

11 May 2016

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

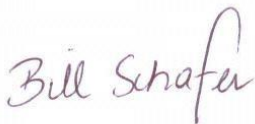
Dear Sir/Madam

Auswide Bank Ltd (ABA) – Analyst Presentation - MoneyPlace

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

The presentation provides a review of Auswide Bank's strategic relationship with 'peer-to-peer' lender MoneyPlace.

Yours faithfully



Bill Schafer
Company Secretary

Small things. Big difference.



MONEYPLACE

Marketplace lending: Australian opportunity

Auswide Bank analyst presentation

11 May 2016

Auswide Bank & MoneyPlace Strategic Relationship





- Equity stake of 19.3% held since December 2015
- ABA provides conditional personal lending funding up to \$60m over 5 years and supports MoneyPlace funding and growth
- Average return >11% across asset classes A/B/C (Focus on higher quality loans)
- Positions Auswide Bank to benefit from Fintech disruption across the personal lending sector
- Auswide Bank loan book forecast is \$10m by June 2017 via the MoneyPlace platform - lending growth is accelerating in first 6 months of MoneyPlace operations in chosen risk categories

MoneyPlace overview

- Australian based **marketplace lending platform** (also known as peer-to-peer (P2P) lending) which **connects creditworthy borrowers directly with investors**
- Launched in **October 2015** as **Australia's second fully licenced marketplace lender**, targeting a **\$50B marketplace lending opportunity**
- Partnership with **Auswide Bank** initially centred around a **\$60 million loan book commitment** and an **equity investment**, with **significant potential for further partnering**
- MoneyPlace aims to **fix Australia's broken consumer lending market**

Consumer lending is broken (1/3)

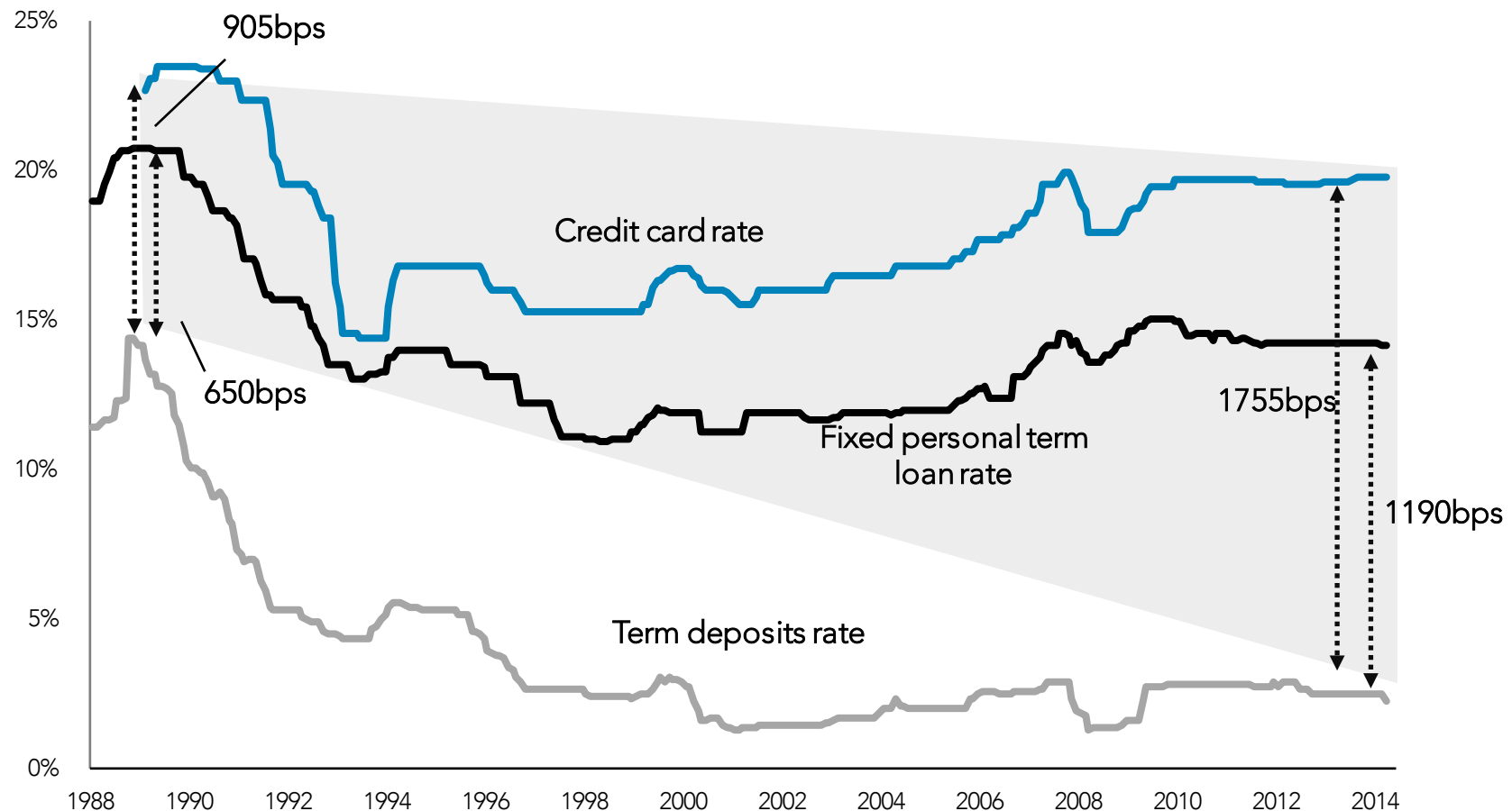
Limited choice: One size fits all approach to pricing and no price discovery

