

15 November 2017

**CANTERBURY SURREY HILLS COMMUNITY FINANCE LIMITED ("CASH")
ANNUAL GENERAL MEETING**

CHAIRMAN'S PRESENTATION

On behalf of the Board of Directors, I am pleased to report that our Company continued to grow strongly during the 2016-17 financial year despite the ongoing challenges that face the banking sector.

In the last 12 months we have continued to support local community groups by providing more than half a million dollars through our Community Investment Program, taking our total contribution over the life of our Company to more than \$3.8 million.

This is a great achievement and fantastic result for our local community. It is also pleasing to note that our overall footings increased by 11.25% and revenue grew by 11.64%.

The result for the year has enabled us to pay a dividend of 6 cents per share reflecting the good work and strength of the Company despite the ongoing revenue challenges. We continue to hold discussions with Bendigo Bank in relation to their proposed new revenue sharing model and any implications on our Company.

Longstanding customer and sponsorship relationships are pivotal to our Company and its prospects for growth enabling us to help our community by providing our continuing financial contribution, and similarly looking to the community to provide their support by engaging us to provide their financial services.

During the past year we have strengthened our Company's business development needs by appointing a second Mobile Relationship Manager, **Gary Johnson**, who joins **Nick Azar** in this space. We are starting to see positive results from this addition and are looking forward to further strengthening our business growth in the year ahead. I would also like to note the ongoing contribution of our branch managers, **Maggie Stamoulis, Shuro Shome, Kathy Koulouris, Adam Osmani** and their teams. It is through their exceptional service and customer focus that we can continue to provide for the needs of our customers and support our community group activities.

As part of our strategic planning process, we are developing an investment strategy which reflects the Company's cash needs, our risk appetite and the proposed new revenue share model. We are continuing to build funds that we can in future apply to such strategic investments to further strengthen our financial position and increase shareholder value while providing growing support to our community.

While during the last financial year the share buyback program did not provide an opportunity for us to buy shares from those shareholders keen to sell, we have had some success since 1 July of this year which encourages us to recommend the continuation of the share buyback for the next calendar year.

Over the past year there have been changes to our personnel.

I would now like to acknowledge and thank **Leigh Smith** who retired as a Director in January 2017 after 10 years on the Board. Leigh also served as Chairman of the Community Investment Committee, Governance Committee and the Staff Committee. We are pleased however that Leigh is still involved with the Company as a member of the Staff Committee.

James Grant joined the Board as a Director in February 2017 to fill this vacant position and is up for election this evening.

Our Company Secretary, **Leanne Russell** also resigned in January 2017. Leanne was a valued member of our Company and I thank her for her outstanding contribution during this time.

Michael Sapountzis is our new Company Secretary, and I welcome him to the Company. I also welcome **Ian Dinnison**, who was appointed Treasurer in December 2016 following **Gordon McFarlane's** retirement. Gordon provided great support to the Board in his role as Treasurer and Director, and we wish to thank him for his contribution. We note he has now taken on a similar role with another Community Bank near his new home.

We also wish to recognise the support of Bendigo Bank who unfortunately were not able to attend this evening.

I would also like to thank our shareholders for your continued support for our bank, and our communities and our Board who were asked to make a significant contribution during the year, and our committee members who have assisted us with being able to achieve the amount of work required of the Board. The Board will continue to be challenged in 2018 but the Board, the staff and I will continue to strive to deliver high quality personalised banking services and support for our communities whilst continuing to remain profitable.

Finally I wish to thank Nick Coker, our Senior Manager, for his continuing excellent contribution in managing our Company.

I would now like to ask Nick Coker to say a few words.