

GREATER BUILDING SOCIETY LTD
6 MONTHS ENDING 31 DECEMBER 2010

Capital Structure

| | \$000's |
|--------------------------------|-----------------------|
| <i>Tier 1 Capital</i> | |
| Reserves | 1,058 |
| Retained Earnings | 277,450 |
| Minority Interests | 728 |
| Deductions from Tier 1 Capital | (12,601) |
| <i>Total Tier 1 Capital</i> | <u>266,635</u> |
| <i>Tier 2 Capital</i> | |
| Reserves | 5,890 |
| Deductions from Tier 2 Capital | (823) |
| <i>Total tier 2 Capital</i> | <u>5,067</u> |
| <i>TOTAL CAPITAL BASE</i> | <u><u>271,702</u></u> |

Capital Adequacy

| | \$000's |
|---|-------------------------|
| <i>Capital Requirement (in terms of risk weighted assets)</i> | |
| Claims Secured by Residential Mortgages | 1,075,713 |
| Other Retail | 115,129 |
| Investment in ADI's | 120,477 |
| Securitisation | 44,561 |
| Other | 107,449 |
| | <u>1,463,329</u> |
| <i>Capital Requirement for Operational Risk</i> | 277,020 |
| <i>TOTAL CAPITAL REQUIREMENT</i> | <u><u>1,740,349</u></u> |
| Tier 1 Capital Ratio | 15.77% |
| Total capital Ratio | 16.07% |

At 31 December 2010 Greater Building Society held \$131,722,939 in securities guaranteed by the Australian Government that were risk weighted at 0%.

Credit Exposures by Portfolio and Major types of Credit Exposure

| | Gross Credit Risk Exposures \$000's | Average Gross Credit Risk Exposures - over the period \$000's |
|---|--|--|
| <u>Loans and advances</u> | | |
| Claims Secured by Residential Mortgages | 2,957,964 | 2,798,244 |
| Other Loans | 115,129 | 103,418 |
| <u>Other</u> | | |
| Liquidity Investments (including cash) | 654,263 | 580,325 |
| Other On-balance Sheet Assets | 85,075 | 85,330 |
| Off-balance Sheet Assets | 49,940 | 52,515 |
| Total Credit Risk Exposures (excluding equities and securitisation) | <u>3,862,371</u> | <u>3,619,832</u> |
| | Outstanding Balance \$000's | Specific Provision \$000's |
| Impaired Facilities | | |
| - Loans and advances | 970 | 443 |
| - Other | - | - |
| Past Due Facilities | | |
| - Loans and advances | 2,763 | - |
| - Other | - | - |
| | Expense \$000's | |
| <i>Bad & Doubtful Debt Expense</i> | | |
| Net movement in Specific Provision | | |
| - Loans and advances | (704) | |
| - Other | - | |
| Bad Debt write offs directly to profit and loss | - | |
| - Loans and advances | 69 | |
| - Other | - | |
| <i>Total Bad & Doubtful Debt Expense for the Period</i> | <u>(635)</u> | |
| | \$000's | |
| General Reserve for Credit Losses | 5,494 | |