

MEDIA RELEASE

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Police Credit Union announces another strong financial result in its 40th year

Police Credit Union has solidified itself as a top 100 SA-based business having announced another strong result for the 2009-10 financial period recording a group profit after tax of \$3.46 million, together with an impressive member satisfaction rating of 90.4 per cent (well above the bank's average of 75.7 per cent) – pleasing results for the company's 40th year in business.

Police Credit Union Chief Executive Officer Costa Anastasiou said that the strong financial performance is consistent with the underlying financial results for the past few years; further demonstrating Police Credit Union's trading strength in difficult economic times.

"Our financial strength is highlighted by an increase in Police Credit Union's capital adequacy ratio to a record 15.02 per cent, growth of 12 per cent in group reserves to \$42.8 million, consistent strong credit quality and on balance sheet assets exceeding \$563 million," Mr Anastasiou said.

"This strong result played a crucial role in allowing Police Credit Union to invest in enhanced member services with the introduction of free state-of-the-art mobile banking services and a new savings account for members with Self Managed Superannuation funds, as well as the improvement of member security through new EMV chipped card technology. During the period, we also launched our new private banking division, which has been well received by members."

"Strong demand and high satisfaction in Police Credit Union's loan products resulted in an 11.40 per cent growth in loan advances to \$457 million, underpinned by a record \$168 million in new home loan funding, with market share increasing 72 per cent from 1.6 to 2.75 per cent."

Police Credit Union's product strength is not just receiving acclaim from our members but also the industry with Money Magazine ranking PCU as seventh out of over 100 credit unions nationally, ahead of some of the largest in Australia.

"Actively targeting a carbon free status by 2020, Police Credit Union have reduced carbon emissions by 18 per cent and achieved zero waste status for its Carrington Street head office," Mr Anastasiou said.

"A strong sense of corporate social responsibility is reflected in our ongoing 15-year sponsorship of the Credit Union Christmas Pageant, as well as contributing over \$250,000 to community and social progressive organisations – testimony to the entrenched value placed on community."

"Serving 4.5 million Australians, the Australian mutual sector as a whole remains a competitive alternative to banks, consistently outperforming banks in customer satisfaction, and with combined assets exceeding \$73 billion. In addition, we meet the same high standards of prudential regulation as banks with full regulatory oversight by APRA, the prudential regulator."

ENDS

Notes to the editor:

Police Credit Union officially turned 40 on 2 February 2010.

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