

COMMUNITY PARTNERS – MANY PLEASURES!

“When, as a non-profit organisation, we took the decision in 2008 to transfer all our banking activities to SBS Bank, little did we know just how profitable (excuse the pun!) that move was to be!”

The excitement of Sharon Lamb and the team at Christchurch South Parents Centre was certainly evident in an article they published in their national Parents Centres magazine recently and the team at SBS Bank was just as delighted to share in their excitement.

Sharon says it was with great pleasure that Christchurch South Parents Centre could announce that SBS Bank was now their official sponsor.

“SBS Bank – our people make the difference. Well, that happens to be SBS Bank’s message to New Zealanders and it certainly has rung true for Christchurch South Parents Centre.

“Not only do we receive great service from the friendly, helpful staff at SBS Bank, but we have been fortunate enough to receive a sponsorship grant. This will be used to purchase much needed marketing apparel for our committee members and will greatly enhance our profile when running community events, giving us a cohesive image, as well as boosting team spirits.

“Apart from gaining sponsorship, we have gained so much more: a bank that recognises and facilitates the contribution not-for-profit organisations make to local communities; a bank that offers its support by donating raffle prizes for fundraising events and lends us equipment for our Family Picnic; but most of all, a New Zealand-owned bank that really cares about its members and goes out of the way to help. They have made such a difference.”

Even management at Head Office of Parents Centres New Zealand said it was great to see such positive results and they too had “heard good things about SBS Bank.”

SBS Bank Ferrymead manager Ian Pollock says it is fantastic to know the support his team was offering the group was so appreciated.

“Being partners in our community and lending a hand where we can is exactly what SBS Bank is about. We couldn’t be happier to see



Sharon Lamb, of Christchurch South Parents Centre, shares some fun and laughter with local mum Rachael Houde during their family fun day.

our members so heartened by the support – it really does make the whole experience all the more worthwhile.”

Parents Centres NZ Inc has 51 centres across the country and provides one of the largest parenting networks and associated infrastructure to support parents and their children aged zero to six. The organisation offers wide-ranging support and education in the community across all aspects of parenting from pre-birth to school ready.

INSIDE THIS MONTH

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NEW APPOINTMENT TO MANCHESTER STREET



She is the face that SBS Bank billboards are made of!

Until now Nicki Bennett has been featured on billboards in Hamilton where she has been the manager for the past seven years, but that is all about to change as she makes the move to the helm of Canterbury's flagship branch in Manchester Street next month.

Following on from the tremendous work with SBS Bank over the past seven years by our former Manchester Street manager Mark Reid, we know Nicki will bring experience, community commitment and sporting prowess to the role.

Nicki says she is thrilled to get the appointment and, although born in Rotorua, both her parents were from Southland so it will be a bit of a "homecoming to be moving to the Mainland."

"I will certainly miss the strong relationships I have formed during my seven years in Hamilton but know there are many more fantastic community bonds to pick up and run with when I get to Christchurch.

"The beauty of the people at SBS Bank is that we're not dissimilar in our interests and community values and I will be able to continue to grow what Mark so successfully created during his time here with SBS Bank and the wonderful bustling Christchurch community."

A former representative netballer, Nicki has more recently been involved with the Waikato Masters Women's Rowing and her immense community commitment includes her being a trustee for disability service provider Lifestyle Trust, a board member for both the Lochiel Golf Club and Hamilton Sports Events Trust and she is currently president elect of the Hamilton Rotary Club.

CROMWELL CELEBRATES FIVE YEARS



SBS Bank trolley dollies, from left, Annabel Riley, Diane Bennett, Sandra Little and Anne Ashby-Neilson happily help to brighten up the SBS Bank Cromwell Golf Club major annual tournament.

It seems like just yesterday when SBS Bank took its first tentative steps into the Cromwell market – and it was all from the comforts of now manager Lynn Manson's living room!

