

8 October 2013

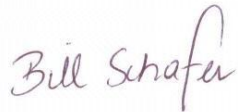
Manager of Company Announcements
ASX Limited
Level 5, 123 Eagle Street
Brisbane QLD 4000

Wide Bay Australia Ltd (WBB) – Investor Presentation

Please find attached an investor presentation to be presented to brokers and prospective institutional investors.

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

Yours sincerely,



Bill Schafer
Company Secretary

Wide Bay Australia Ltd

Investor Presentation

October 2013



Scorecard – Strategic & Administration

A review of goals and targets set in March 2013

Strategic plan to the Board - May 2013



Banking licence

ongoing

New leadership structure



Establish HR department



Clearly established KPI's



Review costs – personnel, branches & acquisitions



Enhanced operating system - September 2013

X April 2014

Mobile app



Branch refurbishment process

underway

Scorecard – Products & Services

A review of goals and targets set in March 2013

Sales & Product training

X

Personal Loans - June 2013

✓

Home Loans

* Recruit high quality lenders

Ongoing

* Simplify existing products

✓

* Lender incentive program

✓

* Sharpen third party offering

Ongoing

Increase Insurance cross sales

✓

Dedicated 3rd party channel

✓

Business Banking

On track

Scorecard – Risk Management

A review of goals and targets set in March 2013

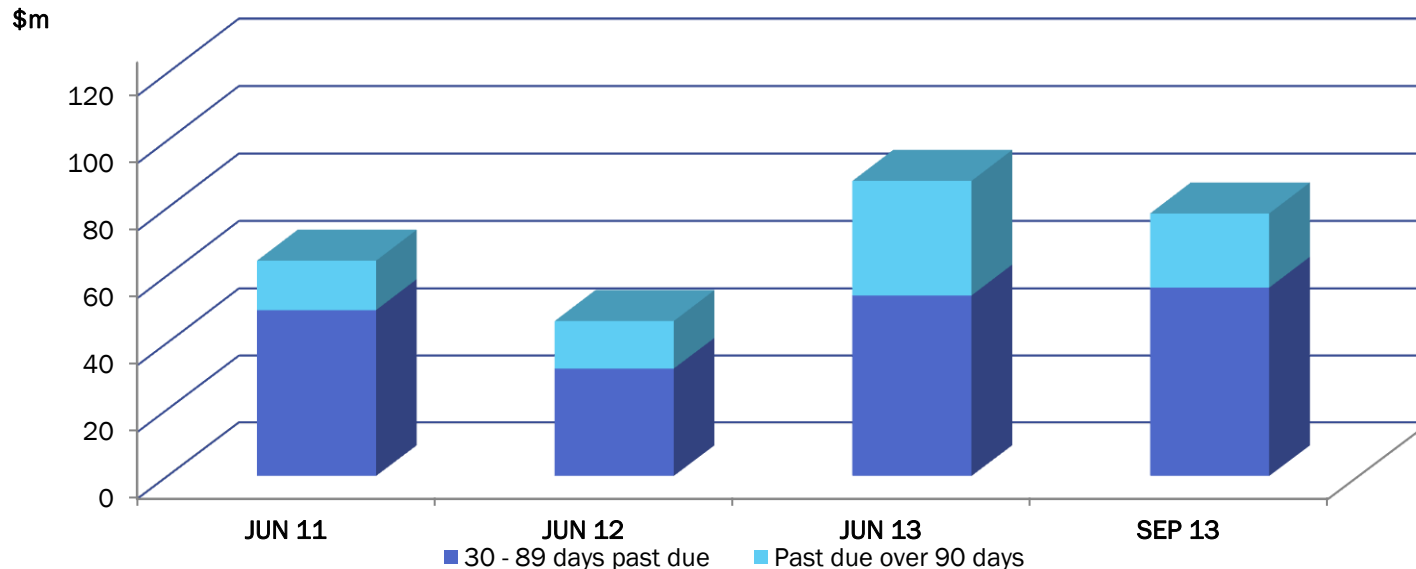
Introduce collective provisioning ✓

Mortgage Risk Management Pty Ltd

* Review of portfolio and provisioning ✓

Arrears and collections capability and management ✓

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



IT Strategic Plan

Online Capability

▪ Products

- Savings Accounts
- Service Application
- Home Loans

▪ Services

- Information
- Transactions

System Upgrade

- Ultracs 4
- Lending System

Branch Technology Transformation

- Hardware Upgrade
- Customer Access

Business Banking

Proposed timetable to origination anticipated in October/November 2013

Action	Timeline
Build policy document and include Industry and security parameters, establish process & procedures	September 2013
Develop a workable Risk Grade model acceptable to APRA	September 2013
Develop an acceptable Application Template	September 2013
Bundaberg & Gladstone BBM's recruited	October 2013
Confirm acceptance with APRA	October 2013
Rockhampton BBM recruited	October 2013
Recruit Mackay BBM	November/December 2013
Commence origination of new business	October/November 2013
Recruit BBM Gympie/SC	December 2013
