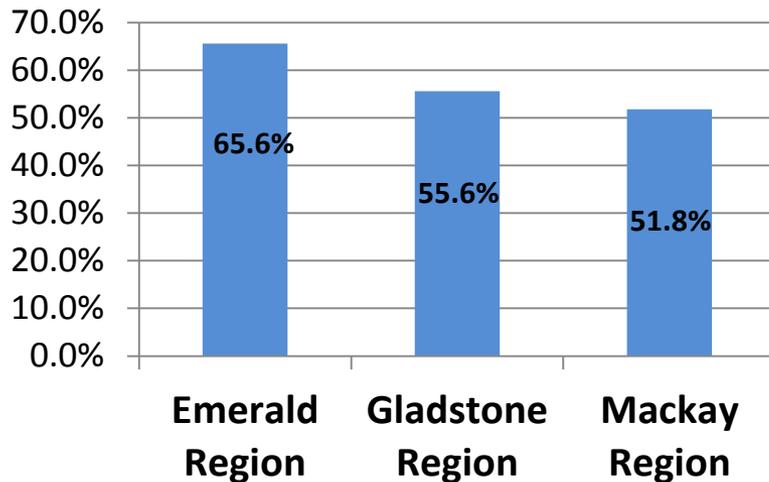


- Loan Book growth of 4.3% (annualised) for 1H 15
- Loan Book increased by \$47m 1H 15
- Growth achieved despite elevated run-off due to advanced repayments and recovery action on impaired assets

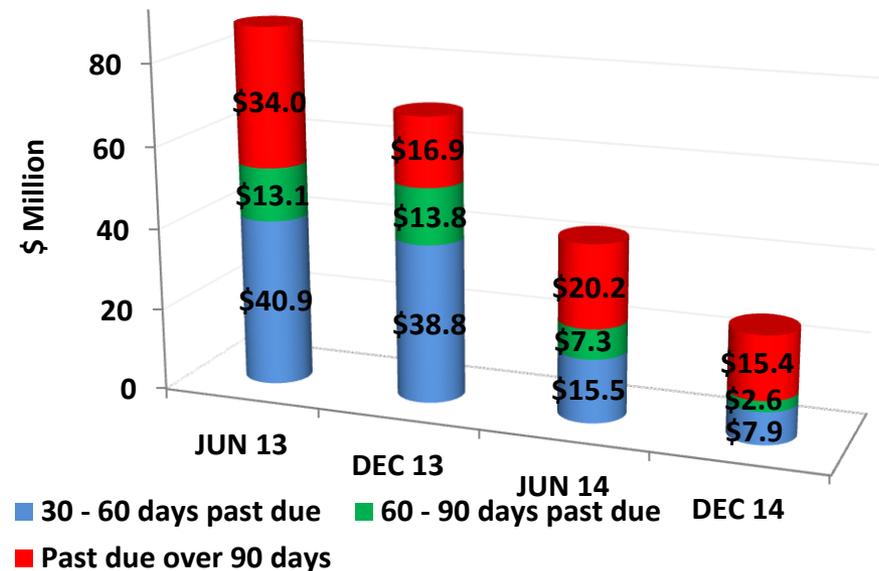
Arrears Continue to Reduce

- Continuing downward trend in arrears
- Emphasis on improved credit quality
- No lending in excess of 95% LVR
- Ongoing surveillance of lending portfolio in mining regions
- 30 + day arrears represented 1.1% of loans and advances at 31 December 2014

Average LVR for existing residential loans in mining influenced centres as at 31 December 2014