Lynn has always been an integral part of our presence and ongoing growth in Central Otago with Cromwell now boasting 10 staff, including the Central Otago Rural team and many strong community partnerships spreading from Cromwell and Clyde to Wanaka and Alexandra. Starting out as an 'agency' in 2005, Cromwell became a fully-fledged branch in 2007 and the continued growth, says Lynn, is testament to the wonderful support they have received from their members and local communities alike.

SBS Bank Cromwell was one of six new branches opened around the country between 2004 and 2006 as SBS Bank grew its national footprint.

COMPETITION Name the SBS Bank staff member getting in on the action at the back of the Cromwell photo and the first five correct entries will receive a SBS Bank gift. Send your entries to melissa.chilton@sbs.net.nz now!

PAPANUI REFURBISHMENT CELEBRATED

Fresher, brighter and better than ever – our Papanui team remain the same fabulous bunch but the new surrounds are worth a second glance, following a major refurbishment of their Christchurch branch.

Now in its ninth year of operation, the extent of the six-week redevelopment meant the branch had to be closed for the work. During this time our staff worked from one of our other three Christchurch branches.

The patience paid off when the doors of the new improved branch were reopened for business on 22 February and we were able to welcome our loyal customers back with our SBS Bank trademark service, comfy couches and warming cup of hot coffee.



SBS Bank Papanui manager Mike Brownie (left) and chief executive Ross Smith chat with members at the branch refurbishment opening.

ARE YOU PAYING THE RIGHT TAX RATE?

No one likes paying more tax than they need to, which is why we want to make sure you're on the right tax rate.

From 1 April 2010 the rate of tax deducted from interest earned on savings and investments will change to align with the current income tax rates. This means the tax you pay on interest earned may change. If you are affected you will need to understand the changes and ensure from 1 April 2010 we are using the correct rate for you to avoid paying more tax than necessary.

Below we outline the changes and actions we will take on your behalf, unless you instruct us otherwise.

Who is affected?

These changes to RWT rates will affect you if any of the following situations apply:

- You are currently taxed at a RWT rate of 19.5%; or 39%; or
- You expect your total annual income to be \$14,000 or less, or
- You operate a company

What are the changes?

In summary the changes are:

For individuals:

- The current 19.5% rate is being replaced by a rate of 21% from 1 April 2010
- A new rate of 12.5% will be available to individuals who reasonably expect their total annual income to be \$14,000 or less

For companies:

- A new RWT rate of 30% will be introduced from 1 April 2010

For all:

- The 39% tax rate will change to 38% from 1 April 2010
- A new default rate of 38% will apply to new customers who do not choose a RWT rate and/or do not supply their IRD number

The new RWT rates at a glance

The tables below outline the current rates and the new rates for individuals and companies.

INDIVIDUALS			
New personal marginal tax rates	Income thresholds	Current personal RWT rates up to 31 March 2010	New personal RWT rates from 1 April 2010
12.5%	\$0 - \$14,000	19.5%	12.5%
21%	\$14,001 - \$48,000		21%
33%	\$48,001 - \$70,000	33%	33%
38%	More than \$70,000	39%	38%
Exemptions	Certificate of exemption is provided	0%	0%

COMPANIES		
New company marginal tax rates	Current company RWT rates up to 31 March 2010	New company RWT rates from 1 April 2010
30%	33%	30%
	39%	38%
Exemptions	0%	0%

What do you need to do?

SBS Bank will automatically update the following effective 1 April 2010:

- Current RWT rates of 19.5% will change to the new rate of 21%
- Current company RWT rates of 33% will change to the new rate of 30%
- Customers/companies currently on a RWT rate of 39% will change to the new rate of 38%
- For all other customers we will assume your current tax rate is correct and will remain unchanged on 1 April 2010

Please contact us if:

- You reasonably expect your total annual income to be \$14,000 or less, as you can ask us to change your RWT rate to 12.5%. This will ensure you will not be paying more tax than you need to
- You know that your current RWT rate is not the correct rate for you, and you wish to advise the correct rate

If you are unsure we recommend you contact your tax professional for advice.