Recruit GM Business Banking & Analyst	November 2013/January 2014

Australia's Best Building Society

Wide Bay Australia voted Australia's Best Building Society in the 2013 Mozo People's Choice Awards.

Wide Bay Australia was one of this year's fastest movers, increasing its overall customer satisfaction rating from 79% to 86% in 2013.

Overall Satisfaction	8.61 (86%)
Best of big 4	7.76 (78%)

More than 28,000 Australian's participated in the 2013 Mozo People's Choice Awards by rating their financial institution on Mozo over the last 12 months.



Financial Overview

Statutory NPAT \$2.453m for 12/13 down from \$17.578 in 11/12

Underlying cash NPAT \$12.126m for 12/13 down from \$14.667m in 11/12

Total dividend for the year 17c – 13c interim dividend and 4c final dividend

Write down of equity accounted investment by \$7.377m to nil (which is capital neutral)

Capital for the group strong at 13.82%, above Board target of 13.00%

Mortgage Risk Management Pty Ltd (MRM) capital strong and in excess of prudential target

Provisions in the insurance subsidiary (MRM) up to \$11.4m to cover write-offs over 4 years

Loan book at \$2.229b at 30 June 2013, up from \$2.197b at 31 December 2012

Budgeted consolidated statutory NPAT for 13/14 at \$13m - \$14m

Cash Earnings

SIGNIFICANT ITEMS

Reconciliation of Cash Earnings

	2013	2012
Underlying cash NPAT	\$12.126m	\$14.667m
Impairment of FTS	(\$5.164m)	-
One-off provision for doubtful debts*	(\$3.094m)	-
LMI commutation expense write-off	(\$0.925m)	-
One-off acquisition costs	(\$0.490m)	-
One-off insurance premium from commutation	-	\$2.450m
One-off credit clearing account dispute	-	\$0.461m
Statutory NPAT	\$2.453m	\$17.578m

- * ➤ The provision for doubtful debts adjustment includes \$3.2m underwriting expense from MRM considered to be a one-off adjustment relating to the re-examination and revised modelling of the MRM insured loan book.
- 'One-off provision for doubtful debts' includes the amount of provisions in the chief entity and MRM considered by management to represent one-off issues or extraordinary legacy items.
- The adjustment includes flood related provisions and a one-off non-recourse loan.

Cash Earnings data

KEY METRICS - CASH EARNINGS

	2013	2012	Change 2013 v 2012
Underlying cash NPAT	\$12.126m	\$14.667m	Down 17.3%
Cost to income ratio (chief entity) - cash NPAT	71.3%	65.6%	up 5.7%
Cost to income ratio (group) - cash NPAT	71.9%	69.8%	up 2.1%
Return on equity - cash NPAT	6.5%	7.4%	down 0.9%
Earnings per share - cash NPAT	33.51c	41.00c	down 7.49c