Personal loan comparisons on Mozo					Rates updated daily				
All		Secured	Unsecured	Major banks	Debt consolidation	Peer to peer lending	Refinance		
PROMOTED		Westpac Personal Loan (Fixed, Unsecured)		interest rate from	comparison rate from		Go to site More info +		
	<ul style="list-style-type: none">✓ Borrow from \$4K to \$50K✓ Conditional approval in minutes when you apply online✓ Choose to repay over 1 to 7 years		12.99%	14.01% based on \$30,000 over 5 years					
	PROMOTED		NAB Personal Loan (Variable, Unsecured)		interest rate from	comparison rate from*		Go to site More info +	
		<ul style="list-style-type: none">✓ Borrow from \$5,000 - \$55,000✓ No fees for extra or early repayments✓ Loan terms from 1 to 7 years		13.69%	14.56% based on \$30,000 over 5 years				
PROMOTED			St.George Get Set Loan (Variable, Unsecured)		interest rate from	comparison rate from*			Go to site More info +
		<ul style="list-style-type: none">✓ Access to your funds whenever you need✓ Only pay interest on your outstanding balance✓ 24 hour access to funds via Internet Banking or Phone Banking		13.75%	n/a				
	PROMOTED		ANZ Unsecured Personal Loan (Fixed)		interest rate from	comparison rate from*		Go to site More info +	
		<ul style="list-style-type: none">✓ Loan terms from 1 to 7 years✓ Make extra repayments✓ Borrow up to \$75,000		13.95%	14.81% based on \$30,000 over 5 years				

Consumer lending is broken (2/3)

Fat margins: Consumer finance interest rate spread doubled over past 25 years

Australian fixed personal term loan and credit card rate vs. term deposits rate
(average %; 1990-2015)

