

14 October 2010

Manager of Company Announcements
ASX Limited
Level 5, 123 Eagle Street
Brisbane QLD 4000

Wide Bay Australia Ltd (WBB) – Market Presentation

Please find attached a market presentation to be presented to brokers and prospective institutional investors.

The presentation provides an update of Wide Bay Australia's operating activities, performance and forecast results.

Yours sincerely,



Bill Schafer
Company Secretary



WIDE BAY AUSTRALIA HOUSE
HEAD OFFICE - BUNDABERG



wide bay australia
roadshow » october 2010

REAL PEOPLE **REAL SMILES** **REAL SERVICE** **REAL STRENGTH**

Profile of Wide Bay Australia Ltd

- Wide Bay is the largest financial institution based North of Brisbane and currently has assets in excess of \$2.7 billion.
- Branch network consists of
 - 42 branches in Queensland extending from Robina on the Gold Coast to Cairns
 - 1 branch in Sydney
 - 1 branch in Melbourne
 - 1 lending outlet in Adelaide
- Approximately 78% of loans originate through retail branches using Wide Bay's own lending consultants.
- Extensive product range incorporates
 - Residential mortgage lending with no 'low doc' or 'sub-prime' loans. 94% of residential mortgage loan book is fully covered with lenders' mortgage insurance.
- Limited commercial lending activity with these loans generally secured by commercial or residential property.
- Wide Bay is currently retaining consultants to assist and develop policy, procedures and parameters for a move into more general secured commercial lending. It is anticipated this function will be in place within the next four months and will broaden and diversify the society's operations.
- A broad range of ancillary financial services in association with various product partners including
 - General and Mortgage Repayment Insurance
 - MasterCard
 - Foreign Exchange and Travel Money
 - A 25% interest in Financial Technology Securities Ltd, a successful financial planning operation with head office in Brisbane.
- Wide Bay operates its' own in house lenders' mortgage insurance 'captive' and also uses traditional mortgage insurer Genworth Financial.

QUEENSLAND'S MINERAL, PETROLEUM AND ENERGY OPERATIONS AND RESOURCES

Major mining projects and mineral resources

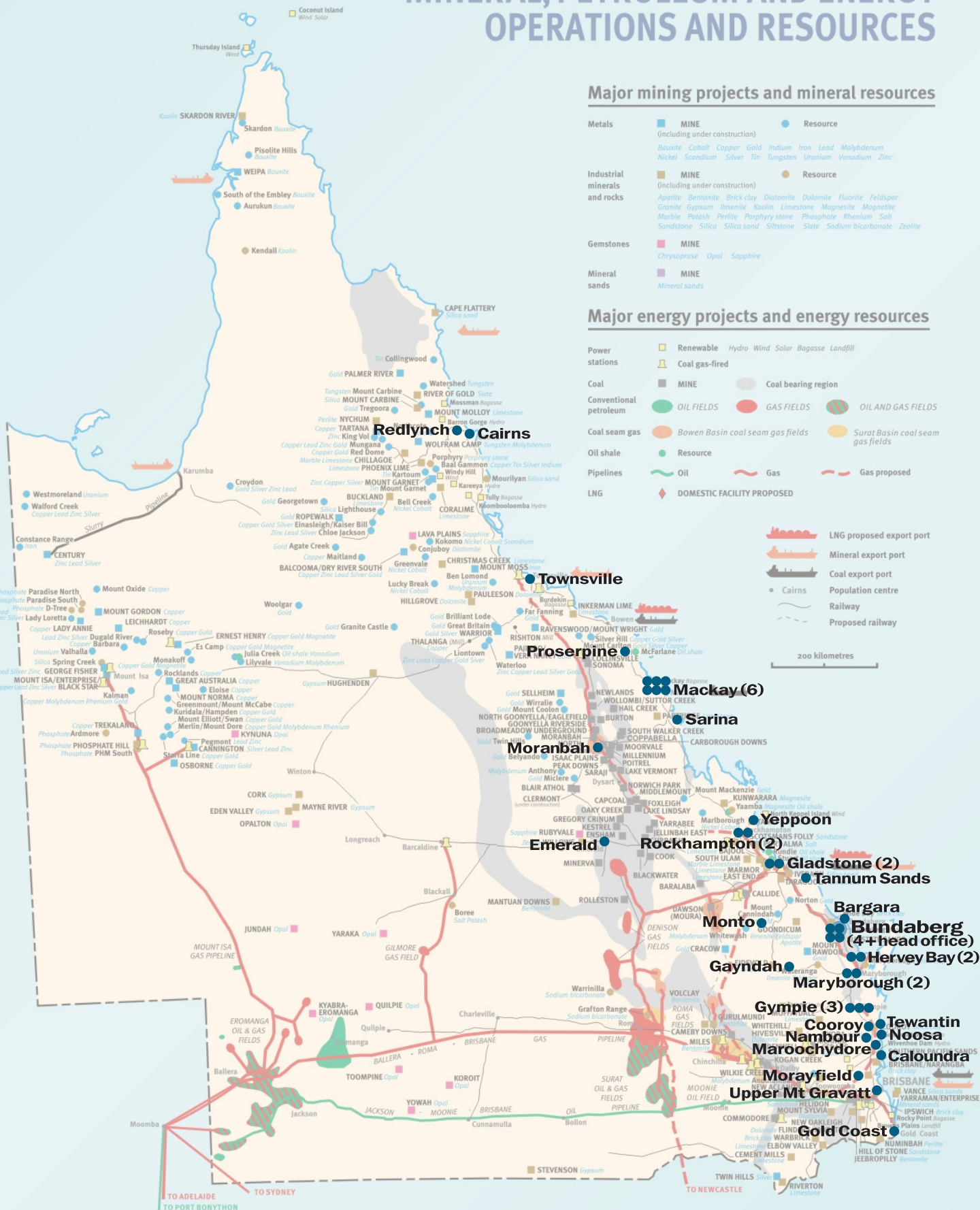
Metals	MINE (including under construction)	Resource
	Bauxite Cobalt Copper Gold Indium Iron Lead Molybdenum Nickel Scandium Silver Tin Tungsten Uranium Vanadium Zinc	
Industrial minerals and rocks	MINE (including under construction)	Resource
	Apatite Bentonite Brick clay Diatomite Dolomite Fluorite Feldspar Granite Gypsum Ilmenite Kaolin Limestone Magnesite Magnetite Marble Potash Perlite Porphyry stone Phosphate Rhenium Salt Sandstone Silica Silica sand Siltstone Slate Sodium bicarbonate Zeolite	
Gemstones	MINE	
	Chrysoprase Opal Sapphire	
Mineral sands	MINE	
	Mineral sands	