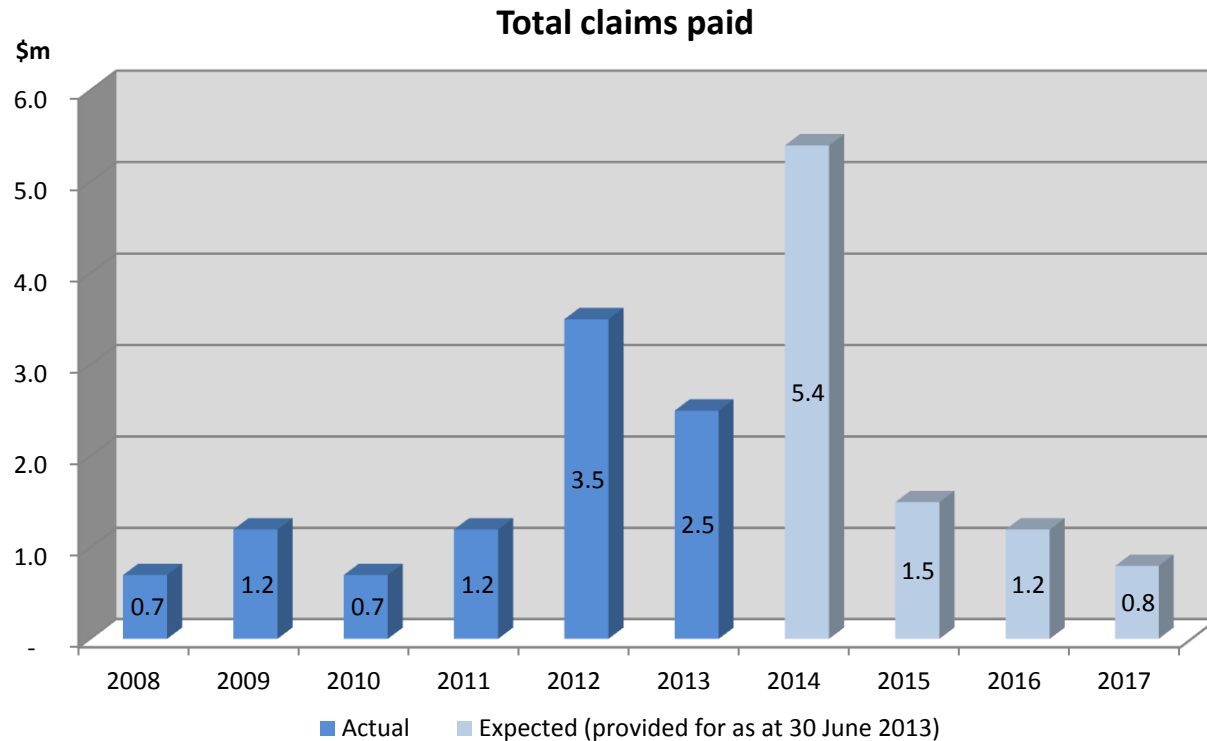
- Underlying cash earnings is used by management to present an overall view of the group's underlying operating results.
- The cash earnings exclude items which are considered to be volatile, one-off in nature or distortions of the current period's results. The calculations are consistently calculated across reporting periods and do not discriminate between income and expense items.
- Non-statutory financial disclosures are not audited.