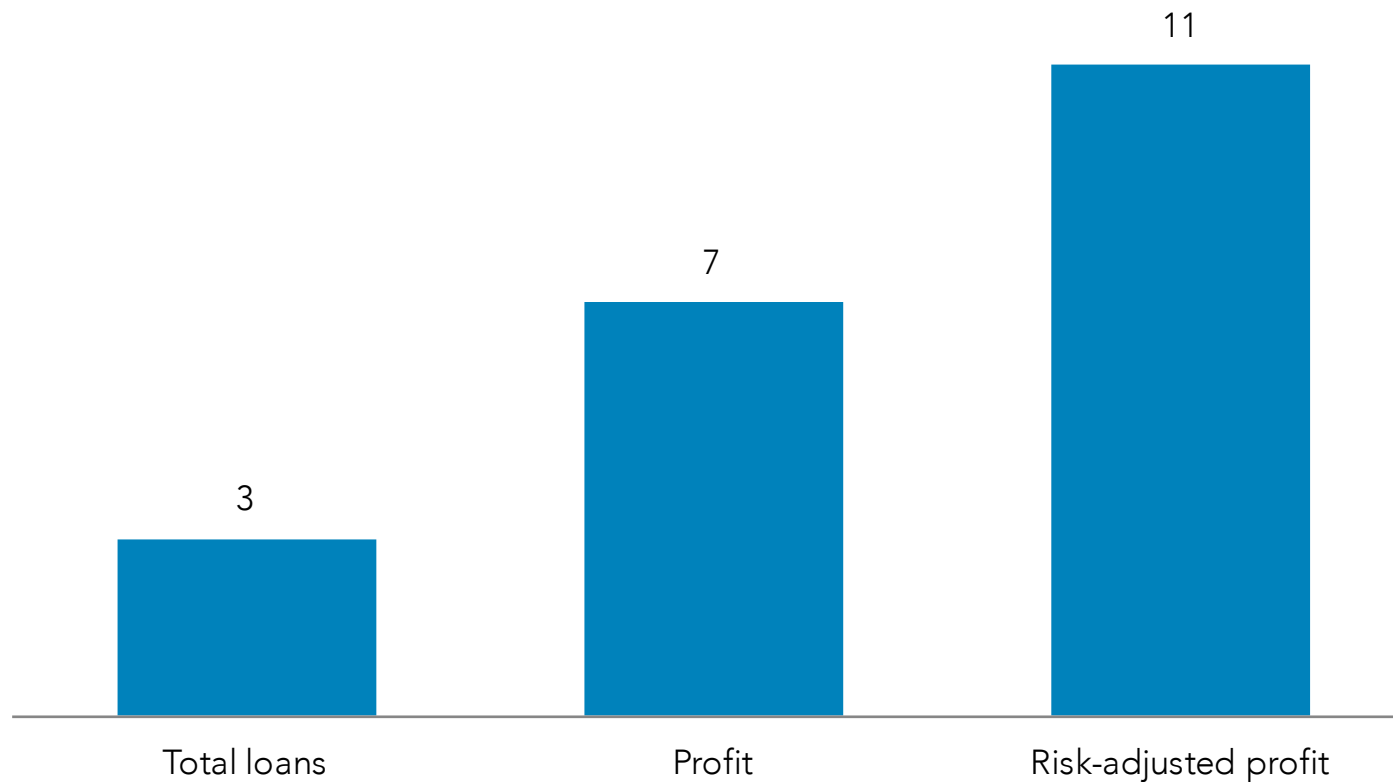


Source: RBA; Bloomberg

Consumer lending is broken (3/3)

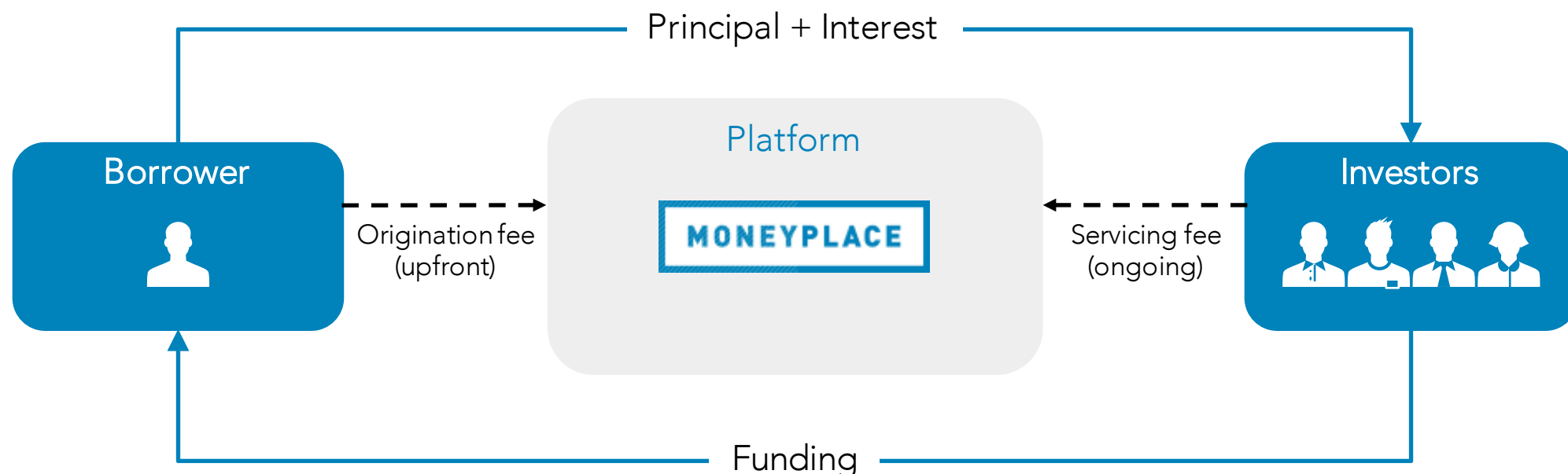
Large profit pools: Unsecured lending over-contributes to bank profits

Unsecured lending contribution to bank loans, profit and risk-adjusted profit (%)



Source: JP Morgan

MoneyPlace enables investors to lend money to borrowers without a banking intermediary

