

# SUMMARY KEY DISCLOSURE STATEMENT

For the Financial Year Ended 30 June 2009

## Introductory Statement

- The purpose of this disclosure statement is to provide customers and potential customers with a summary of important information about the financial condition of National Bank of Fiji Limited trading as Colonial National Bank.
- The explanation of the terms used in the Key Disclosure Statement is explained in the Reserve Bank publication "Your Bank's Disclosure Statement: What's In It For You", which can be obtained from the Reserve Bank of Fiji. Other information can be viewed at the bank's branches and offices.

## Corporate Information

- The full name of the bank is National Bank of Fiji Limited trading as Colonial National Bank.
- The full name of the ultimate parent company of the National Bank of Fiji Limited is the Commonwealth Bank of Australia, which is domiciled in Sydney, Australia.
- The names of the directors of National Bank of Fiji Limited trading as Colonial National Bank are:  

|                                   |                           |                             |
|-----------------------------------|---------------------------|-----------------------------|
| Mr John William Duncan (Chairman) | Mr John Paul Harper       | Mr Laurence Heywood Mellsop |
| Mr Ian Joseph Andrew Perera       | Mr Stewart Blythe McRobie |                             |

|  | Audited<br>Current Period | Audited<br>Prior Period |
|--|---------------------------|-------------------------|
|--|---------------------------|-------------------------|

### Profitability

#### Banking Operations in Fiji:

|  |        |       |
|--|--------|-------|
| <input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000) | 13,481 | 8,753 |
| <input checked="" type="checkbox"/> As a percentage of average total assets        | 1.97%  | 1.26% |

Size - as at end of financial year

#### Banking Operations in Fiji:

|  |          |         |
|--|----------|---------|
| <input checked="" type="checkbox"/> Total assets (\$'000)                                | 627,284  | 741,976 |
| <input checked="" type="checkbox"/> The percentage change in total assets over 12 months | (15.46%) | 14.68%  |

Capital Adequacy at end of financial year

#### Banking Operations in Fiji:

|  |        |        |
|--|--------|--------|
| <input checked="" type="checkbox"/> Tier 1 Capital (\$'000)                            | 60,739 | 48,840 |
| <input checked="" type="checkbox"/> Tier 1 Capital to total risk-weighted assets ratio | 16.65% | 13.07% |
| <input checked="" type="checkbox"/> Total Capital (\$'000)                             | 60,351 | 53,809 |
| <input checked="" type="checkbox"/> Capital adequacy ratio                             | 16.55% | 14.40% |

### Balance Sheet

The Balance Sheet for the Fiji Operations (000's) as prepared under IFRS should be reported here and should include, but should not be limited to, the following:

|  |                |                |
|--|----------------|----------------|
| Cash and liquid assets   | 48,806         | 43,938         |
| Balance with the Reserve Bank of Fiji                          | 30,604         | 156,316        |
| Receivables due from other financial institutions              | 6,302          | 1,183          |
| Securities held  | 36,584         | 35,970         |
| Loans (including advances to customers and similar facilities) | 509,042        | 510,397        |
| Provision for doubtful debts                                   | (22,350)       | (23,361)       |
| Fixed assets   | 6,981          | 6,393          |
| Other assets   | 11,315         | 11,140         |
| <b>Total Assets</b>  | <b>627,284</b> | <b>741,976</b> |
| Deposits of Promissory Notes of statutory bodies               | -              | -              |
| Payables Due to other financial institutions                   | 9,299          | 1,023          |
| Deposits and borrowings  | 250,883        | 341,372        |
| Amounts owed to other depositors                               | -              | -              |
| Certificates of deposits                                       | 280,322        | 325,983        |
| Promissory Notes and other liabilities evidenced by paper      | -              | -              |
| Other borrowed funds   | -              | -              |
| Payables due to Holding company                                | 1,072          | 487            |
| Creditors and other payables                                   | 10,272         | 12,051         |
| Provisions   | 6,796          | 5,512          |
| Issued and paid up or assigned capital                         | 15,000         | 15,000         |
| Capital reserves   | -              | -              |
| Revaluation reserves   | (893)          | 227            |
| General reserves for credit losses                             | 731            | -              |
| Other reserves   | 287            | 287            |
| Retained earnings  | 53,515         | 40,034         |

### Income Statement

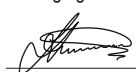
The Income Statement for the Fiji Operations (000's) as prepared under IFRS should be reported here and should include, but should not be limited to, the following:

|  |          |          |
|--|----------|----------|
| Interest and similar income                                  | 50,812   | 52,786   |
| Interest and similar expense                                 | (9,158)  | (14,495) |
| Dividend income  | -        | -        |
| Fee and commission revenue                                   | 9,891    | 9,491    |
| Fee and commission expense                                   | -        | -        |
| Other revenues arising from financial instruments            | -        | -        |
| Gains less losses arising from dealing securities            | -        | -        |
| Other expenses arising from financial instruments            | -        | -        |
| Gains less losses arising from investment securities         | -        | -        |
| Gains less losses arising from dealing in foreign currencies | 4,619    | 3,203    |
| Other operating revenue                                      | (4)      | 37       |
| Bad and doubtful debts (including provisions for impairment) | (7,466)  | (9,738)  |
| Recoveries of bad and doubtful debts                         | 594      | 403      |
| General administration expense                               | -        | -        |
| Other operating expense                                      | (29,289) | (29,801) |
| Net profit/(loss) before tax                                 | 19,999   | 11,886   |
| Net profit/(loss) after tax                                  | 13,481   | 8,753    |


### Availability of Disclosure Statements

- Additional information on your bank's financial condition is available for inspection at our head office Level 10, Suva Central Building, Cnr of Renwick Road & Pratt Street Suva.
- Colonial National Bank's most recent General Disclosure Statement is available for inspection at all our branches and offices, copies of which may be obtained.
- The Bank has presented its Financial Statements in accordance with International Financial Reporting Standards ('IFRS').

Managing Director



Director



### Key Points - 2009 Results

- Capital adequacy ratio strengthened to 16.55% - well above regulatory requirements.
- Reduction in loan assets reflects the bank's prudent response to global economic conditions and limited liquidity in the Fiji banking system.
- Net profit increase attributed to lower cost of funding during the period, higher fee income and gains from foreign exchange activity against reduction in both operating expenses and bad/doubtful debt expense.



People you can bank on