

# Manningham Community Enterprises Ltd

## Geoff Roberts - Chairman



*Banking is our business... community is our focus*

# Seek to cover...

- MCEL - business growth, income, expenses and net profit performance
- What has impacted this performance
- Our contribution to the Manningham community
- The outlook going forward

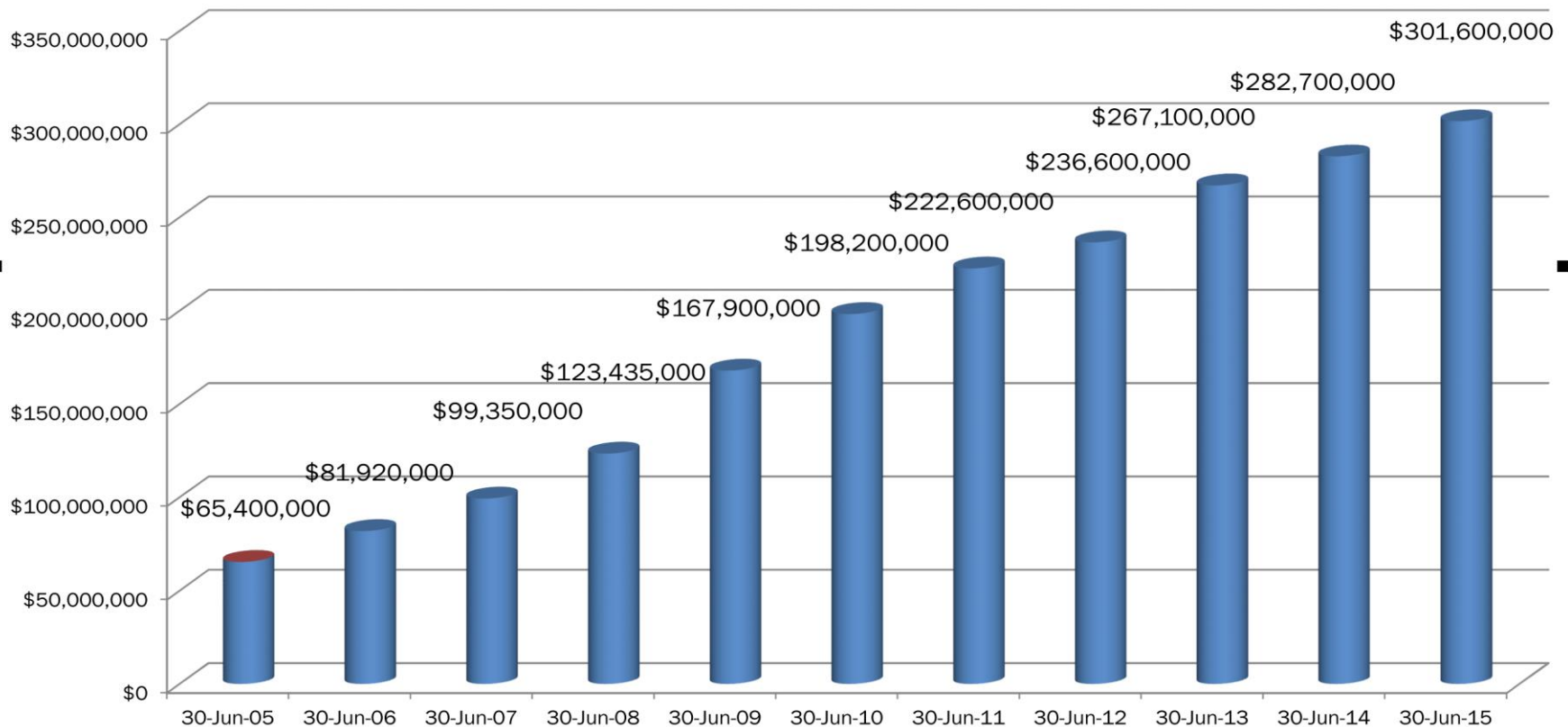
# MCEL 2014/15 Financial Performance...

- **Business Growth:**

- Business volumes at \$301.6 Million up 6.7% over 2013/14
- Continuous growth since opening Doncaster East branch in early 2003.
- In fact, MCEL business volumes have increased by 80% over past 5 years

# Total Business Volumes

Total Deposits & Loans held  
Doncaster East & Templestowe Village  
30 June 2005 - 30 June 2015



# MCEL 2014/15 Financial Performance...

- **Income/Revenue** was \$2.012 million down 1.7% on last year.
  - A challenging year for the Community Bank network with increased competitive pressures, reduced operating margins and the Bendigo Banks 'Restoring the Balance' program (designed to return to a 50/50 income share)
- **Operating Expenses** were down 8.4% on 2013/14:
  - Contained general expenses and restructured our people resources
- **Net Profit (before tax)** was up 190% on 2013/14
  - Impacted by reduced staffing expenses and lower community sponsorships



