

The Cooperative Bank



The Co-operative Bank
Full year results summary
31 March 15

Embargoed until 6am, 29 May 2015

Financial result strong

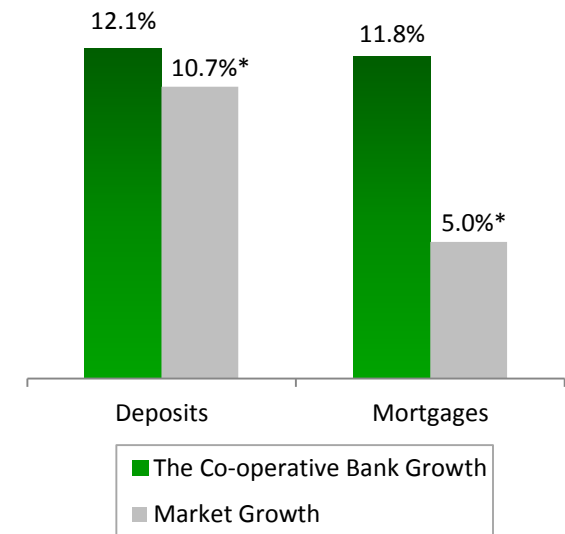
Financial Performance	Mar-15 \$(000)	Mar-14 \$(000)	% Change
Net Interest Income	48,806	42,944	up 13.7%
Other Income	17,406	18,151	down 4.1%
Net Operating Income	66,212	61,095	up 8.4%
Operating Expenses	(51,801)	(49,382)	up 4.9%
Bad Debts	(1,004)	(1,469)	down 31.7%
Net Profit before Rebate and Tax	13,407	10,244	up 30.9%
Rebate	(1,800)	(1,300)	up 38.5%
Net Profit after Tax	8,888	7,144	up 24.4%

- Profit growth before rebate strong at 31%. Strong interest income and lower bad debts key drivers of excellent result.
- Expense uplift reflects customer investments in mobile and online technology and new distribution channels alongside continuing to build brand profile.
- Rebate payment is up another 39%.

Balance sheet growth above market

Balance Sheet	Mar-15 \$(000)	Mar-14 \$(000)	% Change
Loans	1,561,916	1,408,177	up 10.9%
Treasury & Other	244,423	215,733	up 13.3%
Total Assets	1,806,339	1,623,910	up 11.2%
Deposits	1,574,740	1,404,938	up 12.1%
Other	81,333	75,726	up 7.4%
Total Liabilities	1,656,073	1,480,664	up 11.8%
Equity	150,266	143,246	up 4.9%