Major energy projects and energy resources

Power stations	Renewable Hydro Wind Solar Bagasse Landfill	Coal gas-fired
Coal	MINE	Coal bearing region
Conventional petroleum	OIL FIELDS	GAS FIELDS
Coal seam gas	Bowen Basin coal seam gas fields	Surat Basin coal seam gas fields
Oil shale	Resource	
Pipelines	Oil	Gas
LNG	DOMESTIC FACILITY PROPOSED	

- LNG proposed export port
- Mineral export port
- Coal export port
- Population centre
- Railway
- Proposed railway

200 kilometres



Thirteenth edition Updated March 2010

Prepared by Spatial and Graphic Services, Geological Survey of Queensland

© The State of Queensland (Department of Employment, Economic Development and Innovation) 2010

This map is supplied courtesy of the Queensland Department of Employment, Economic Development & Innovation - and is available from their Information Centre: Level 2, Mineral House, 41 George Street, Brisbane
Email sales@dme.qld.gov.au

+ INTERSTATE

- New South Wales Parramatta - Sydney
- Victoria Camberwell - Melbourne
- South Australia Adelaide (loans only)

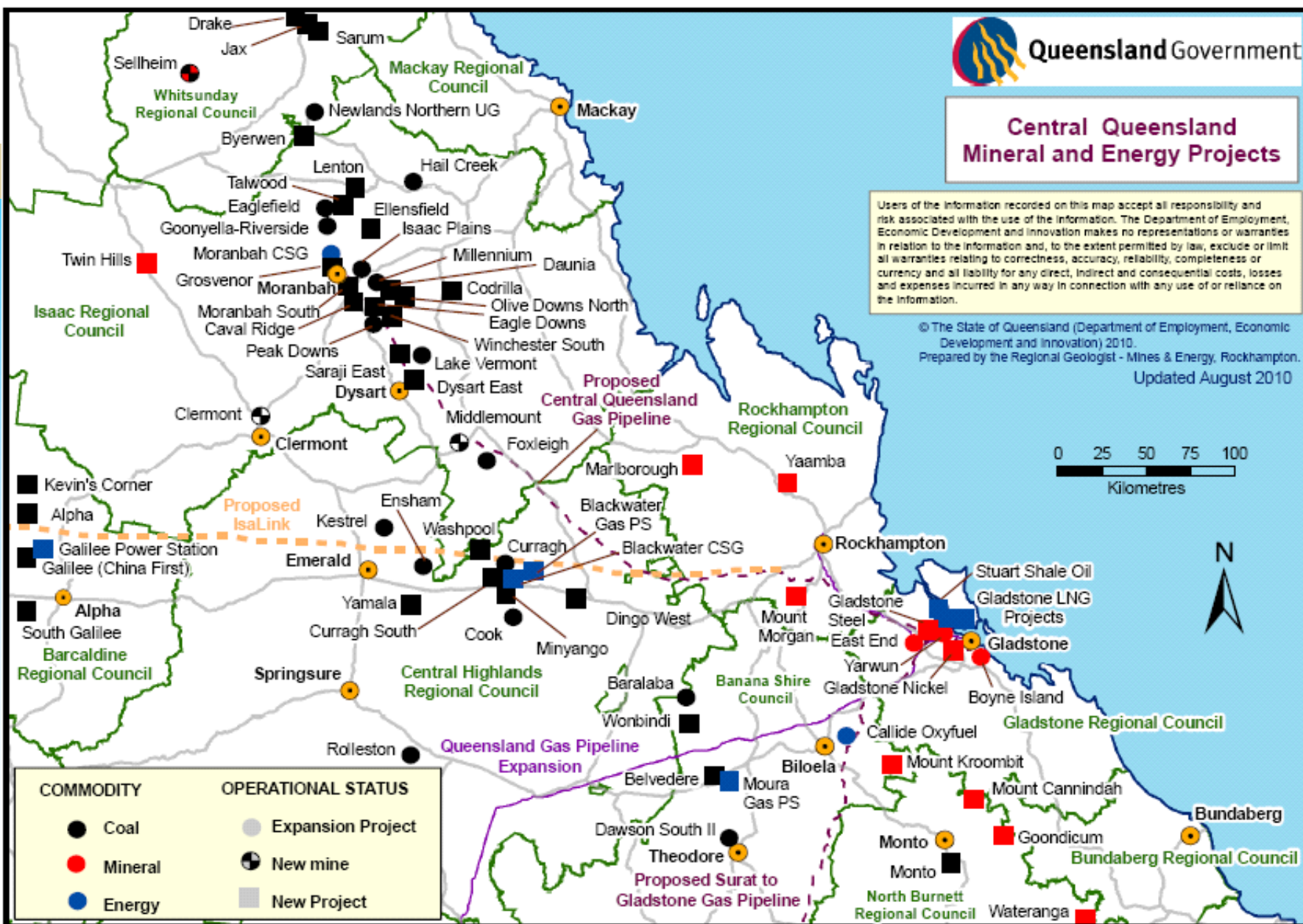


Queensland Government

Central Queensland Mineral and Energy Projects

Users of the information recorded on this map accept all responsibility and risk associated with the use of the information. The Department of Employment, Economic Development and Innovation makes no representations or warranties in relation to the information and, to the extent permitted by law, exclude or limit all warranties relating to correctness, accuracy, reliability, completeness or currency and all liability for any direct, indirect and consequential costs, losses and expenses incurred in any way in connection with any use of or reliance on the information.

© The State of Queensland (Department of Employment, Economic Development and Innovation) 2010.
Prepared by the Regional Geologist - Mines & Energy, Rockhampton.