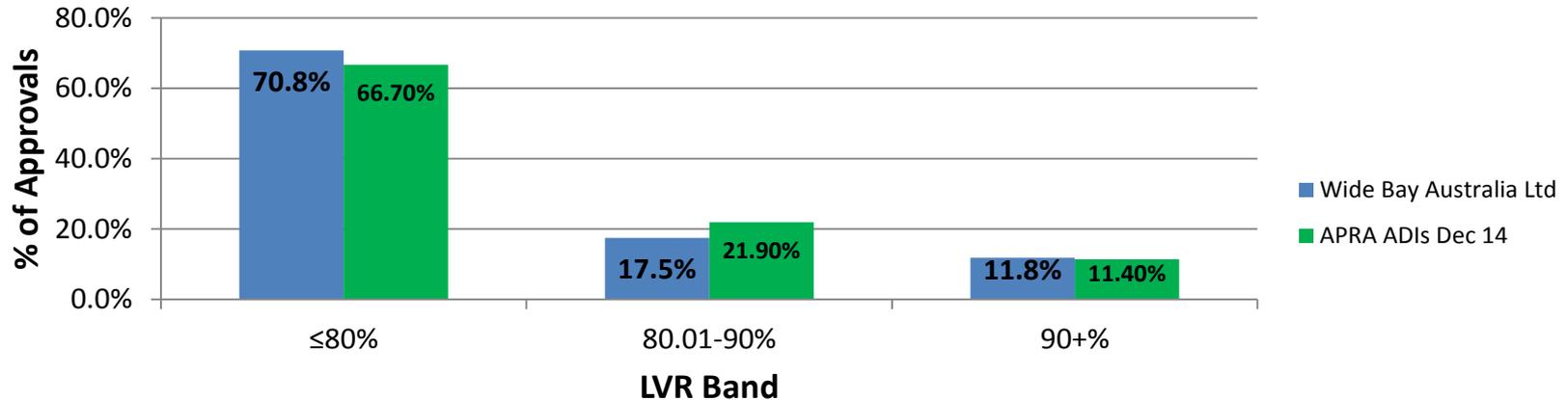
Loans and advances past due (excluding the effects of hardship accounts)



New Lending Quality Strong

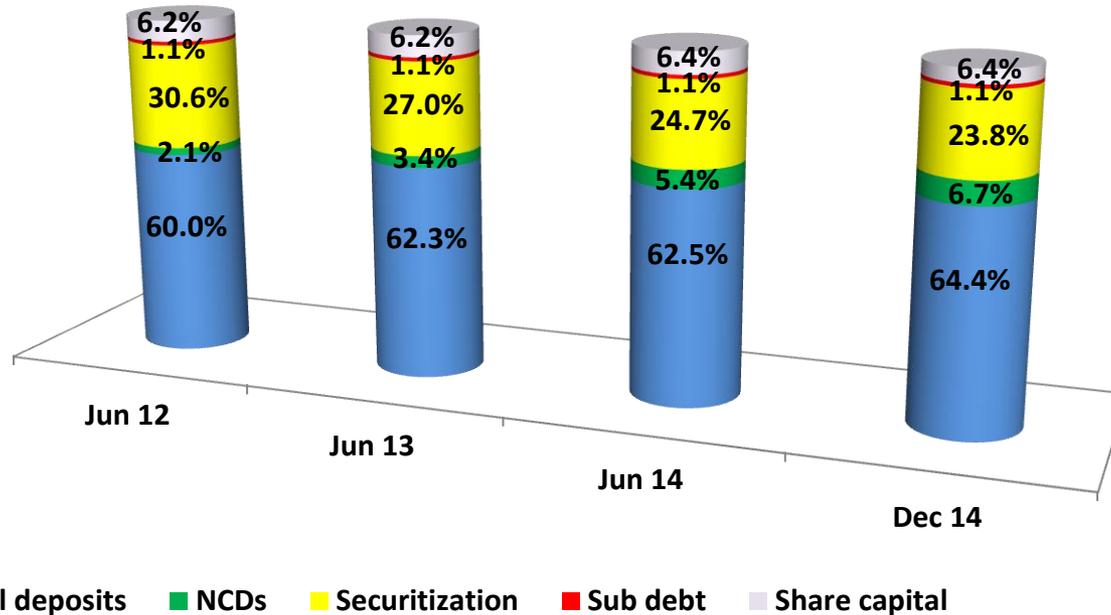
- Loan Growth compares favourably considering high quality origination
- WBA does not believe this is the market to take greater risk, with current low interest rates and rapid property price increases in some markets along with challenges in others
- Quality of Loan Book growth remains a key priority in the current market
- WBA is not originating loans above 95% LVR

