

11 August 2011

Wide Bay Australia Ltd (ASX Code: WBB) announces a modest profit increase for the 2011 Financial Year

Wide Bay Australia Ltd's consolidated results for the 12 months ended 30 June 2011 has delivered a marginal increase of 1.67% over that of 2010.

Managing Director, Ron Hancock, has confirmed that the after-tax profit for the year was \$22.7 million, compared to \$22.3 million for 2010 and in line with the recent profit forecast.

The results included an after-tax profit contribution of \$2.3 million from Wide Bay's wholly owned lenders mortgage insurance company, Mortgage Risk Management Pty Ltd (MRM), which compares to a \$2.9 million contribution for the previous year.

Loan approvals for the year were \$308 million, compared to \$369 million for 2010. Mr Hancock said that with the slowing housing market and the flow-on effects of Cyclone Yasi and the Queensland floods, the profit had been affected by the loan book growing only marginally over the 12 months and the profit contribution from the wholly owned subsidiary MRM had also been affected by increased provisioning over the prior year.

He said that Wide Bay had still been able to maintain a steady margin, in excess of 2%, throughout the financial year.

The cost-to-income ratio for the chief entity was 54.3% compared to 55.4% for 2010.

Mr Hancock advised that the company accounts are still subject to formal audit approval. It is envisaged the formal ASX lodgment of the audited financial statements and associated reports for the year will be Monday 22 August 2011.

ENDS

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Wide Bay Australia Ltd (ASX Code: WBB)

Wide Bay Australia Ltd (ABN: 40 087 652 060, Australian Financial Services & Australian Credit Licence: 239686) is Australia's fifth largest building society. It is the largest 'listed' Queensland building society and also the largest building society based north of Brisbane.

The society is also an approved deposit taking institution.

Wide Bay Australia's mission is to help Australians to achieve home ownership and to build and protect their wealth by offering competitive finance options, attractive investment opportunities and an extensive range of banking, insurance and financial planning services.

A 'stand-out' performer in the Australian financial services sector, Wide Bay delivers benefits to customers, shareholders, business partners, staff and local communities. In particular, Wide Bay has built a reputation around a true community banking philosophy. It employs over 295 staff and has played an active role as a 'good corporate citizen' in the local communities within its branch network for over 50 years. Wide Bay's senior management team of 11 has over 250 years combined experience with the company.

From its Head Office in Bundaberg, Wide Bay delivers its services via a network of 46 branches & agencies located principally in regional Queensland from Cairns to the Gold Coast. This structure makes it ideally placed to take advantage of the huge growth in development and population occurring in Queensland's South-East corridor and the natural resource sector of Central Queensland. Wide Bay also has outlets in larger metropolitan areas such as Brisbane, Sydney, Melbourne and Adelaide.

Lending is principally restricted to residential purposes and is sourced from the retail branch network, from partnerships with introducers and to a lesser extent mortgage brokers.

The society is supervised by the Australian Prudential Regulation Authority, as are all Australian banks, building societies and credit unions, and automatically qualified for the Australian Government Deposit Guarantee when this was announced in 2008.

As a publicly listed company on the Australian Securities Exchange since 19 September 1994, Wide Bay has been recognised for its record of profitability and efficiency.

Wide Bay Australia strives to fulfill the commitments to stakeholders to deliver its promise of "banking your way..."