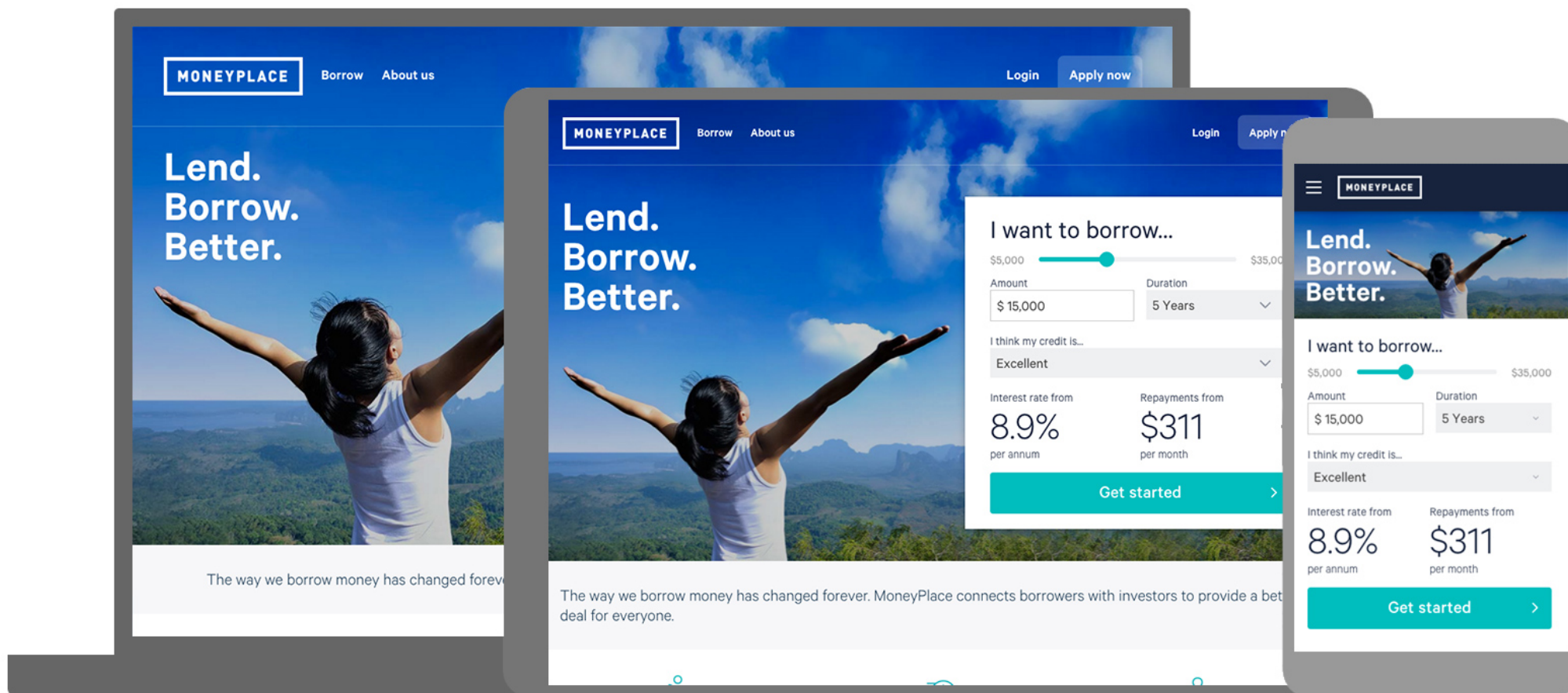


Borrower proposition:
"Easier access to credit at rates lower than your bank"

Platform proposition:
"Market maker – fee for service model with no direct credit risk; sharing cost savings with borrowers and investors"

Investor proposition:
"Achieve higher fixed income returns from previously unavailable asset classes"