Updated August 2010



Central Queensland Exploration and New Development June Quarter 2010

Users of the information recorded on this map accept all responsibility and risk associated with the use of the information. The Department of Employment, Economic Development and Innovation makes no representations or warranties in relation to the information and, to the extent permitted by law, exclude or limit all warranties relating to correctness, accuracy, reliability, completeness or currency and all liability for any direct, indirect and consequential costs, losses and expenses incurred in any way in connection with any use of or reliance on the information.

0 25 50 75 100
Kilometres



COMMODITY		OPERATIONAL STATUS	
●	Coal	●	Mine site
●	Mineral	●	New mine
●	Gas	■	Advanced Project
		▲	Exploration site

© The State of Queensland (Department of Employment, Economic Development and Innovation) 2010. Reproduced with the permission of the Department of Employment, Economic Development and Innovation

A special culture

- Head Office based in Bundaberg, a regional Queensland city of 120,000 population.
- Staff share plan for all staff has been in place since issuing shares in 1992, which encourages staff commitment and interest.

Wide Bay Management Experience

Title	Experience
Managing Director	44 th year
Executive Director/Chief Operating Officer	37 th year
Operations and IT Manager*	36 th year
Training Manager	34 th year
Administration Manager	32 nd year
Marketing Manager	25 th year
Manager – Retail Outlets (QLD)	15 th year
Manager – Structured Finance, Products and Interstate Operations	15 th year
Chief Financial Officer	10 th year
Loans Manager	10 th year
Internal Auditor	9 th year

Current as @ 08 October 2010

*Operations and IT Manager retires on 31 October 2010 and will be replaced by current IT Officer with 10 years experience with Wide Bay.