Confirmation of your 31 March 2010 and current tax rates will be on your annual tax certificate.

What you need to tell us:

- Your Account Number
- Your IRD Number. Please contact the IRD on 0800 377 774 if you do not know your number
- Your correct RWT rate

How to update your rate

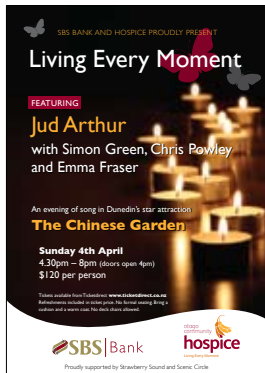
You can call the SBS Bank Contact Centre on **0800 502 442**, visit any SBS Bank branch, email us your new RWT rate via info@sbs.net.nz or write to us at **SBS Bank, PO Box 835, Invercargill 9840**.

DID YOU KNOW?

You can choose to save some trees and view your newsletters online.

Simply contact us at info@sbs.net.nz and we will notify you when the latest SBS Bank newsletter is available on our website.

LIVING EVERY MOMENT



Otago's star attraction, the Dunedin Chinese Garden, is set to provide the perfect back drop for a night of top class performance on Sunday 4 April when SBS Bank Dunedin partners with Otago Community Hospice to present an exceptional fundraising event. Living Every Moment is a concert showcasing some of New Zealand's finest singers in the stunning surrounds of the garden with proceeds going to the

Hospice. SBS Bank Dunedin manager Andrew Kilsby says the event is another great way SBS Bank can give back to the community and, as major sponsors of the Dunedin Chinese Garden, it was a wonderful and innovative way of dovetailing two great community sponsorships together for the ongoing benefit of each other.

HAMILTON TO RELOCATE

SBS Bank Hamilton is on the move to a bigger, more central site following Tainui Group Holdings (TGH) announcement of a \$1 million refurbishment of the retail units on the corner of Victoria and Bryce Streets.

SBS Bank Hamilton manager Nicki Bennett says moving to the refurbished building as the anchor tenant meant the comfort of greater space and improved accessibility at the new branch site would enhance the first-rate experience their customers received even more.

"The relocation later this year will be a fantastic 10-year anniversary present for our Hamilton team and all our loyal customers.

"Since opening in Hamilton in December 2000, we have continued to experience solid growth to the point where we have simply outgrown our current premises. It's going to be out of this world to be able to offer improved surrounds in a high profile area to our valued customers."

Features of the additional space will include a larger waiting area with comfy couches, additional interview rooms for personal appointments, secure teller counters, increased storage, fresh new décor and, of course, the usual fantastic SBS Bank service and hot coffee waiting for anyone who pops in.



A designer impression of the new building.

SBS STAR HITS \$250,000



Just over two years and nearly 150 happy, non-profit groups later and we're celebrating giving a quarter of a million dollars back to our communities through our SBS Star banking package.

Being able to support our hard-working non-profits with an unexpected windfall through our monthly prize draws to win one of ten \$1000 prizes is another way we can pass on added benefits to the wider community.

While so many valuable, non-profit group community events and fundraising projects have been assisted during this time, one of the greatest pleasures for us all at SBS Bank is hearing back from our happy winners. It is terrific to be able to share the heart-warming, feel-goods all round.



"Our success in the latest prize draw couldn't have come at a better time for us. We have just carried out some urgent repair work to the decking of one of the yacht club wharves and the \$1000 has now enabled us to complete this work. The facilities at the club are used not only by our members, but the wider community, so maintenance work like this can be a strain on the club finances. Thanks SBS Bank!"