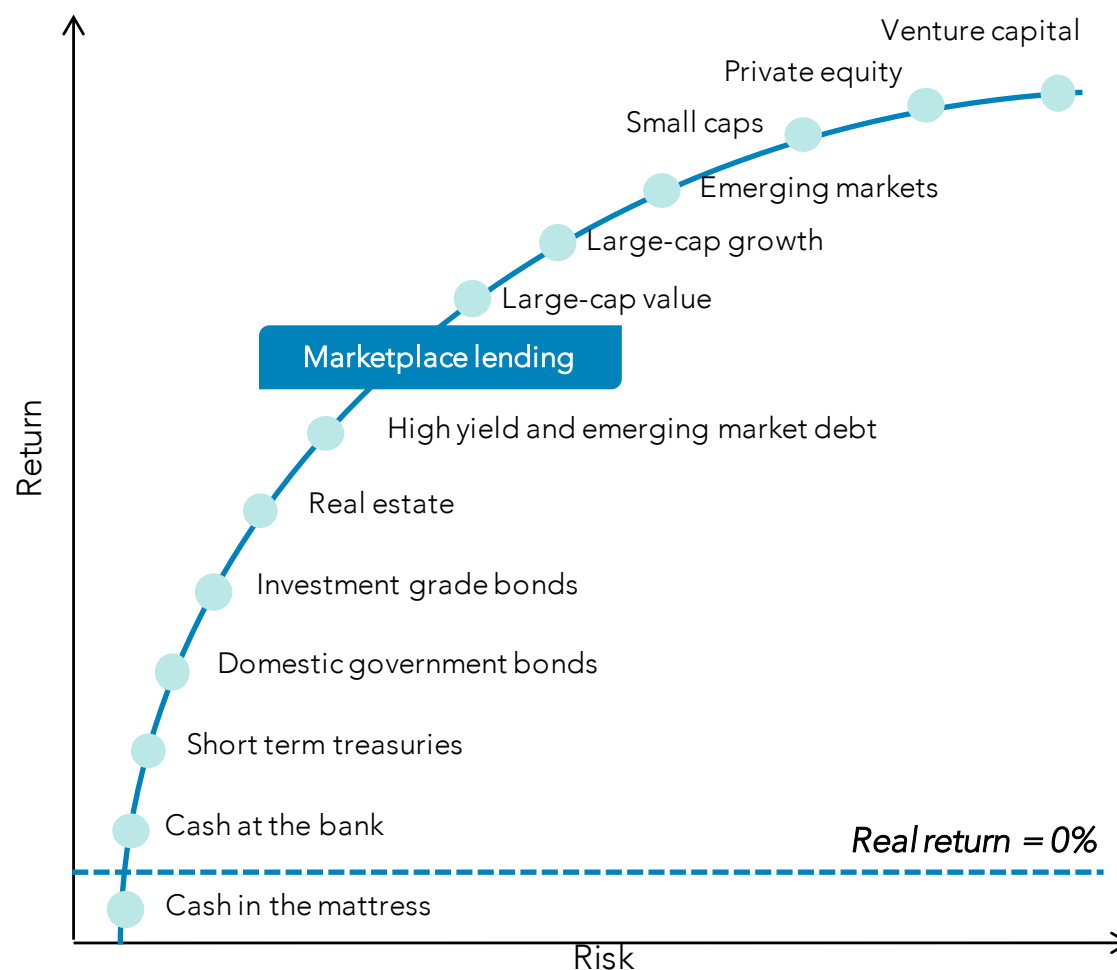
A better user experience, available across multiple devices



Marketplace lending means investors can now access a new asset class