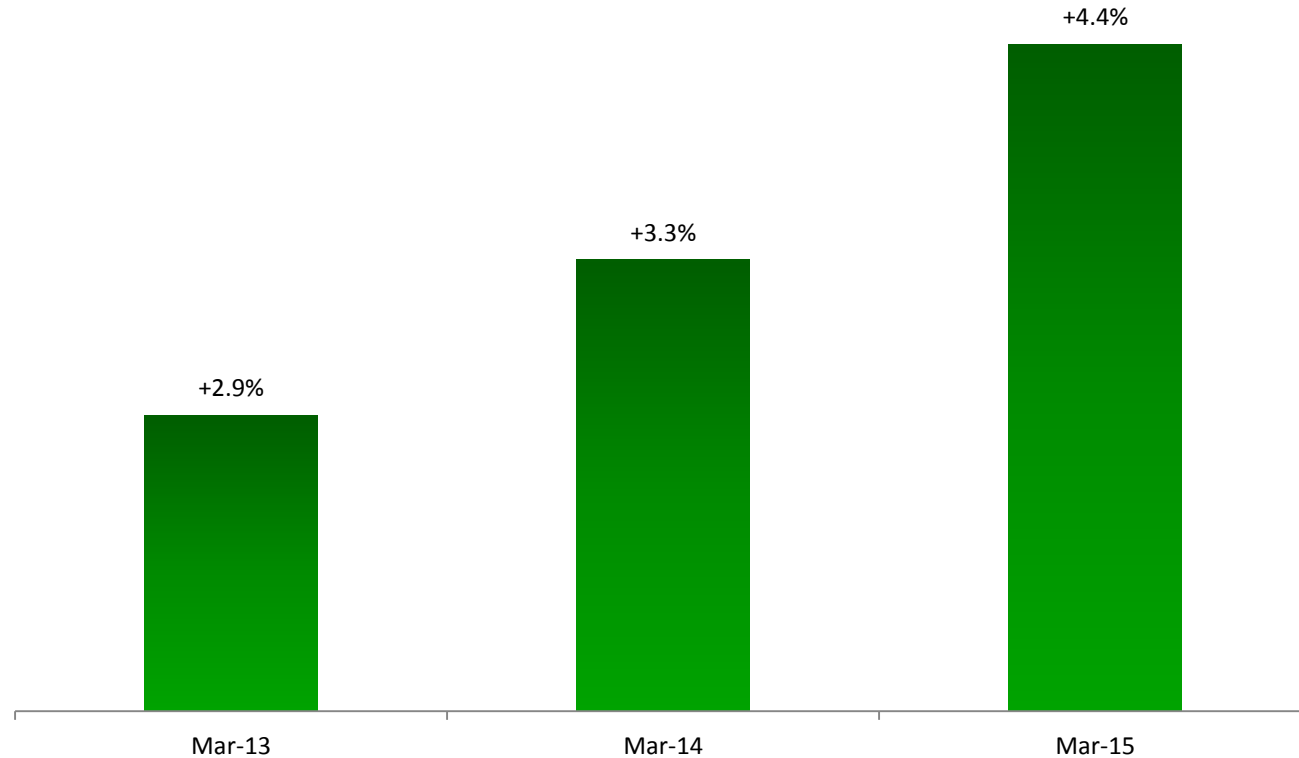
Co-op Bank v market growth



* Source RBNZ: as at 31-Mar-15

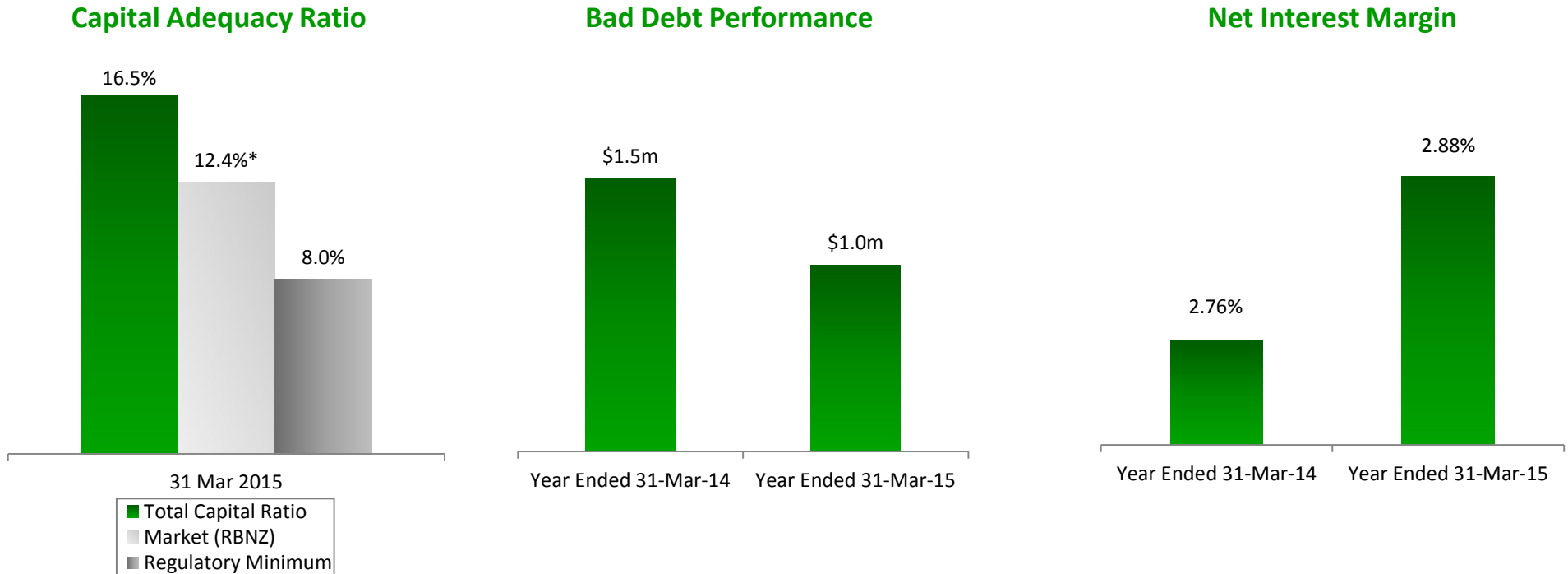
- Both lending and deposit growth above 10%.
- Total lending growth more than double market levels.
- Deposit growth matching loan growth and also pleasingly above market.