Wakatipu Yacht Club treasurer Annabel Riley

"I would like to thank SBS Bank for the support and commitment they have shown Eastern Southland Hockey Association Inc. Their friendly, helpful service and their long-standing support of all the sports at the Multi Sport Complex in Gore shows they are committed to the community. As the lucky winner of \$1000 from SBS Star, the raising of the money for the hockey turf has truly been a community effort, for which the sport is extremely grateful."

Eastern Southland Hockey turf committee chairman Vince Aynsley

"The Arts Festival was delighted with the win! This windfall capped off superbly a wonderful relationship with SBS Bank. Their sponsorship of the festival had huge benefits for us all and saw some extraordinary performances from the oddball Kransky Sisters!"

2009 Tauranga Arts Festival director Philip Tremewan

SBS MINI-MULTI

The team at SBS Bank is always eager to get active in their community that's why we were only too happy to get on board with the Otago Children's Athletics competitions, held in Dunedin.

Having competed in two full days of track and field, age group events, which were sponsored by SBS Bank, the overall results were tallied and the medal presentations were held late in February. The event involved children aged between six and 14 years and the team from SBS Bank Dunedin were only too happy to lend a hand with presenting the prizes to the successful youngsters.



SBS Mini-Multi 12 boys' winners, from left, Rory O'Neill (Ariki) 2nd, Joshua Browne (Ariki) 1st and Tamati Karetu-Taylor (Hill City) 3rd proudly show their medals.

MEMBERS ONLY STAND

It is always fantastic to hear from our valued SBS Bank members, that is why we would like you to give us some feedback about our new-look SBS Bank website www.sbs.net.nz

Launched in December, the website includes several new features, including a search function, rural services, international banking services and the new KiwiSaver Growth Fund, along with a new style format of more click-through pages, instead of scrolling down to the information. The site will continue to evolve and be honed as more information is introduced.

We would really like to know your thoughts about the new website, what you like the most and what other information you may like to see included on the website. All members who contact us with their thoughts and ideas will be entered into a prize draw and five lucky members will win a special SBS Bank gift pack.

We thank all those who responded to our last request for feedback about the content of our newsletters and hope the lucky goodie bag winners enjoyed their prizes.

Please send your website feedback to melissa.chilton@sbs.net.nz or post to **Melissa Chilton, SBS Bank, PO Box 835, Invercargill 9840.**



SBS MARATHON ENTRY FORM

Name:	<input type="text" value="First Name"/>	<input type="text" value="Surname"/>
Address:	<input type="text"/>	
Phone:	<input type="text" value="Home / Work"/>	<input type="text" value="Mobile"/>
Email:	<input type="text"/>	
Gender:	<input type="radio" value="M"/> M	<input type="radio" value="F"/> F
Date of birth:	<input type="text" value="DD / MM / YY"/>	
Occupation:	<input type="text"/>	
Medical conditions:	<input type="text"/>	
Emergency contact:	<input type="text" value="Name & Number"/>	
How many Chch Marathons have you competed in?	<input type="text"/>	Best time/s: <input type="text"/>
Resume/reason for participating:	<input type="text"/>	

Marathon	<input type="radio"/> Run	<input type="radio"/> \$75.00
Additional late entry fee (if entering after 17 May 2010)		<input type="radio"/> \$25.00
Half Marathon	<input type="radio"/> Run <input type="radio"/> Walk	<input type="radio"/> \$60.00
Additional late entry fee (if entering after 17 May 2010)		<input type="radio"/> \$20.00
10k	<input type="radio"/> Run <input type="radio"/> Walk	<input type="radio"/> \$30.00
Additional late entry fee (if entering after 17 May 2010)		<input type="radio"/> \$10.00
2.5k Kids' Mara'Fun (5-12yrs)		<input type="radio"/> \$15.00
5.5k Kids' Mara'Fun (8-15yrs)		<input type="radio"/> \$15.00
Additional late entry fee (if entering after 17 May 2010)		<input type="radio"/> \$5.00
T-SHIRTS		
Men's	<input type="radio"/> S <input type="radio"/> M <input type="radio"/> L <input type="radio"/> XL	<input type="radio"/> \$35.00
Women's	<input type="radio"/> 8 <input type="radio"/> 10 <input type="radio"/> 12 <input type="radio"/> 14 <input type="radio"/> 16	<input type="radio"/> \$35.00
Kids	<input type="radio"/> 6 <input type="radio"/> 8 <input type="radio"/> 10 <input type="radio"/> 12 <input type="radio"/> 14	<input type="radio"/> \$20.00
TOTAL REMITTANCE		<input type="text" value="\$"/>