Statutory Net Profit data

KEY METRICS - STATUTORY NET PROFIT

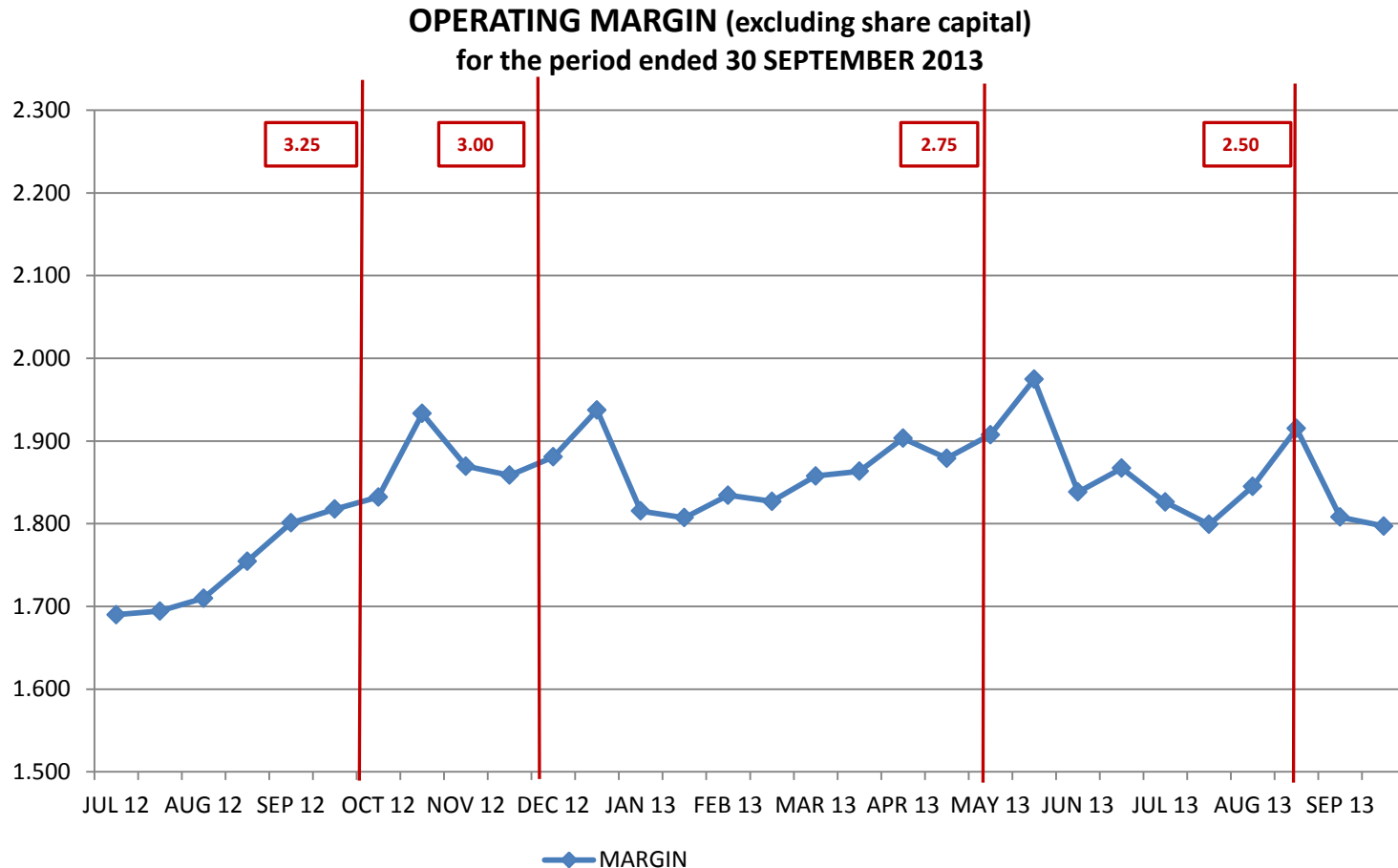
	2013	2012	Change 2013 v 2012
Statutory NPAT	\$2.453m	\$17.578m	down 86.0%
Total dividend for year	17.0c	47.5c	down 30.5c
Cost to income ratio (chief entity) - statutory NPAT	94.7%	59.3%	up 35.4%
Cost to income ratio (group) - statutory NPAT	94.0%	63.8%	up 30.2%
Return on equity - statutory NPAT	1.3%	8.9%	down 7.6%
Earnings per share – statutory NPAT	6.78c	49.14c	down 86.2%