Share Capital

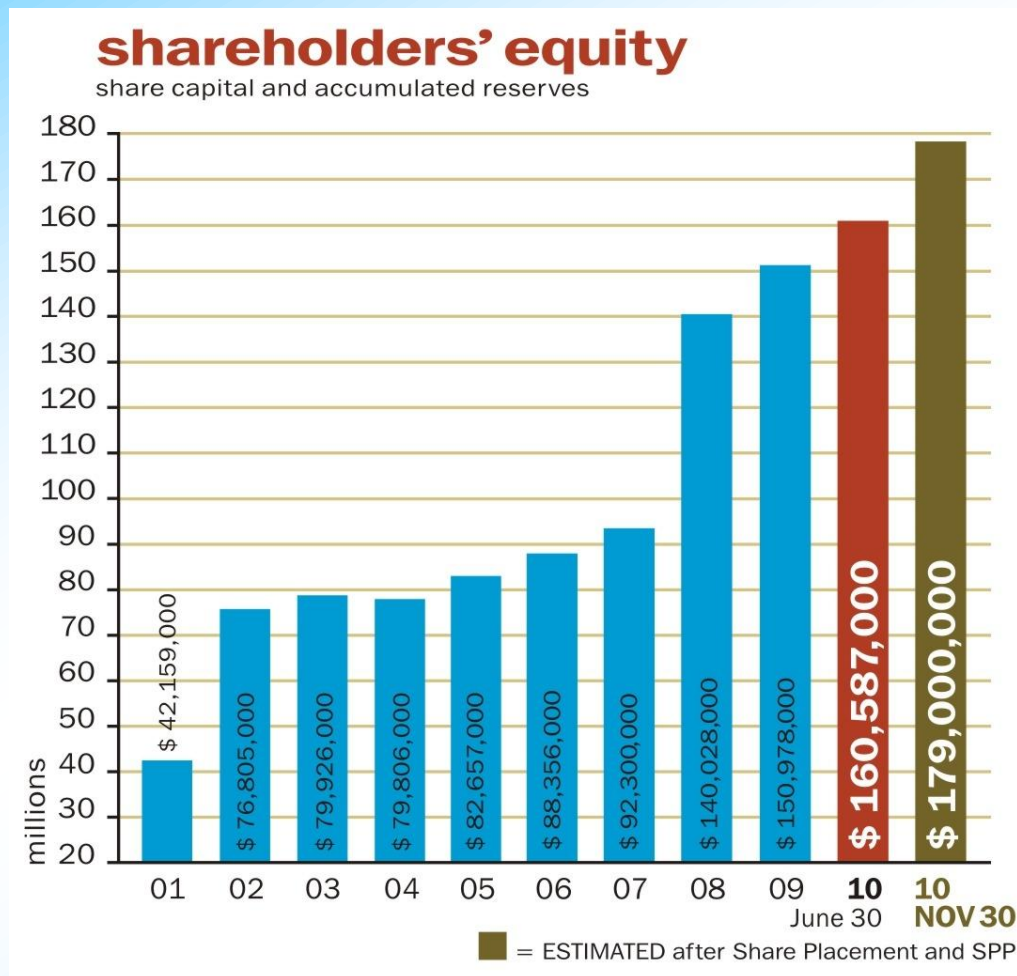
- Capital adequacy as at 30 June 2010 was 12.32% consisting of:
 - Tier 1 9.92%
 - Tier 2 2.41%
- Dividend payable 05 October 2010 of 31 cents per share – fully franked (full year dividend 63 cents per share)
- Dividend Reinvestment Plan discount of 7.5%
- October Dividend Reinvestment Plan marginally exceeded 30% acceptance.
- The society has announced a Share Placement of \$10 million now completed at \$9.67 (the DRP pricing) and currently has a SPP in place for shareholders, expecting to raise approximately a further \$10 million.
- Capital adequacy on completion of issue anticipated in the range of 13.5%

Sharemarket Profile

- Shares currently on issue at 30 June 2010 = 32,001,199
- Shares on issue after DRP, Share Placement and anticipated SPP will approximate 34.4 million
- Share price performance
 - 12 month high \$11.26
 - 12 month low \$8.50
 - As at 08 October 2010 \$10.02

