

22 August 2006

## **Bundaberg icon, Wide Bay Australia Ltd, celebrates 40 years!**

Bundaberg's very own financial institution, Wide Bay Australia Ltd, celebrates 40 years of providing banking and financial services to local people this month.

Founder, Ron Hancock, said the local building society which has over \$1.64 billion in assets has its roots in the Burnett Permanent Building Society which became operational in August 1966.

Significantly, after 40 years of growth, Wide Bay Australia's national operations continue to be based in Bundaberg at Wide Bay Australia House where the company currently employs 115 local people out of a total staff of over 230.

Mr Hancock who has managed the company since its formation said Burnett Permanent, along with the other regional building societies which had merged with Wide Bay, was created to provide some competition to banks.

"In the 1960's, it was hard for people to get a housing loan. The banks had a policy that required a 25% deposit and you had to have banked with them for 2 years.

Then in December 1965, the Government introduced the Housing Loans Insurance Corporation and encouraged institutions to lend on 5% or 10% deposit - they basically guaranteed the loans.

However the banks didn't take much notice and stuck to the old rules so, together with a few other local Bundaberg business people, I saw an opportunity to move into that market.

We held our first Meeting on 10 March 1966 and secured funding from Commercial Union Insurance in August that year enabling us to issue our first home loans. We also accepted our first passbook account

As I was a Chartered Accountant, we managed the building society in conjunction with the accountancy practice. We offered term deposits and

savings accounts and from our contacts and clients, local people started to support us.

As we obtained funds, we had a queue a mile long of local people trying to get into a house on 10% deposit - it hadn't been heard of before. As \$10,000 or \$20,000 was invested we were able to take some more loan applications and

it just kept on growing from there.”

According to Mr Hancock, the formation of the local building society meant many more local people found that they could now afford their first home.

“We have continued to offer a competitive alternative to the banks – not only to local people but to all Australians.”

“In 1979, we merged Burnett Permanent with the local Maryborough Permanent Building Society to form Wide Bay Capricorn Building Society. In 1981, Wide Bay Capricorn merged with the Gympie and North Coast Building Society and then again in 1983, another merger occurred with the Gladstone-based Port Curtis Building Society.”

According to Mr Hancock, Wide Bay Capricorn continued to foster the aims of its predecessor societies to co-ordinate the joint savings of members to foster home ownership in the community.

“Our funds under management grew strongly as did our loan book, as we made home ownership more achievable for thousands of people by providing affordable, low deposit home loans.

We changed our name to Wide Bay Australia Ltd in December 2003 to reflect our growth into the Sydney, Melbourne and Adelaide home loan markets and possible future expansion.

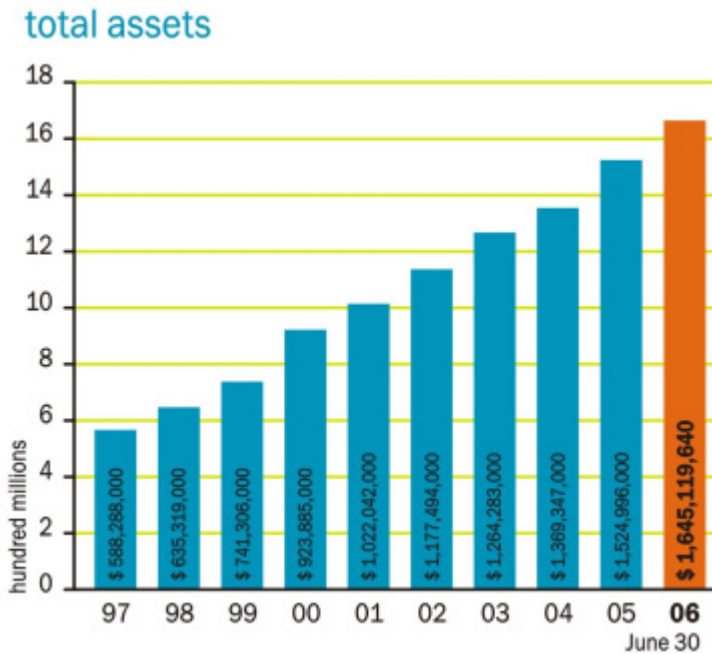
We now operate 35 branches, agencies and loan centres and employ over 220 people from Townsville to Adelaide.”

Even though Wide Bay Australia’s interests now extend well beyond regional Queensland, Mr Hancock said the company hasn’t forgotten the many local people who played a role in its success.

“We are a major player in supporting our community through sponsorship. Examples in Bundaberg include Wide Bay Australia “Bundy Thunder” and the Wide Bay Australia International Air Show where proceeds are redirected to needy community groups.

Wide Bay Australia continues to grow as a substantial number of former bank customers continue to move to building societies like Wide Bay Australia in a bid to escape exorbitant fees or to take advantage of our real service and flexible lending policies.

Our 40<sup>th</sup> celebration is really a recognition of all the people - investors, borrowers and staff who are playing their part in the Wide Bay Australia success story.”



#### Significant Dates:

1979	Wide Bay Capricorn Building Society formed
1981	Merger with Gympie and North Coast Building Society
1983	Merger with Port Curtis Permanent Building Society
1985	\$100 million in assets
1993	Exempt Stock Market formed \$250 million in assets
1994	Listing on Australian Stock Exchange
1997	\$500 million in assets first securitisation programme
1998	Expansion of lending activities interstate
1999	\$750 million in assets Formation of Mortgage Risk Management Pty Ltd
2000	Formation of Wide Bay Capricorn Financial Planning Services Pty Ltd
2001	\$1 billion in assets and loans under management Purchase of Wide Bay Capricorn Mini Lease Pty Ltd
2002	Issue of Resetting Convertible Preference Shares (RCP's) RCP's listed on Australian Stock Exchange
2003	Name change to Wide Bay Australia Ltd
2004	First interstate branch opened in Parramatta, Sydney, NSW.
2005	\$1.5 billion in assets and loans under management First Brisbane branch opened in Upper Mt Gravatt First Melbourne, Victoria branch opened in Camberwell WBA assigned a 'BBB-' investment grade credit rating by ratings agency Standard & Poor's Acquisition of 25% interest in Financial Technology Securities Pty Ltd
2006	WBA launches commercial lending