Customer growth momentum



- Customer base continues to grow.
- Second half customer growth stronger as awareness and familiarity increased.

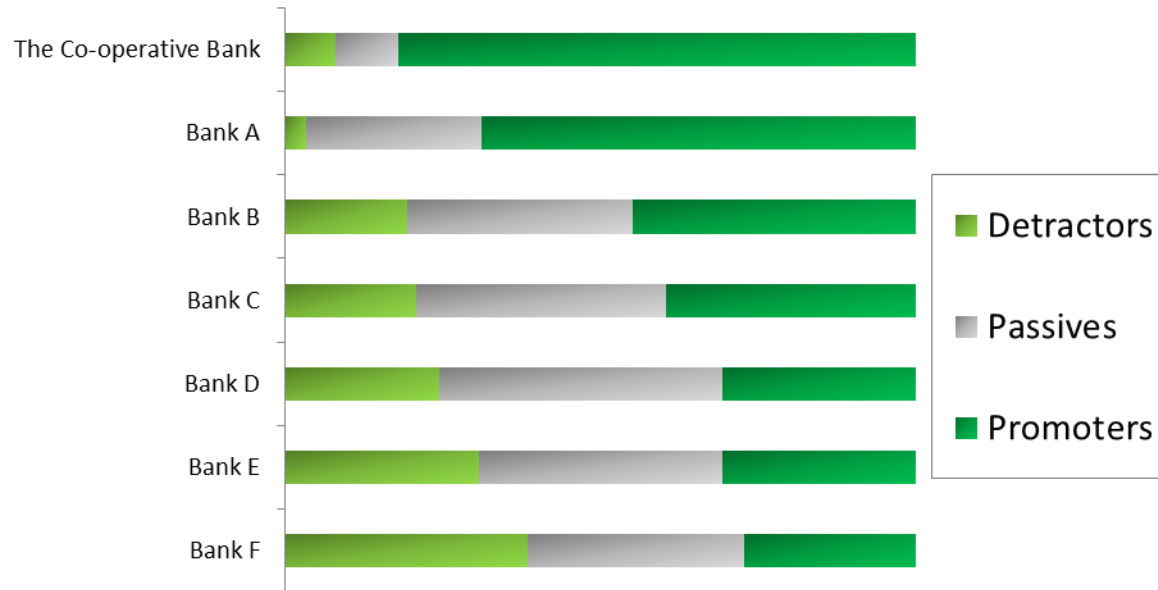
Prudent financial management alongside growth



- Capital ratio best of banks in New Zealand.
- Low level of bad debts, consistent with market and economic conditions.
- Net Interest margin managed appropriately.