Please read the declaration and race rules overleaf, then sign. A parent or guardian signature is required for entrants under the age of 16.

For office use:



EVERY SBS MARATHON FINISHER WINS A 30TH ANNIVERSARY MEDAL

EVENTS

Full Marathon Run	42.2km	All races start together at 9am
Half Marathon Walk	21.1km	
Half Marathon Run	21.1km	
10km Run & Walk	10km	
Kids Mara'Fun	2.5km & 5.5km	12.15pm
PRIZE GIVING	Town Hall	2.30pm

ENTRY FEES

Please make payments to **Christchurch Marathon**. No responsibility will be taken for entries paid in cash. No refunds will be given.

Enter early to win – all entries will prior to midnight 1 April go into a draw for a New Balance prize package valued at \$500.

Enter online at www.sbsmarathon.co.nz

To enter manually, fill in the form and post with payment to: **SBS Marathon, PO Box 25156, Christchurch.**

DECLARATION

Waiver:

I accept the conditions of entry, while recognising and agreeing that road running and walking may be a risky and physically challenging undertaking. I attest to having read all information supplied on the full entry form (found online at www.sbsmarathon.co.nz or supplied by my local SBS Bank branch) or the event programme, and enter this event knowing full well the risks and demands involved and undertake to follow all event rules and instructions. I understand that while the organisers have arranged some road closures and controlled road crossing, that they cannot be held responsible for the actions of members of the public. Therefore I/we take personal responsibility for my/our fitness, experiences and actions during this event. As such, I, my family, heirs and executors of any estate discharge the event organiser, sponsors and all other persons involved in the event of any liability, claims or damages relating to personal injury, loss or damage of equipment, or any matter arising from the event. I enter knowing that entry fees are strictly non-refundable and cannot be transferred to another person. I acknowledge that organisers reserve the right to cancel the event due to "Act of God" or other circumstances beyond the organisers control, without any refund. I authorise my personal details, voice and picture to be used without payment in any capacity relating to the event. I understand that if I am under age 16, that this entry had to be filled out by my parent or guardian.

Signature:

Date:

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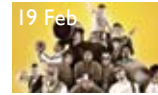
I am a SBS Bank customer

WHAT WE'VE BEEN UP TO

At SBS Bank we love rolling up our sleeves and getting involved with our communities. These are just some of the great community ventures we've been involved with in our communities recently.

30 – 31 January Wakatipu SBS Bank Dinghy Regatta, *Queenstown*

15 – 16 February SBS Bank Ladies Classic Golf Invitation, *Queenstown*



Hamilton Gardens Arts Festival First Night Funk, *Hamilton*

22 February Refurbished Papanui branch officially reopens, *Christchurch*

24 February Richardson Truck Museum Open Night fundraiser for Relay for Life, *Invercargill*

27 February SBS Bank Dunedin Triathlon and Multisport Club Have a Go Corporate Triathlon



27 February Hokonui Moonshiners' Festival, *Gore*

5-6 March SBS Bank Southland on Show, *Invercargill*

WHAT'S COMING UP

4 April SBS Bank and Otago Community Hospice present their Living Every Moment concert, *Dunedin*

10 April Christchurch South Parents Centre Baby & Kids Gear Sale, Cashmere Club, *Christchurch*

16 – 25 April Arrowtown Autumn Festival, *Arrowtown*

22 April Arrowtown Autumn Festival, SBS Bank High Tea with Jo Seager, *Millbrook*



Arrowtown Autumn Festival, SBS Bank Autumnal Entertaining with Jo Seager, *Arrowtown*