Mortgage Risk Management Pty Ltd



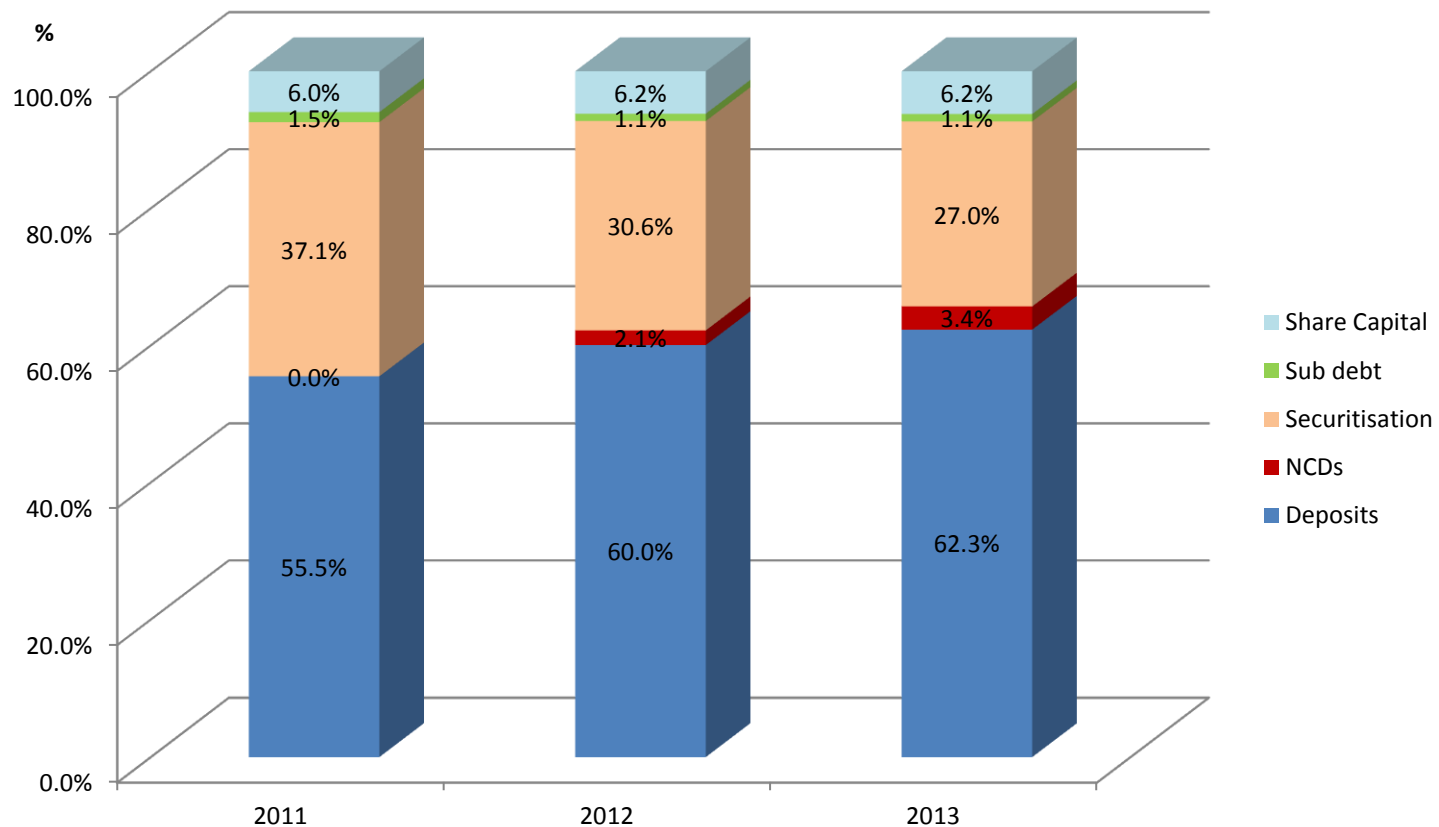
- The 'actual' claims (dark blue) represent the payments for actual claims made on bad debts in the financial year.
- The 'expected' claims (light blue) represent the forecast claims in the next 4 years based on mortgagees in possession, arrears on past due loans and arrears on 'hardship' accounts.
- MRM has \$11.4m in provisions set aside at 30 June 2013 in anticipation of the claims of \$8.9m over the next 4 years and for additional loans in arrears which may arise in that period.

Net Interest Margin



- The operating margin is a twice monthly net interest margin calculation based on the actual interest rates on interest bearing assets and liabilities.

Source of Funds



Important Notices

This Presentation has been prepared for Wide Bay Australia Ltd ABN 40 087 652 060, Australian Financial Services and Australian Credit Licence Number 239686, ASX Code WBB.

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.