* Source RBNZ: as at 31 Dec 2014

World-class service levels continue to outperform

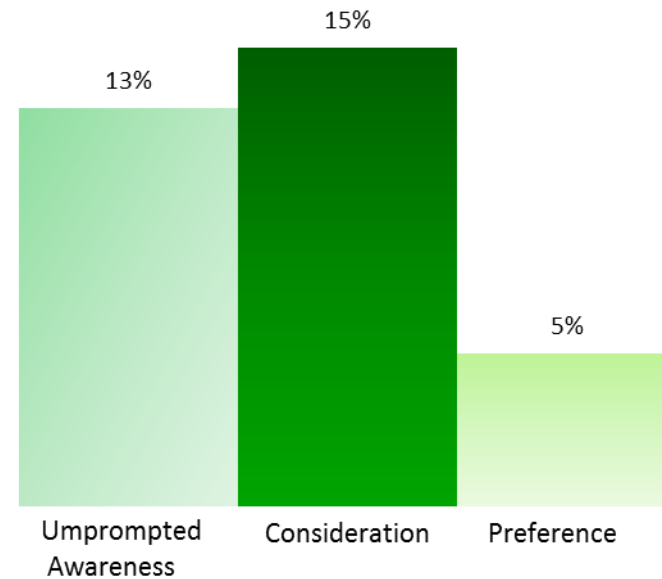
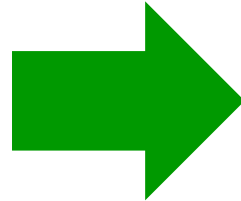
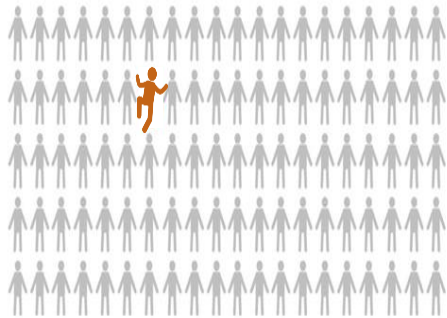


*Main Bank NPS – Nielsen, March 2015, Mini Financial Tracker

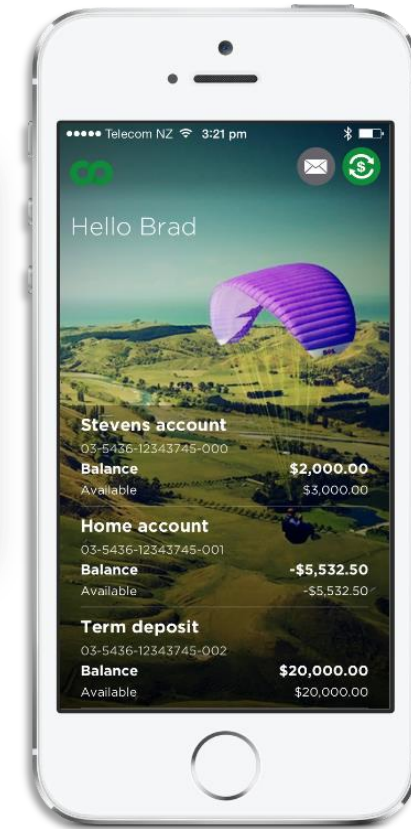
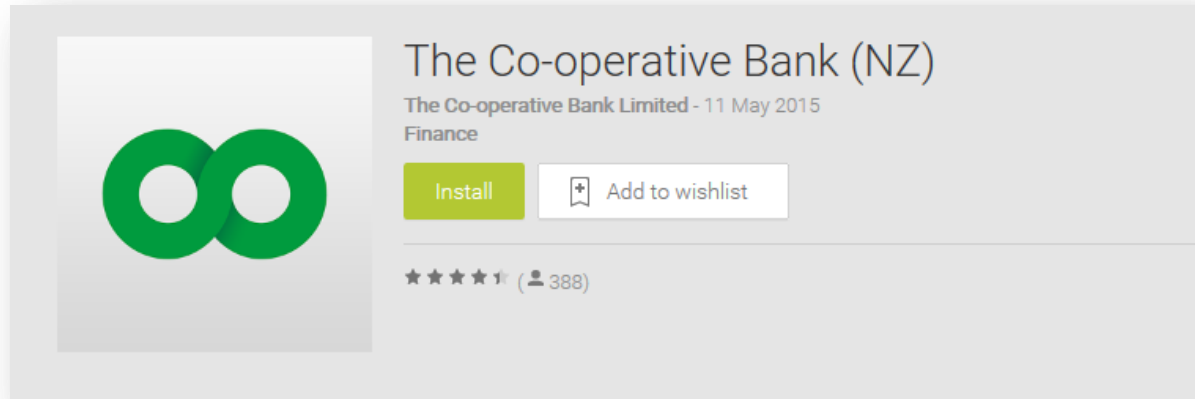
- NZ market-leading Net Promoter Score (NPS) outcome.
- Limited ambivalence alongside strong advocacy drives score.
- This result continues years of similar outcomes across a variety of satisfaction surveys.