16 May SBS Bank Gore Half Marathon, *Gore*

6 June 30th Anniversary SBS Marathon, *Christchurch*

9 – 15 July Waikato Embroiderers' Guild hosts its National Embroidery Conference, *Hamilton*



28 August The Great Naseby Water Race – Unique Ultra-marathon, *Naseby*

BECAUSE TOGETHER WE'RE BETTER



SOUTHERN FIELD DAYS

Our teams from SBS Rural and Gore were more than happy to join the thousands – 25,500 visitors and 600 exhibitors to be exact – when they took residence as an exhibitor at the

Southern Field Days 2010. Attending events such as the Southern Field Days, at Waimumu, is an ideal way for our people to take our SBS Bank products and services to our members – that's because our SBS Rural team knows what's good for our members is good for us!



RELAY FOR LIFE

If it's a great community cause then the team from SBS Bank will be there and the Cancer Society's Invercargill Relay for Life was no exception in early March. SBS Bank

was among 100 teams, involving around 2000 people, to take part in this year's event, which raised \$180,000 for the worthy cause.

SBS BANK GOLF INVITATIONAL



The Southland SPCA was the grateful SBS Star account holder and registered charity to be on the receiving end of the \$10,000 proceeds from this year's SBS Bank Golf Invitational. This year's recipient was chosen by our own SBS Bank customers voting for their charity

of choice. The team from SBS Bank were enthusiastic supporters at this year's charity Am Am tournament, helping to feed the hungry bunch of players from their busy barbecue, while selling raffles to help raise funds for the SPCA.

SBS BANK SOUTHLAND ON SHOW



Hundreds of children proudly carried their SBS Bank goodie bags and thousands turned out to enjoy the town meets country atmosphere of the SBS Bank Southland on Show held in March. All the favourite activities, along with many novel ones,

were there to ensure there was something to entertain the whole family because family was the focus for this year's event. From wood chopping and Levi the Strongman to all the popular equestrian, dairy, beef and sheep judging, and much more, the two days were buzzing with activity and fun. SBS Bank is proud to be part of such an iconic A & P Association event and the team were delighted to welcome people into their marquee for cool refreshments, some yummy home baking and a chat about all the fantastic products and services that SBS Bank offers.

MEMBER BENEFITS

IT PAYS TO BELONG

When it comes to creating benefits for our members, SBS Bank is no ordinary bank. Whether it is better rates, better service or simply the perks of community support there is no question that it pays to belong.

SBS MARATHON FREE ENTRY

If you're a SBS Bank member, be sure to tick the membership box on your SBS Marathon entry form and we'll see to it you're treated to VIP SBS Marathon privileges. We will again be giving away a total of 80 complimentary entries to our eager and enthusiastic athletes. Simply drop into any of our local branches or call us on 0800 502 442 for a chance to gain free entry to one of our SBS Marathon events.

SBS MARATHON MEMBER BENEFIT

It is always exciting to find new ways of creating benefits for our members and that is why the New Zealand Spinal Trust has been confirmed as the 'charity of choice' for this year's SBS Marathon. We encourage any SBS Bank members taking part in this year's event to set up their own fundraising website so friends and family can support their marathon competitors and those suffering from spinal cord impairment. We see it as another great way that SBS Bank members taking part in the marathon can help other SBS Bank members. Find out how to set up your fundraising website by visiting www.sbsmarathon.net.nz

BASKETBALL SOUTHLAND

If you are a member of SBS Bank and purchase your tickets to any Southland Sharks games this season, using your SBS Bank EFTPOS card or cheque book, you will receive a 10 percent discount.* To find out more about the Basketball Southland season and schedule of games visit www.basketballsouthland.co.nz

*The 10 percent discount on tickets to SBS Bank customers cannot be used in conjunction with any other promotion associated with the franchise.