**More than 70% of all new home loans approved during Jul-Dec 2014 were
≤ 80% LVR**



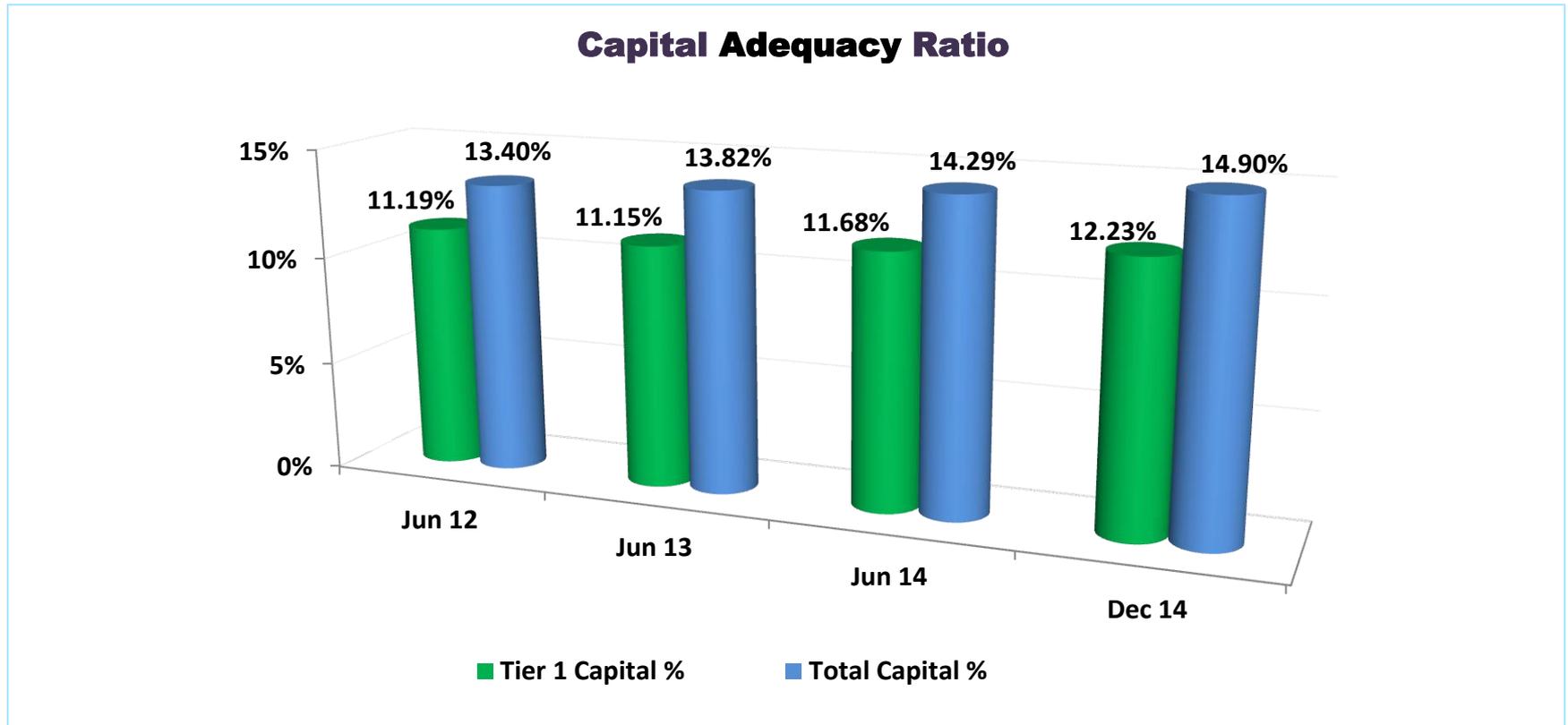
Funding

Funding



- Growth in NCDs – up to 6.7% of funding
- Reduced reliance on securitisation in line with strategy of 20% - 25%
- Warehouses cleared in November 2014 to provide future funding capacity
- Growth in the retail deposit base with controlled margin management