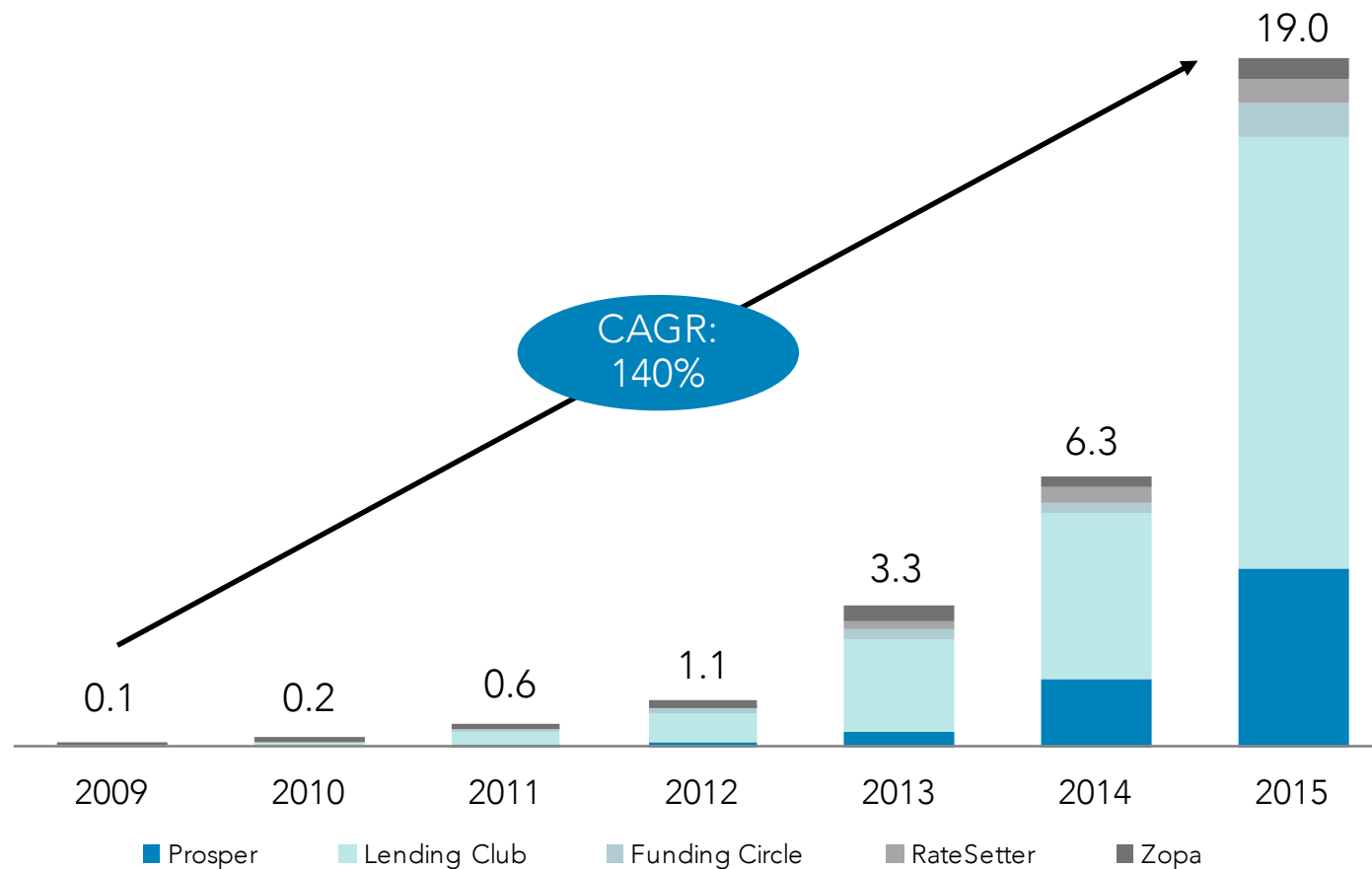
Investor innovation: Marketplace lending enables investors to access unsecured consumer lending, an asset class previously only available to the banks

