

MEDIA RELEASE
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Police & Nurses deliver a 60% profit increase

Police & Nurses, WA's largest home-grown and locally run banking institution, has today announced its unaudited financial results for the year ended 30 June 2010.

Police & Nurses CEO Fred Huis said it has forecast a consolidated group operating profit before tax for the last financial year to be approximately \$20 million - a 60% increase on the previous year, and a growth in total business activity of some 8% on the previous year.

Approximately 7,000 new members joined during the period, and the business is targeting further expansion of its membership base with the recent launch of its new "Make a Stand" marketing campaign.

New loans advanced during the year totaled \$153 million, and deposit increased substantially by \$122 million (7.8%) to \$1.69 billion.

"During 2010, the financial services sector was impacted by successive interest rate rises, reduced borrowing activity and financial uncertainty from overseas markets, particularly in Europe," Mr Huis said.

"Police & Nurses has not entirely escaped, however our mutual business model allowed us to absorb the majority of this impact while delivering competitive retail banking services to our Western Australian members.

"We have finished the last financial year in a strong position and we expect more growth for the year ahead," said Mr Huis.

Launched on Sunday 11 July, the "Make a Stand" campaign promotes the fact that Police & Nurses is proudly West Australian and that its mutual banking business model allows the business to put the interests of its West Australian members first.

"We are interested in making a profit so we can grow the Police & Nurses business and provide better services to our members, who are also our owners. That sets us apart from banks whose primary goal in making a profit is to pass dividends on to shareholders," said Mr Huis.

Police and Nurses Credit Society's fully audited results for the 2009-2010 financial year will be available from 31 August 2010.

For more information about Police & Nurses Credit Society, visit www.pncs.com.au or call 13 25 77.

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About Police & Nurses:

Police & Nurses is the largest locally owned and operated banking institution in Western Australia.

The Society currently has a membership of approximately 100,000.

The Society is run on a mutual banking model. All profits are reinvested into the Society as capital for the benefit of members.

Police & Nurses has 16 branches in WA, which will grow to 17 by October 2010.

Police & Nurses headquarters and contact centre are based in Perth.

Police & Nurses offers a wide range of financial products and services, including home loans, personal loans, reverse mortgages, term deposits, credit cards, financial planning, insurance, conveyancing and foreign exchange.

Police & Nurses is part of the RediATM / NAB ATM network with access to 3,200 fee free ATMs nationally.

Police & Nurses is an Approved Deposit Taking Institution (ADI) regulated to the same high standards of security as banks, by such government agencies as APRA, ASIC, the Reserve Bank of Australia, AUSTRAC and the ACCC and is subject to the Uniform Consumer Credit Code and the EFT code, among many other legislative and regulatory measures.

For more information about Police & Nurses Credit Society, visit www.pncs.com.au