



Introductory Statement

The purpose of this information is to provide customers and potential customers with information about the financial condition of Home Finance Company Limited.

The explanation of the terms used in the Key Disclosure Statement is contained in the Reserve Bank publication "Your Bank's Disclosure Statement : What's In It For You". The terms used in the brochure are also applicable to credit institutions. The brochure can be obtained from the Reserve Bank of Fiji.

Other information can be viewed at all branches of Home Finance Company Limited.

Corporate Information

The full name of the credit institution is Home Finance Company Limited.

The full name of the ultimate parent company of Home Finance Company Limited is Fiji National Provident Fund, which is domiciled in Fiji.

The names of the directors of Home Finance Company Limited are:

Chairman L D S Yee

Members O T Rokovunisei, F Khan, M Namudu,
P Mario, J Raman, H Lodhia

| | Audited Current Year 30-Jun-06 | Audited Prior Year 30-Jun-05 |
|---|---|---|
| Profitability | | |
| Net operating profit after tax (\$'000) | 1,926 | 1,839 |
| As a percentage of average total assets | 1.16% | 1.39% |

| | Audited Current Year 30-Jun-06 | Audited Prior Year 30-Jun-05 |
|--|---|---|
| Size - as at end of financial year | | |
| Total assets (\$'000) | 184,143 | 146,536 |
| The percentage change in total assets over 12 months | 25.66% | 23.30% |

| | Audited Current Year 30-Jun-06 | Audited Prior Year 30-Jun-05 |
|---|---|---|
| Capital Adequacy as at end of financial year | | |
| Tier 1 Capital (\$'000) | 13,459 | 13,840 |
| Tier 1 capital to total risk-weighted assets ratio | 14.22% | 17.46% |
| Total Capital (\$'000) | 14,642 | 14,831 |
| Capital adequacy ratio | 15.47% | 18.71% |

| | Audited Current Year 30-Jun-06 | Audited Prior Year 30-Jun-05 |
|--|---|---|
| Asset Quality as at end of financial year | | |
| Total impaired assets (on- and off-balance sheet) (\$'000) | 1,810 | 2,385 |
| As a percentage of total assets | 0.98% | 1.63% |
| Total specific provisions (\$'000) | 936 | 919 |
| Total general provisions (\$'000) | 1,794 | 1,464 |
| Total provisions as a percentage of total impaired assets | 150.77% | 99.93% |

| | Audited Current Year 30-Jun-06 | Audited Prior Year 30-Jun-05 |
|--|---|---|
| Peak Credit Exposure Concentrations - number of counterparties or groups of closely-related counterparties in relation to the total capital of the credit institution | | |
| 10% to 20% of total capital | 5 | 1 |
| 20% to 25% of total capital | 0 | 0 |
| Over 25% of total capital | 0 | 0 |

Peak Connected Persons Credit Exposures - for all connected persons

| | Audited Current Year 30-Jun-06 | Audited Prior Year 30-Jun-05 |
|---|---|---|
| Peak end-of -day credit exposure amount (\$'000) | 0 | 0 |
| As a percentage of total capital | 0.00% | 0.00% |
| Maximum peak end-of-day aggregate credit exposure to all connected persons as a percentage of total capital | 25.00% | 25.00% |

Balance Sheet

The Balance Sheet for the Fiji Operations as prepared under FAS30 should be reported here and should include, but should not be limited to, the following:

| | \$'000 | \$'000 |
|--|---------------|---------------|
| Cash and liquid assets | 1,822 | 2,727 |
| Balance with the Reserve Bank of Fiji | 0 | 0 |
| Receivables due from other financial institutions | 4,671 | 0 |
| Securities held | 13,078 | 13,944 |
| Loans (including advances to customers and similar facilities) | 164,323 | 131,169 |
| Unearned revenue | (721) | (1,126) |
| Provision for doubtful debts | (2,730) | (2,383) |
| Fixed assets | 2,431 | 1,241 |
| Receivables and prepayments | 434 | 238 |
| Future Income Tax Benefit | 835 | 726 |
| Total Assets | 184,143 | 146,536 |
| Deposits or Promissory | | |
| Notes of statutory bodies | 0 | 0 |
| Payables due to other financial institutions | 0 | 0 |
| Deposits and borrowings | 0 | 0 |
| Amounts owed to other depositors | 0 | 0 |
| Certificates of deposits | 59,084 | 36,349 |
| Promissory Notes and other liabilities evidenced by paper | 0 | 0 |
| Other | 5,580 | 3,731 |
| Secured borrowings 1 | 105,741 | 92,344 |
| Issued and paid up or assigned capital | 10,000 | 10,000 |
| Capital reserves | 0 | 0 |
| Revaluation reserves | 0 | 0 |
| Other reserves | 0 | 0 |
| Retained earnings | 3,738 | 4,112 |

Income Statement

The Income Statement for the Fiji Operations as prepared under FAS30 should be reported here and should include, but should not be limited to, the following:

| | \$'000 | \$'000 |
|--|---------------|---------------|
| Interest and similar income | 11,635 | 9,830 |
| Interest and similar expense | (5,338) | (4,692) |
| Dividend income | 0 | 0 |
| Fee and commission revenue | 1,872 | 1,507 |
| Fee and commission expense | (63) | (158) |
| Other revenues arising from financial instruments | 0 | 0 |
| Gains less losses arising from dealing securities | 0 | 0 |
| Other expenses arising from financial instruments | 0 | 0 |
| Gains less losses arising from investment securities | 0 | 0 |
| Gains less losses arising from dealing in foreign currencies | 0 | 0 |
| Other operating revenue | 28 | 18 |
| Bad and doubtful debts (including provisions for impairment) | (554) | (76) |
| Recoveries of bad and doubtful debts | 51 | 24 |
| General administration expense | (4,828) | (3,796) |
| Other operating expense | 0 | (364) |
| Net profit before tax and extraordinary items | 2,803 | 2,293 |
| Net profit after tax and extraordinary items | 1,926 | 1,839 |

Notes

1 Amounts due to parri pasu (secured) debenture holders.

Availability of Disclosure Statements

Home Finance Company Limited's most recent Key Disclosure Statement is available at all Home Finance Company Limited branches.

Home Finance Company Limited's most recent General Disclosure Statement is available at all Home Finance Company Limited branches.

The most recent audited balance sheet and profit and loss statements and other publicly available financial information on any "associated person" of the credit institution are available for inspection at our head office located at 371 Victoria Parade, Suva.


Director


Director