Risk return profile (marketplace lending vs. other asset classes)



Top five international platforms estimated to have written ~US\$19B of new loans in 2015, having grown at ~140% p.a. since 2009

Top 5 Marketplace lenders: gross annual loan volume (2009-2015e, US\$B)

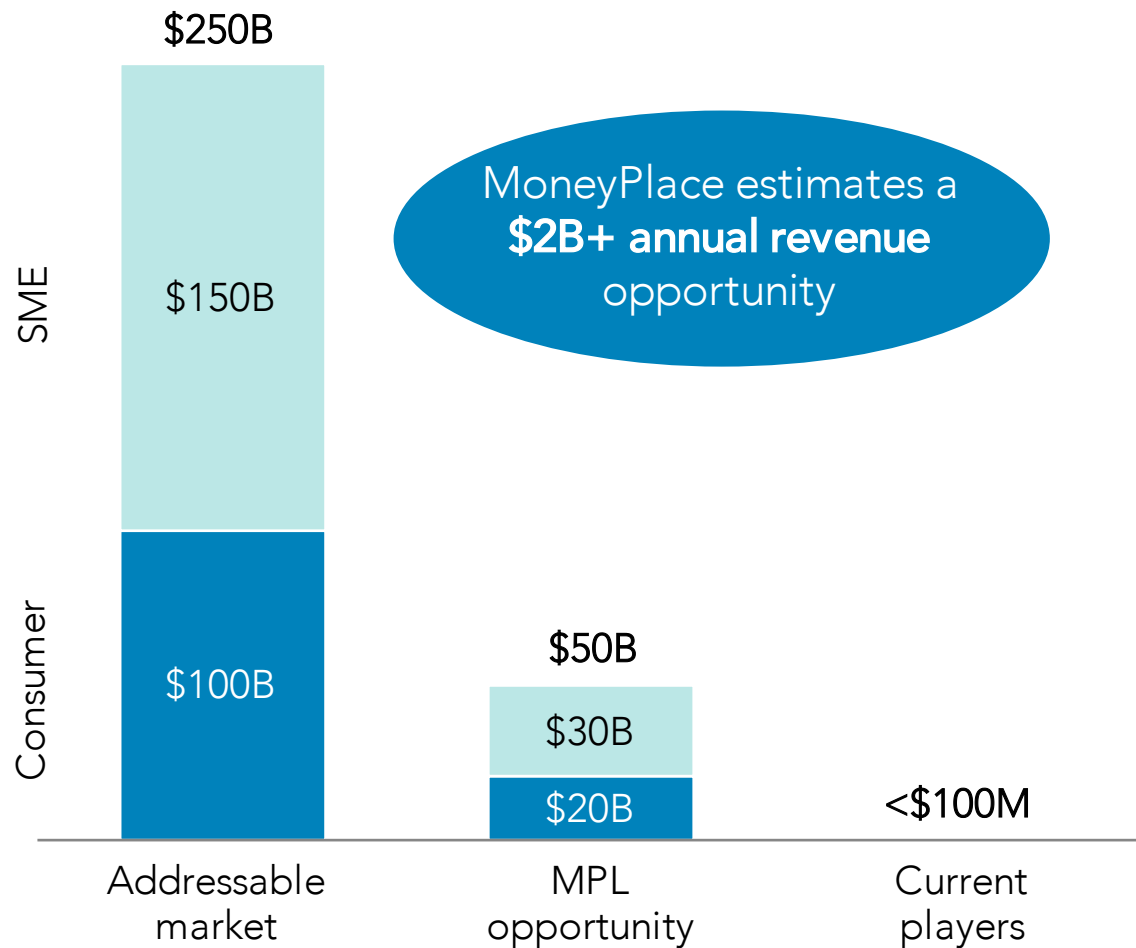


Source: Prosper; Lending Club; Funding Circle; RateSetter; Zopa; Liberum Capital

Marketplace lending is a rapidly growing global phenomenon, with **new loan volumes** increasing by **3x in 2015**

Australian marketplace lending opportunity is large, with only a few incumbent players and significant room for growth

Australian marketplace lending market size (\$)



Morgan Stanley estimates that by 2020, marketplace lending will have a **\$10 billion** share of the consumer lending market in Australia

Source: RBA; MoneyPlace analysis

MoneyPlace is quickly becoming the authority on financial services disruption

BRW.

Former NAB notables turn on big banks with peer-to-peer lending start-up Moneyplace

Published 22 January 2015 13:26, Updated 23 January 2015 11:30
James Egan

Business Spectator
TODAY'S MOST
INSIGHTFUL COMMENTARY



Commentary



Who needs banks anyway?

27 FEB | 5:13 PM | VICTORIA THIEBERGER
The big banks have had it all their way for decades, but now peer-to-peer lenders are taking them on in the massive personal loans market with lower rates -- and borrowers are lapping it up.

BRW.

Entrepreneurs Business Technology Leader

'We're so regulated, it's out of control': start-ups tell Productivity Commission

The Sydney Morning Herald
BusinessDay

Auswide loans through MoneyPlace



Kroger factor
Victorian Liberals line up a battering ram

Jennifer Hewitt p2, Rear Window backpage

Smart suburbs
How schools drive up property prices

News p3, Property p31-32



Gloves off
Ten brilliant women from the 1950s

Summer Reviews p34



FINANCIAL REVIEW

www.afr.com | Thursday 22 January 2015 \$3.50 INCLUDES GST

► Iron ore, oil plunge threaten investment

BHP fights cash flow squeeze

Amanda Saunders

BHP Billiton may have to make deep cuts to investments in projects designed to drive growth as price crashes in its two biggest earners, iron ore and oil, hit cash flows.

The world's biggest miner is sticking to its policy to maintain or increase its dividend every year - an annual commitment that costs at least \$156.5 billion (\$7.9 billion) - forcing it to reduce capital investment, undermining its growth potential, or take on more debt. BHP chief executive Andrew Mackenzie said the company was "alert to opportunities to further increase cash flow" and would slash the number of oil rigs drilling onshore in the US by 40 per cent by June. The decision will save the company \$1.5 billion to \$1.8 billion per financial year.



Stuck in shale

The short-term damage from oil's rapid retreat to under \$US50 is real. If things don't improve, BHP might need to reassess shale's role as a self-sustaining, cash-generating business.

Matthew Stromer p28

would "not budge" on its progressive dividend payout policy.

Perpetual global resources analyst Andrew Corbett said BHP's decision to cut its oil rigs was prudent but the company should wait before making sweeping cuts to investment.

"There have not to, manage the



Matt Santosa, Melanie Nguyen, Stuart Skoyan and Paul Abbey. PHOTO: JESSE MARLOW

Can they outsmart the banks?

East West Link may dig \$3b budget hole

The Victorian government's \$3 billion blow to its budget is not proceeding with Melbourne's East West Link. The state has a \$400-million and \$500-million paratransit work on the road including land acquisition and consultancy costs. The builders are eligible for compensation and will need to repay \$1.5 billion in funding already booked.

► News Report and commentary

Review to look for contract

Exclusive The Abbott government will review the benchmark laws that restrict business independent contractors to make it easier to hire contractors to work exclusively on major projects.

It will consider whether some pay-as-you-go employees should be treated as contractors for tax purposes.

Small Business groups this year will begin to register contractors for tax purposes.

► News p7

LNP advert floods Queensland

The Liberal National Party's fund-raising advertisement is flooding television screens and roadsides.