Capital



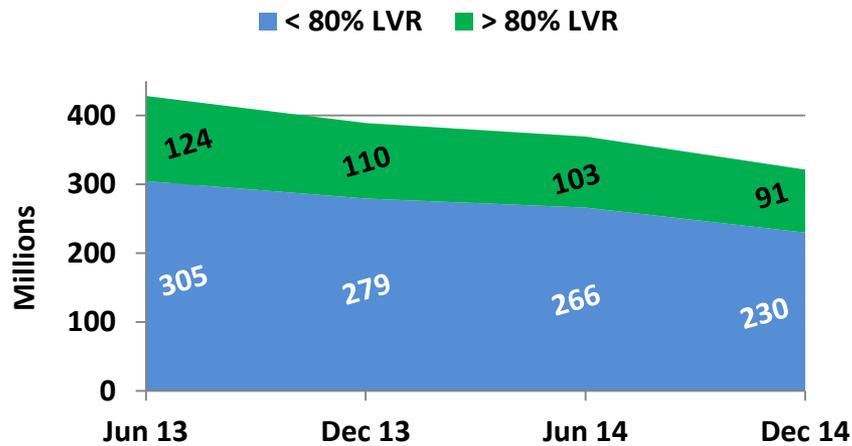
- Strong Capital Adequacy Ratio in excess of Board policy
- Capital adequate for asset growth including business banking and personal loan books
- Capital relief from off-balance sheet Trust 2014 settled in November 2014

MRM in Wind Down

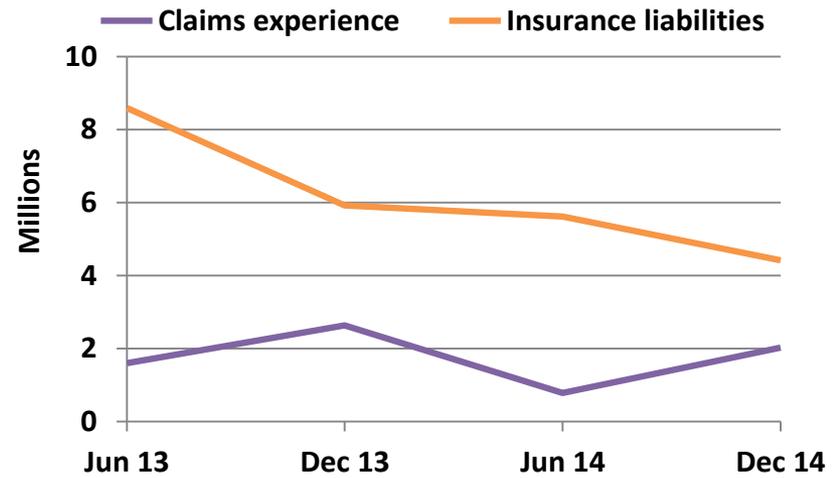
Solving for:

- Return of capital to the Chief Entity
- Reduction in compliance and administrative expenses
- Less volatility in provisions and bad debts
- Efficient and timely reporting to Management and Board of Directors