Popularity rise is very exciting for future

- Relative to current market share brand preferences show significant potential
- All brand measures up year on year

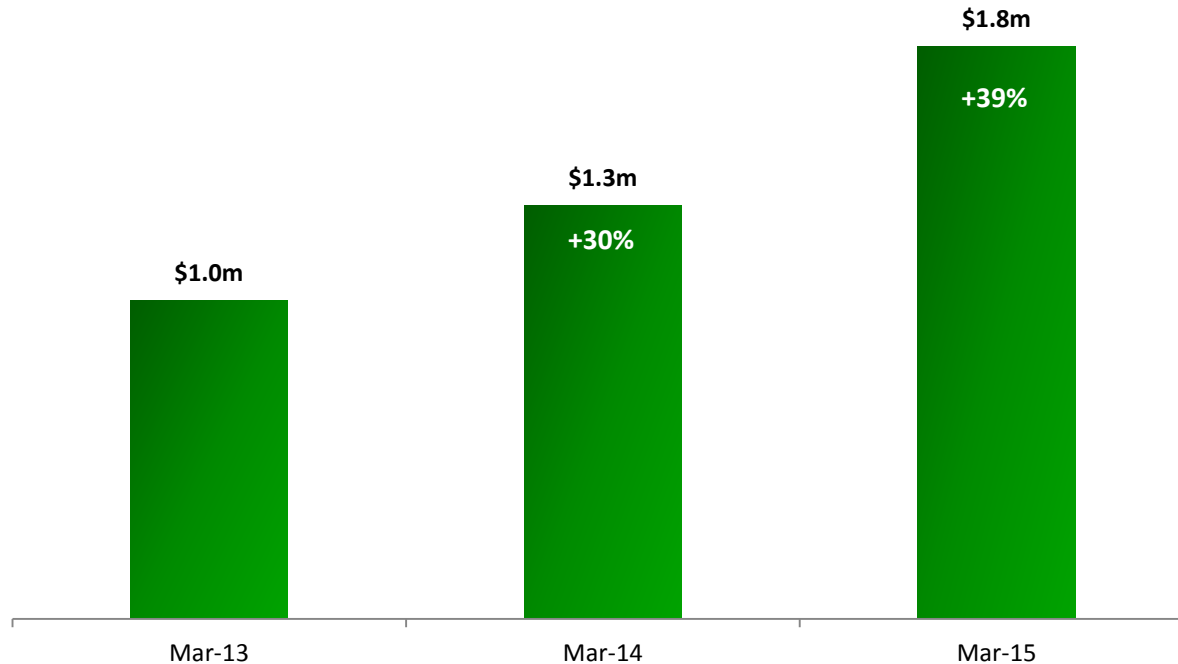


Highest rated NZ banking app - apple and android



- App released in July 2014
- Highest rated NZ banking app in both the App Store and on Google Play

To the bank! – Rebates continue to grow



- Rebate payment increasing in line with growth.
- Conceptually rebate still evolving part of the Bank's story.
- Minimum payment \$10 / maximum payment \$577.
- Average payment \$29.

WELCOME
TO A TRULY DIFFERENT KIND OF BANK