BUSINESS INSIDER

Online Peer-To-Peer Lending Is Really Taking Off



Nine Aussie startups to watch in 2016

DENHAM SADLER | FRIDAY, 18 DECEMBER 2015

FINANCIAL REVIEW

Freelancer, MoneyPlace to debate regulation

PUBLISHED: 19 FEB 2015 00:07:00 | UPDATED: 19 FEB 2015 11:19:01

FINANCIAL REVIEW

Dec 29 2015 at 12:15 AM | Updated Dec 29 2015 at 12:15 AM

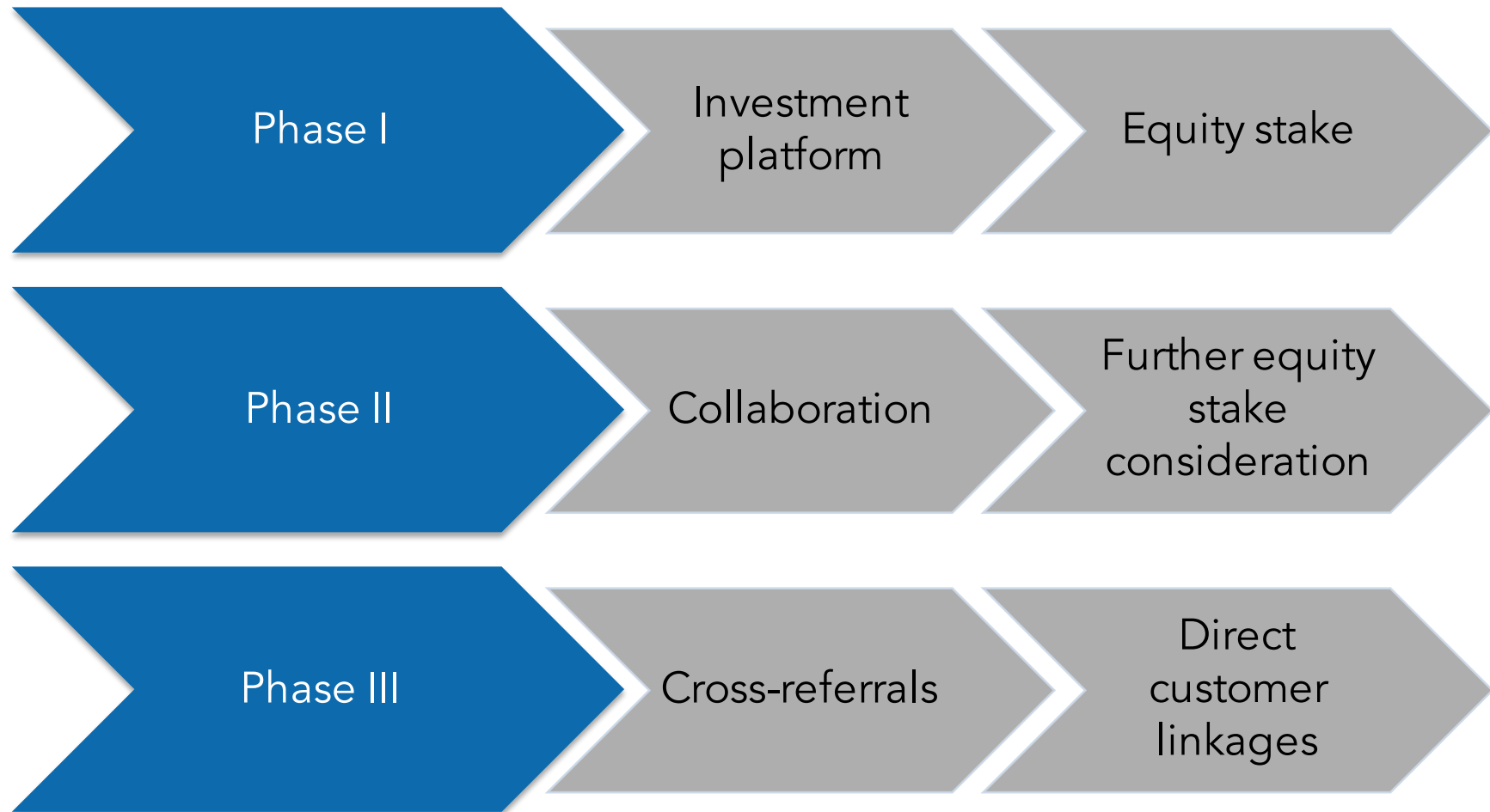
Save article | Print | Rep

The 14 companies that illustrate Australia's fintech future



MONEYPLACE

Auswide Bank and MoneyPlace partnership positioned to deepen in immediate to medium term



Disclaimer

This Presentation has been prepared for Auswide Bank Ltd ABN 40 087 652 060, Australian Financial Services and Australian Credit License Number 239686, ASX Code ABA. The information is current as at 11th May 2016.

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 ABA's views on its future financial condition and/or performance. Past performance, including past trading or share price performance, of ABA cannot be relied upon as an indicator of (and provides no guidance as to) future ABA 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 ABA, 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.