MRM insured loans portfolio



Claims experience vs Insurance liabilities

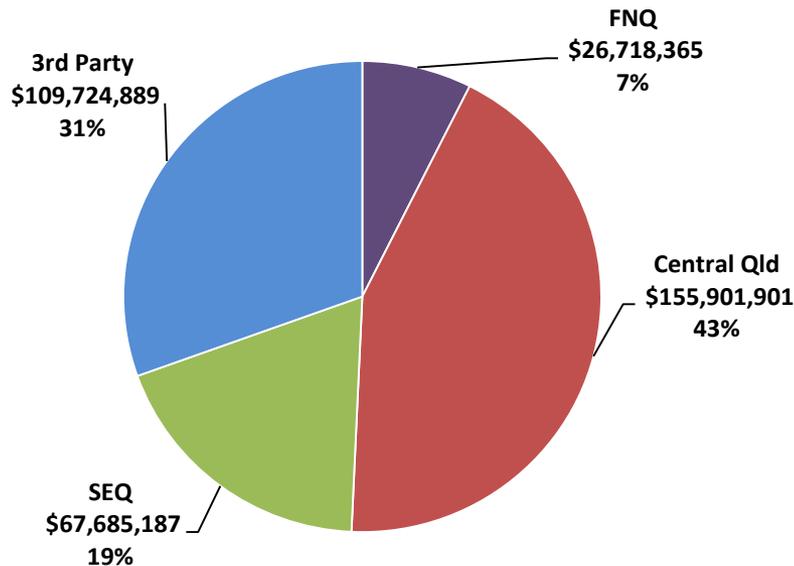


Home Lending Approvals Up and Geography Evolving

- SEQ growth expected to continue – further investment 2015
- Broker growth slower than preferred but quality strong – reposition under Auswide Bank brand
- Core market will remain challenged for sometime – continued growth outside region is critical
- Home Loan competition remains fierce with price and risk plays evident