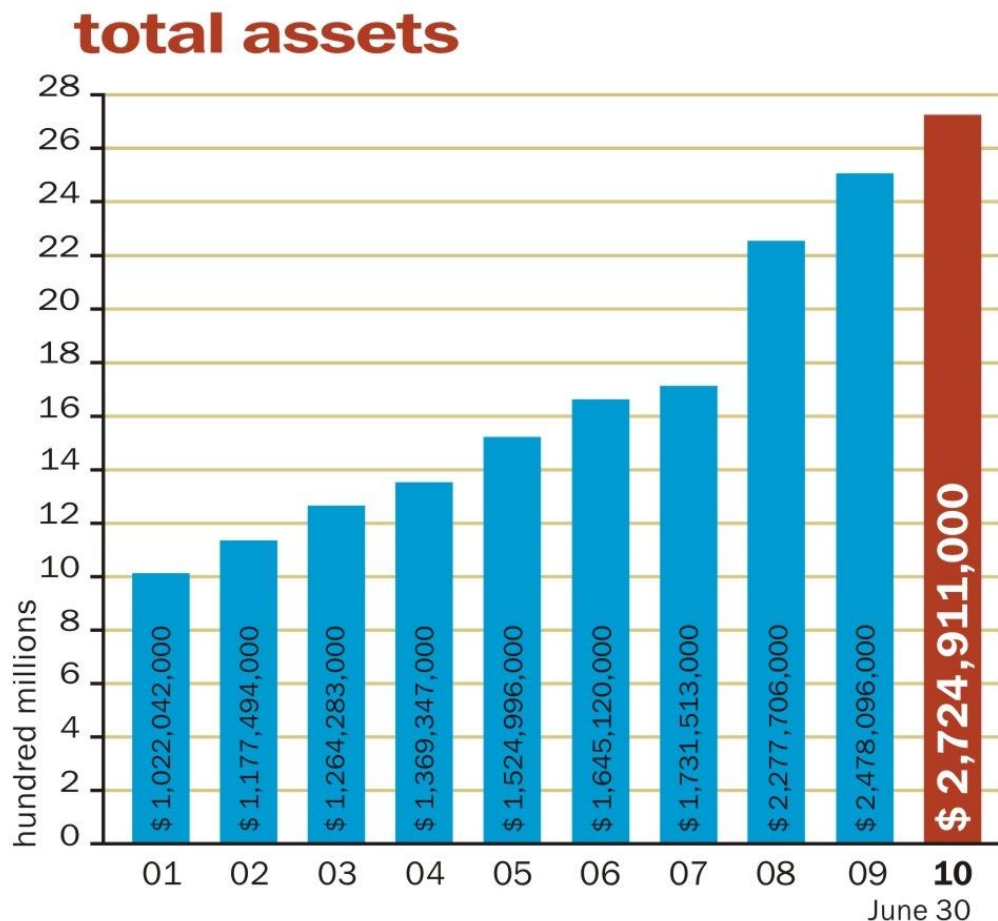


Sharemarket Profile - Cont

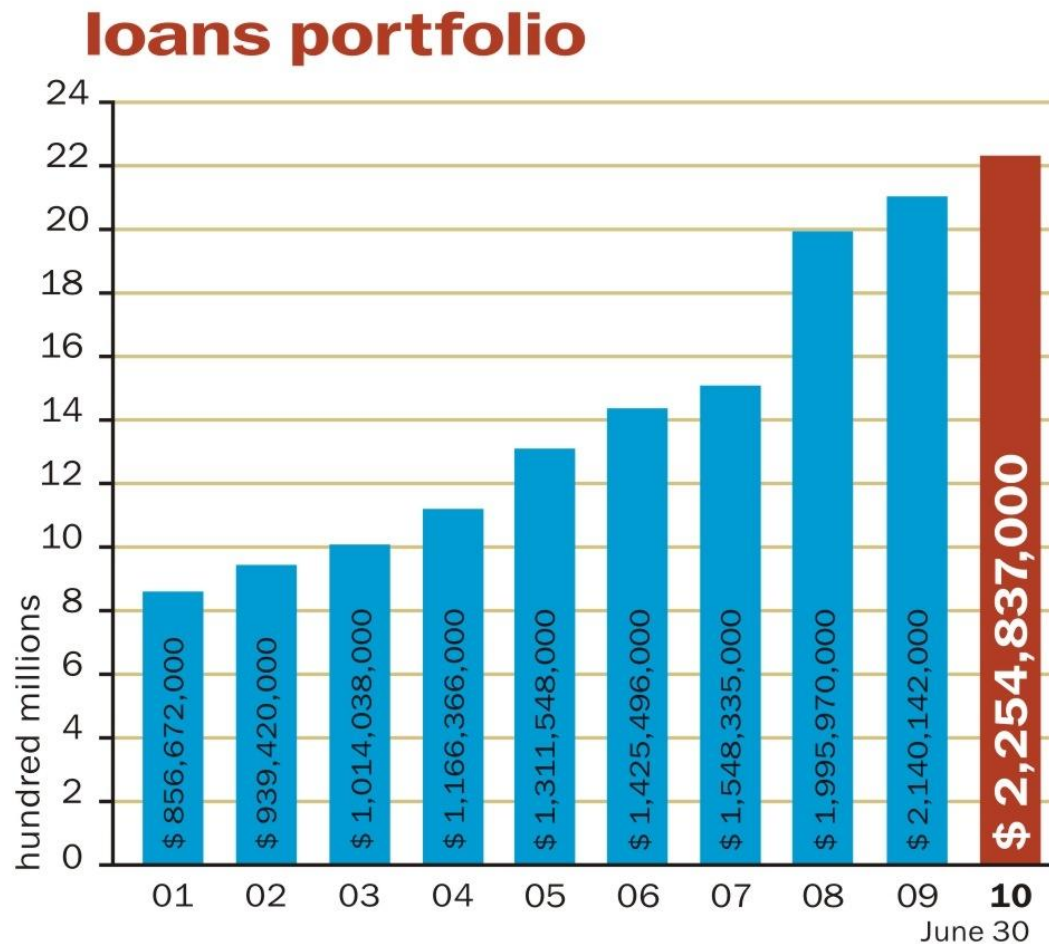


Strong Balance Sheet & Loans Portfolio

- Current assets are in excess of \$2.7 billion with loans at the 30 June 2010 of \$2.255 billion.
- Wide Bay has never funded 'sub-prime' or 'low-doc' loans.
- Lending was strong over the second half of 2009 as a result of lower interest rates and the First Home Owners Grant Boost. Lending has slowed over the past 6 months across the board.
- Liquidity is always maintained in excess of APRA's minimum requirements.