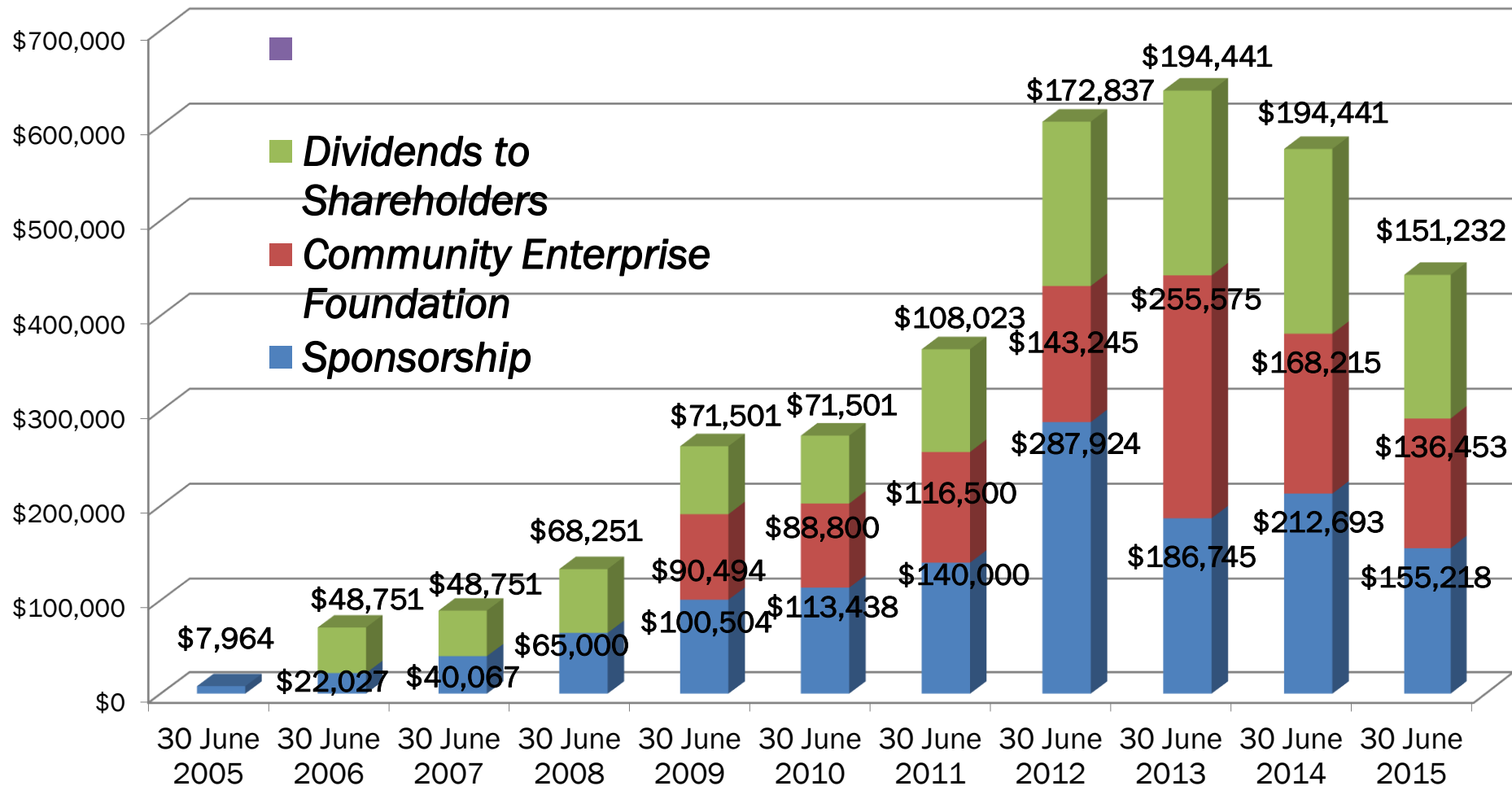
# What is impacting our business...

- Bendigo Bank continues to get stronger
- Australian Prudential Regulation Authority (**APRA**) has **accepted the Financial System Inquiry recommendations** that the major banks hold more cash relative to the size of their loan book. Hence this has levelled the playing field making BABL more competitive
- **Market conditions have not changed from a year ago.** Business and consumer confidence remains low and customers are paying debt down.
- **MCEL operational restructure** to better respond to market conditions. Less focus on transactional and more on relationship banking
- **Doncaster East continues to drive MCEL net profit line.** Templestowe Village not yet on budget, however starting to see significant improvement.
- **Greater focus on business banking.** BABL Business Bank of the Year - 4 years in a row

# Investing in Community Strengthening...

- **Over \$3.5 million** returned to the Community in sponsorships, grants and dividends since June 2005
- No other bank puts **up to 80% of it's profits** back into the local Community
- To date the **Community Bank network all around Australia, has returned over \$130 million** to their Communities
- Following graph shows the extent of financial support to Manningham Community

# Growth of Sponsorships, Grants and Dividends...





# **This would not happen without...**

- **An amazing staff.** Our thanks for all that you do both at work and out of work functions you attend. This is why this bank is different
- **Regional support from Bendigo and Adelaide Bank.** Thank you
- **Our Shareholders** for supporting the model
- **Our MCEL Board...**
- **And Our customers** for choosing to bank with us

**Thank you all...**

# The Future Outlook...

There is no doubt there are challenges to be met (trading conditions will remain competitive and unpredictable), however we are well positioned-

- **Our staff is a real strength.** Committed to the CB model. Excellent programs in place to up skill
- **The organisational restructure** will enable us to capitalise on business opportunities
- A commitment to our **2012-2017 Strategic Plan**
- **Our strong community connections and partners** provide a real 'point of difference' to the Big 4.



## CEF support for Doncare Community Services

## CEF support for Onemda – Café Ability



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