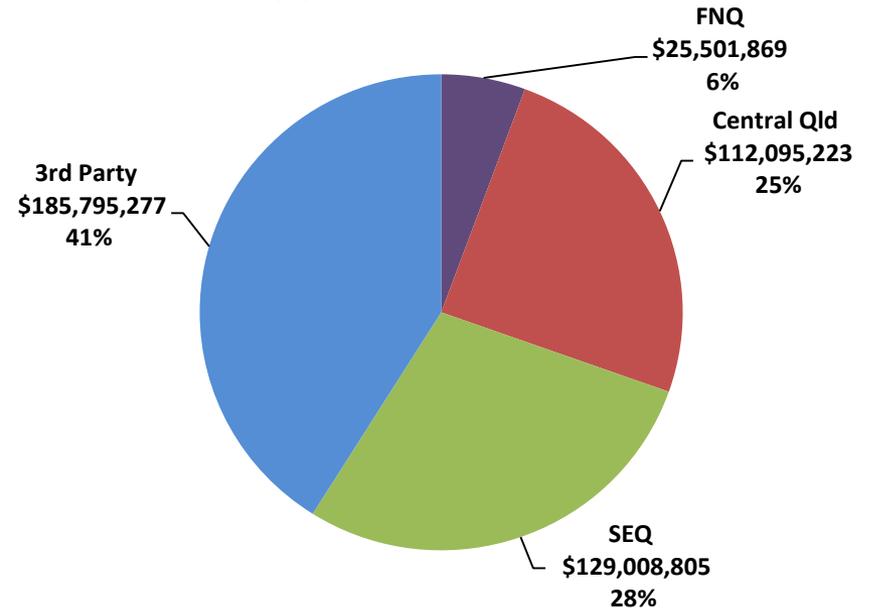
Contribution - 2013

Total Approved - \$360,030,342



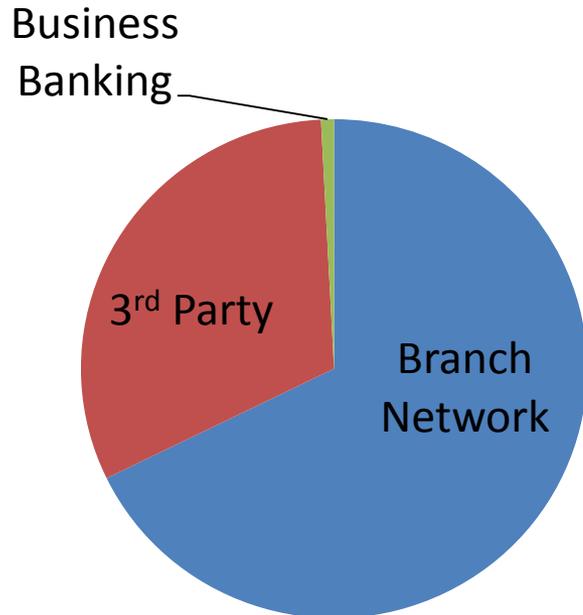
Contribution - 2014

Total Approved - \$452,401,173

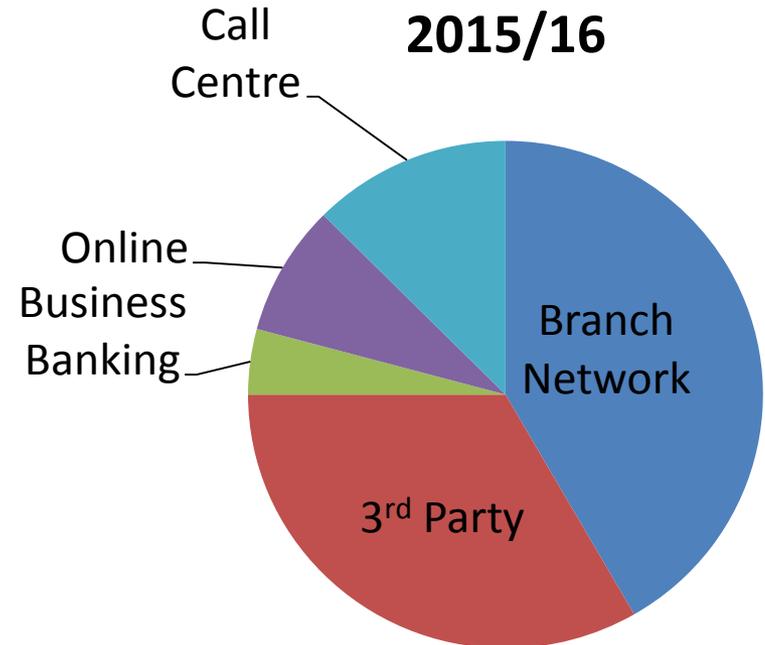


Current Distribution vs Future Distribution

**Dual Channel
2014**

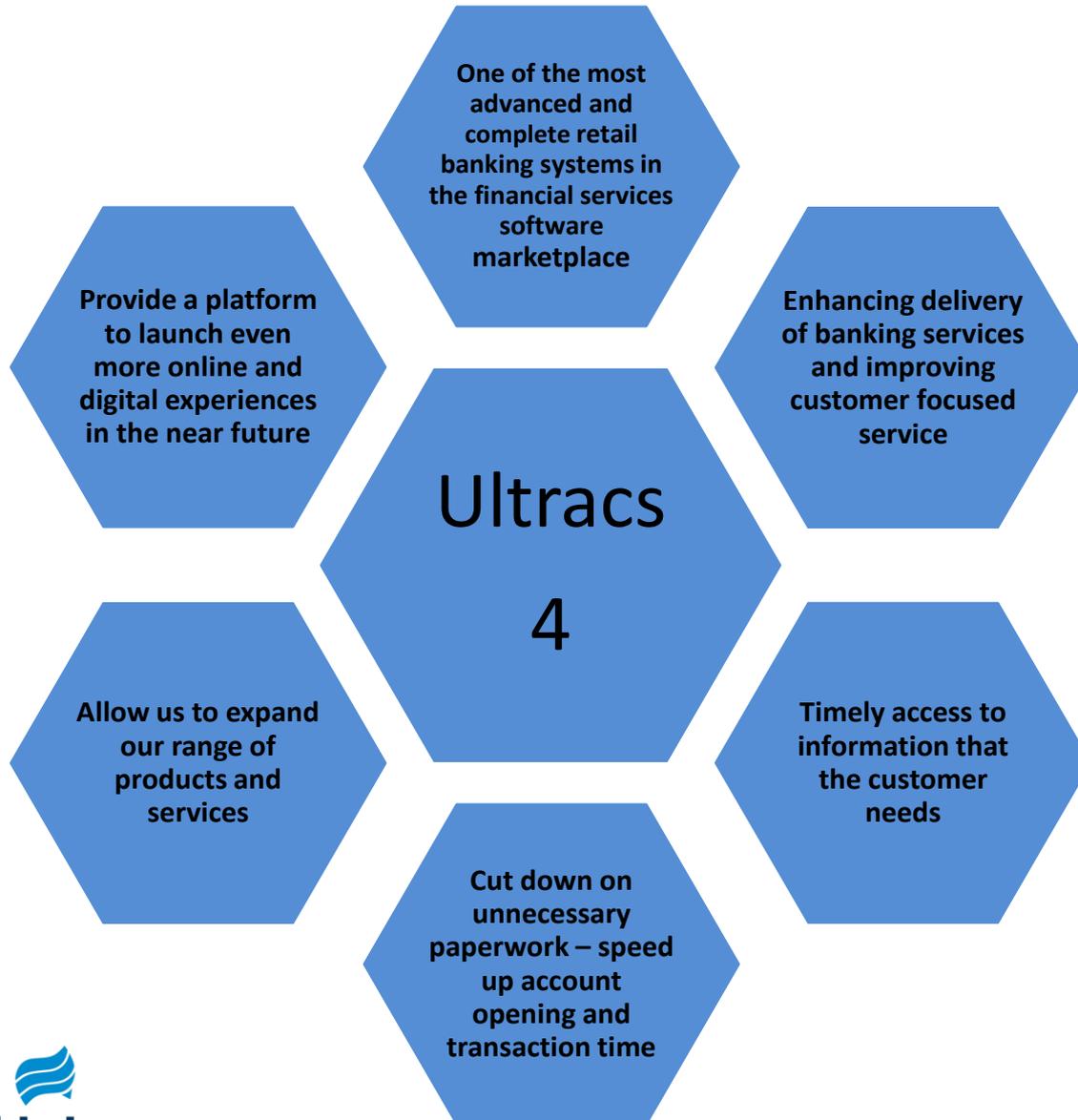


**Omni Channel
2015/16**



- Release investment in poor returning distribution
- Investments into multichannel to accelerate growth
- Process re-engineering, increasing productivity & reducing cost
- Appetite for acquisition opportunity

World Class Banking System Launched



**Quote: Peter Henshaw
CEO, Ultradata**

“Ultradata has been truly proud to work with Wide Bay Australia to upgrade their core banking system to the latest release of Ultracs. The substantial project was delivered on time and within budget due to the terrific efforts of the teams from both organisations. Wide Bay now has a banking system better than any in the world and one that will help deliver on its growth and service strategies for the future”.

Banking Licence Acquired

New branding approved and live 1st April 2015



- National brand rather than regional brand
- Improvement in understanding of what we do and what we offer
- Connects to a younger generation
- Underpins significant change program

Summary

- Strategic Plan initiatives continue to gain traction and rollout across the organisation
- Positive movement in Loan Growth and NPAT for Chief Entity has occurred for the first time in several years
- Margin management continues to have a strong focus
- Business banking product gaps to be closed and traction to improve
- Major Transformation Project focused on effective use of investment, reducing time and cost to process, customer growth and customer sales and service.
- Focus on credit quality will remain
- Sales culture is improving
- Major technology investments have been made with benefits to be realised in 2015/16
- Banking Licence obtained and total brand change and organisational reinvigoration underway

Disclaimer

- This Presentation has been prepared for Wide Bay Australia Ltd ABN 40 087 652 060, Australian Financial Services and Australian Credit License Number 239686, ASX Code WBB. The information is current as at 2 March 2015.

Financial amounts

- All dollar values are in Australian dollars (A\$) and financial data is presented as at the date stated. Pro-forma financial information and past information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of WBB's views on its future financial condition and/or performance. Past performance, including past trading or share price performance, of WBB cannot be relied upon as an indicator of (and provides no guidance as to) future WBB performance including future trading or share price performance.

Future performance

- This Presentation contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “should”, “will”, “could”, “may”, “target”, “plan” and other similar expressions within the meaning of securities laws of applicable jurisdictions. The forward looking statements contained in this Presentation involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of WBB, and may involve significant elements of subjective judgment as to future events which may or may not be correct.
- There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.