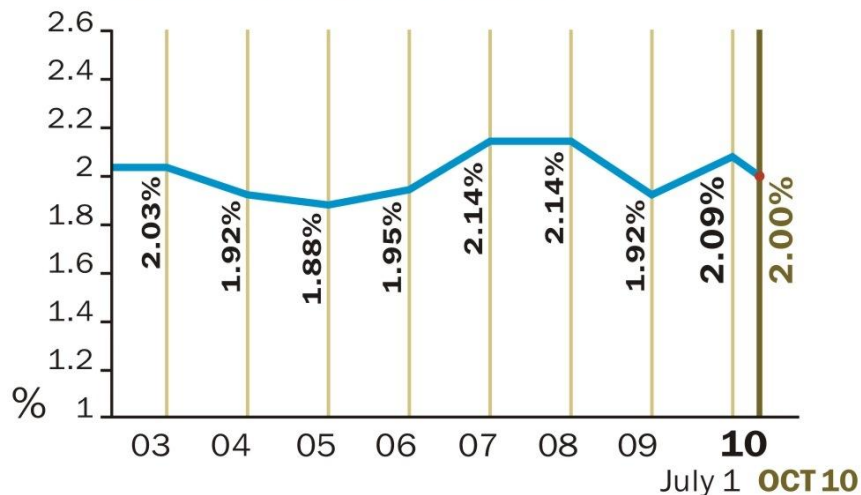


Strong Balance Sheet & Loans Portfolio - Cont



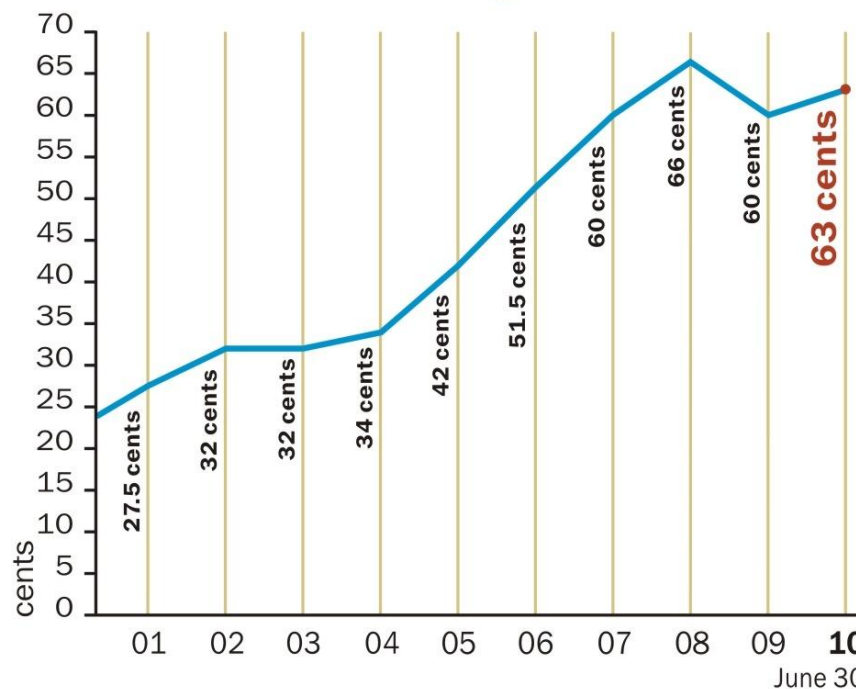
Continued Strong Trading Results

operating margin



A target of 2% margin is constantly maintained

dividend history



All dividends are fully franked

Continued Strong Trading Results - Cont



Financial Indicators - Past 2 Years – Consolidated

	Actual <u>30 June</u> <u>2009</u>	Actual <u>30 June</u> <u>2010</u>	
Net Profit after tax – actual	\$17.05m	\$22.30m	↑30.78%
Ordinary Dividends	60.0c	63.0c	↑5.0%
Loans Portfolio	\$2.140bn	\$2.255bn	↑5.36%
Total Assets	\$2.478bn	\$2.725bn	↑9.96%
Shareholders' Equity	\$150.98m	\$160.59m	↑6.36%
Cost to Income Ratio (Chief Entity)	54.7%	55.4%	
Capital Adequacy	12.22%	12.32%	
Return on Equity	11.29%	13.89%	↑2.60%
Return on Average Assets	0.72%	0.86%	↑0.14%

Corporate Strategy - Summary

- We continue to source the bulk of our loans via the retail branch network.
- New South Wales and Victorian loans are in the main sourced through the use of brokers.
- Strong focus of arrears will be maintained.
- We will continue to expand our retail base.
- Our lending will be selective and in accordance with strong credit policy.
- Currently developing commercial lending products.
- We will continue to look at opportunities for expansion through acquisitions, associations and partnerships.

Current Funding

- With the introduction of the Australian Government Deposit Guarantee considerable effort is being devoted to the securing of retail deposits through the branch network.
- The society has established a 'Repo' facility with the Reserve Bank which provides funding by repurchase of RMBS by the RBA for periods of up to 12 months. This facility will be scaled down over the current financial year.
- Adequate wholesale funding facilities are in place to address society requirements. While cost has increased significantly, an easing appears to be emerging
- A public RMBS securitisation issue for approximately \$400 million is planned for November 2010 which will clear most of current warehouse funding.