TOP 20 CHECKLIST FOR COMMUNITY GROUPS

Exult is a New Zealand organisation that provides expert knowledge and support to community groups. As a special offer to SBS Bank members they are offering a hugely discounted rate of just \$20 (usually \$55) to receive an e-guide copy of their Top 20 Checklists for Community Groups. The e-guide book provides 20 of Exult's most requested checklists, including writing successful sponsorship letters and media releases. Email tracy@exult.co.nz with your SBS Bank account number to order your copy now.

COMMUNITY NOTICE BOARDS

To help support our members, SBS Bank now has community notice boards in all of our branches. These are available to be used by all SBS Bank members and SBS Star non-profit clubs and societies to advertise any upcoming community fundraising events you may have.

SBS BANK MEMBER WEB COMMUNITY

This is your opportunity as a SBS Bank member to promote your clubs, societies and businesses to other members via our website. If you haven't already registered online visit www.sbs.net.nz now!

FROM THE CHIEF EXECUTIVE: A TRUE NZ COMMUNITY BANK



Another financial year draws to a close for SBS Bank and we are hoping that the year ahead turns out to be more enjoyable and less challenging than the past couple we have experienced.

While there are some indications that New Zealand is slowly emerging from this economic downturn, I think we all realise

that the market is unlikely to return to the more buoyant days that we enjoyed prior to 2007. I am confident there will be some exciting opportunities in the coming years, but possibly not in a similar vein that we have previously experienced.

You will be aware that we are not anticipating any records in profit or growth over the past year. It is however, heartening to know that we have successfully navigated through an extremely difficult period that has severely shaken many financial institutions. We have emerged, a little bruised but, a much stronger organisation that continues to be profitable even in difficult times.

SBS Bank's subsidiaries – Funds Administration NZ Limited (FANZ), Southsure Assurance and Finance Now Limited (FNL) – have all performed extremely well over the past year and have made a valued contribution to the overall results of the SBS Bank Group. We thank them for their ongoing commitment and hard work.

Recent months have seen SBS Bank launch several new products and services. These have included:

- The launch and re-issue of the PIE term deposit through the Lifestages Deposit Portfolio, managed by FANZ
- SBS Bank joining with independent ATM service providers allowing members even greater access to their cash
- The re-launch of our SBS Star Investment Special
- Several new member benefits introduced, including product and ticket discounts through our many community partnerships

You can be assured that when you share your thoughts, we do listen and it helps us to determine and prioritise the development of our banking products and services for your benefit.

We continue to focus on growing our reputation as a Community Bank. SBS Bank now has around 280 community sponsorships of all sizes and values and, by positioning ourselves as a community bank, we are able to reinforce the pride we take in rolling up our sleeves and actively supporting our people, our communities and our many valuable, hard-working community volunteers.

As you can imagine, the recent global financial crisis has resulted in a flurry of new regulation for banks and other financial institutions. The most immediate impact will be the need to hold greater levels of liquidity (cash) on the balance sheet. This will come at a cost to consumers but, will also protect them from the highly leveraged activities that existed, particularly in the non-bank sector. Once again cash has become king ... isn't it interesting that old values once again rise to the surface – the sort of values upon which SBS Bank was founded and that have ensured we could survive the biggest economic crisis since the Great Depression in the 1930's.

In the meantime, we intend to continue to do what we do best and that is manage the business prudently while providing fantastic, personalised customer service. Whether it is achieved by organic growth or through merger and acquisition, we have ambitions to be a national player. More importantly we will remain committed to serving the needs of personal banking customers throughout New Zealand and know it is you who will continue to make the difference and ensure we remain a successful and thriving business.

Ross Smith
Chief Executive