Director's Report 2009-10

Chairman's Report to Shareholders

This is my first report to you as Chairman of the Board of Directors and I am delighted to be able to tell you that Wide Bay Australia Ltd ("Wide Bay Australia") has enjoyed a very good year in 2009/2010.

The Wide Bay Australia group result was an after tax profit of \$22.30m, a 30.78% increase on the prior year's \$17.05 million profit result. That result includes an after tax surplus of \$2.88 million, from the Company's wholly owned mortgage insurance captive, Mortgage Risk Management Pty Ltd ("MRM"). The Board declared a final fully franked dividend of 31 cents to be paid on 5 October 2010 bringing the total dividend for the year to 63 cents (an increase of 3 cents over 2008/09).

The Board also resolved to maintain the Dividend Reinvestment Plan at a discount of 7.5%. The Plan has proven popular and has contributed to overall capital growth. Earnings per share for 2009/10 were 70.54 cents per share compared to 56.41 cents per share for 2008/09.

In 2009/10 Wide Bay Australia achieved loan approvals for the year of \$369.91 million compared with \$531.48 million in 2008/09. This was a creditable performance despite the reduction in volume. As foreshadowed last year following the withdrawal of the boost to the Government's First Home Buyer's Grant, Wide Bay Australia and other sector participants experienced a steady decline in housing demand from both the new and the existing home sector. It was pleasing that churn in loans was much reduced with the result that, despite the reduction in home lending, Wide Bay Australia's loans portfolio grew to \$2.25 billion as at 30 June 2010 – an increase of 5.36% for the year.

Total assets of the consolidated group increased from \$2.48 billion to \$2.73 billion during the year – a growth of 9.96%.

As at 30 June 2010, arrears were in a good position with the loan book performing well.

The Company has continued to develop and extend its branch structure and currently maintains 42 branches and agencies throughout provincial Queensland, primarily on the coastal areas from the Gold Coast through to Cairns. We believe that the Queensland branches are well positioned to participate in the strong growth of the Queensland resource sector. Interstate branches are located in Melbourne and Sydney. The bulk of the group's lending is conducted primarily through our branch network - however mortgage brokers are used to a limited extent, particularly in Sydney and Melbourne.

Director's Report 2009-10 - Cont

During the year funding was provided for the operations from both growth in retail deposits and also wholesale funding. Wide Bay Australia successfully completed a A\$433 million Public RMBS securitisation program in July 2009 which incorporated a cornerstone investment from the Australian Office of Financial Management (AOFM).

Last year we advised that the Board of MRM had resolved to terminate reinsurance arrangements with Radian Guaranty Inc because of a significant decline in their credit rating following the Global Financial Crisis (GFC). The world reinsurance market remains constrained in respect of possible reinsurers. MRM has continued to write business in respect of existing customers and new lending which has relatively low LVR's. Mortgage insurance on all other business including new business has been written with Genworth Financial Mortgage Insurance Pty Limited, a company with an "AA-" credit rating.

Our 25% investment in Financial Technologies Securities Pty Ltd, a financial planning company, has also performed well during the year, in a year of uncertain and fluctuating economic conditions on stock markets.

There is no doubt that the introduction by the Australian Government of the Deposit Guarantee was one of the primary reasons for the stability of the Australian banking sector during the GFC. The Guarantee is set to expire on 12 October 2011. I think that the Government should give serious consideration to extending the Guarantee as a means of maintaining the confidence levels of depositors. Although we thought that the Deposit Guarantee, as implemented, unfairly favoured the big four banks over Wide Bay Australia, the regional banks and other smaller industry participants, it was an important confidence boosting measure that promoted competition.

Wide Bay Australia has consistently recognised the importance of the operations of the industry supervisory body, the Australian Prudential Regulation Authority (APRA) which develops the Prudential Standards and supervises the activities of Approved Deposit Taking Institutions, which includes banks, building societies and credits unions. We have a good working relationship with APRA and acknowledge their major contribution to the stability of the Australian banking system both during and following the GFC. We look forward to an ongoing continuation of that good working relationship.

Director's Report 2009-10 - Cont

There is still a significant degree of uncertainty in world financial markets. There is also continued adverse speculation as to the financial health of some European countries and the strength of the economic recovery in the US is muted. While Australia is comparatively well placed due to the strength of our resources industries the extent of growth, going forward, is hard to predict due to the continued weakness in the current Australian housing market. That being said, Wide Bay is well placed to pick up on any upturn in that market.

To our Management team, led by the remarkable Ron Hancock, I extend our appreciation for another great year. We are very fortunate to boast a unique culture where many of our key personnel have many years of dedicated service with Wide Bay Australia.

Finally, I extend my appreciation to my fellow Directors for their individual contributions and commitment to Wide Bay Australia throughout the year. John Fell has indicated his intention to retire at the end of 2010. I would like to take this opportunity to thank John for his invaluable service and the quality of his contribution to Wide Bay Australia over a very long period. The Board is conscious of the need for renewal and while they will be big shoes to fill, we will look to appoint a replacement for John who will add to the mix of skills available on the Board.

I thank you for your continued support.

Yours faithfully,
John Humphrey
Chairman

24 September 2010 - Brisbane

Managing Director's Report 2009-10

Managing Director's Report to Shareholders

The progressive easing of the Global Financial Crisis (GFC) in Australia has enabled Wide Bay Australia Ltd to respond with very strong results for the financial year 2009/2010.

The group's after tax profit of \$22.30 million was an all time high and reflected a 30.78% increase over the results for 2008/09.

After a very strong commencement of the financial year, our lending slowed with the withdrawal of the boost to the Government's First Home Buyer's Grant in September 2009 and the last six months of the year has shown a steady decline in the housing market across the board. Our lending for the year was \$369.91 million, with a growth in our loan book from \$2.14 billion to \$2.25 billion – an increase of 5.36% for the year.

Looking forward, we are currently structuring a commercial lending operation. In the first instance we envisage that this will be an extension of our current limited operations and primarily used by our existing borrowers. We have gone to extensive lengths to ensure the professional introduction of this product over the next few months in developing appropriate policies, procedures and terms and conditions. We believe it will provide a logical extension of our operations and augment our current lending.

Our branch network, apart from some refits, has been stable throughout the year, with 42 branches and agencies in Queensland, one branch in New South Wales, one in Victoria and a lending outlet in South Australia. Our Queensland operation provides a network from the Gold Coast throughout coastal regional Queensland to Cairns, with inland branches at Emerald and Moranbah and full service agencies at Monto and Gayndah. These retail branches are critical to providing access to retail deposits and home loans without a heavy reliance on brokers. About 20% of our lending during the year was sourced from brokers.

Throughout the year we have been able to maintain our net interest margin in the range of 2%, which has been consistent with previous years. As a result of the retention of this margin and prudent costing initiatives, we have been able to maintain our cost-to-income ratio at 55.4%, marginally up on 54.7% in 2008/09. This ratio compares very favourably, given our size, with cost performances of other regional banks and is the best within the building society and credit union sector.

Managing Director's Report 2009-10 - Cont

Competition for retail deposits, including term deposits, has been fierce within the Approved Deposit Taking Institution (ADI) sector, but we have been able to achieve a growth of 4.99% in retail deposits to \$1.31 billion. Our ratio of retail deposits and wholesale funding continues to be about 55% and 45% respectively.

Our investment in Financial Technologies Securities Pty Ltd, a financial services company, has yielded a solid result given the difficult and uncertain times in the financial services industry.

Our lenders mortgage insurance captive, Mortgage Risk Management Pty Ltd (MRM) has performed very well, showing an after tax profit of \$2.88 million. Since the commutation of our reinsurance structure with Radian Guaranty Inc., Wide Bay Australia has resolved to limit the business written by MRM with most new business in excess of 75% LVR being placed with Genworth Financial Mortgage Insurance Pty Limited.

The steady recovery from the GFC has seen our share price rebound from \$8.50 in October 2009 with a recent high of \$11.10 on 10 September 2010 prior to going ex-dividend. This was an excellent response given the overall market movement. For the year ended 30 June 2010 our shares attracted a \$0.63 fully franked dividend.

Yet again throughout 2009/10, we have enjoyed a stable experienced Management team, who are very dedicated and lead a team of enthusiastic well trained employees. Our training procedures involve all staff attending Head Office on a regular basis for training updates.

The Staff Share Plan is still well supported. Employees are given the option to acquire Wide Bay Australia shares annually, with the assistance of an interest free loan at a discount to the market of 10%. This enables them to participate and be personally involved in the success of Wide Bay Australia's ongoing operations.

We also enjoy the involvement of a very experienced and stable Board of Directors who work closely and in harmony with our Management team.

Managing Director's Report 2009-10 - Cont

Our forecasts for the current year will depend very much on the activity in the housing sector and the growth able to be achieved in lending and the overall loan book. However, with our cost-to-income ratio efficiency and very solid funding, we are well placed going forward and are confident of another successful year for 2010/11.

Finally, I would extend my appreciation, in addition to our staff, to the support of our customers, shareholders, associated organisations and business partners, in particular those companies that provide our range of associated financial products and with all of whom we enjoy a very harmonious association.

Yours faithfully,
Ron Hancock AM
Managing Director

17 September 2010 - Bundaberg

Corporate Directory

■ Ron Hancock AM, FCA, FAICD, FIFS

Managing Director

- (07) 4150 4001
- rhancock@widebayaust.com.au



■ Frances McLeod MAICD, FIFS

Executive Director & Chief Operating Officer

- (07) 4150 4002
- fmcleod@widebayaust.com.au



■ Bill Schafer B.Com CA

Chief Financial Officer

- (07) 4150 4075
- bschafer@widebayaust.com.au



Registered Office

- Level 5, Wide Bay Australia House
16-20 Barolin Street
Bundaberg QLD 4670
Telephone (07) 4150 4000
Facsimile (07) 4152 3566
Email widebay@widebayaust.com.au
Website www.widebayaust.com.au