



media release

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FOR IMMEDIATE RELEASE

BUSINESS LENDING GOES SKYWARDS

CANNEX releases *business banking star ratings* report today.

Australian businesses appear to have made hay while the sun shines, investing in growth during the good times and posting record figures in most areas of business banking.

Business loans for 2007 are up by 15% on those from the year before, according to the *business banking star ratings* report released today by leading financial services research company CANNEX.

“The surge in business loans is really a double-edged sword. They are necessary for business’s viability but they also contribute to inflation and therefore a future interest rate rise,” said CANNEX financial analyst Jeremy Ooi.

The predicted one to two interest rate rises this year will hurt business just as much as home owners, as the majority of business loans are residentially secured.

In the last 90 days, CANNEX said 62 variable rate business loans increased rates. Fifteen of these loans increased by more than the official 25 basis points from the November rate rise, with some jumping as high as an extra 35 basis points.

“It may well be that business credit was offered a little too liberally in the past and this could come back to bite in an increasingly volatile market,” Mr Ooi said.

To lessen their risk in the turbulent money market, banks are expected to tighten lending practices. New small business owners may find themselves enduring lengthier, more detailed loan application processes.

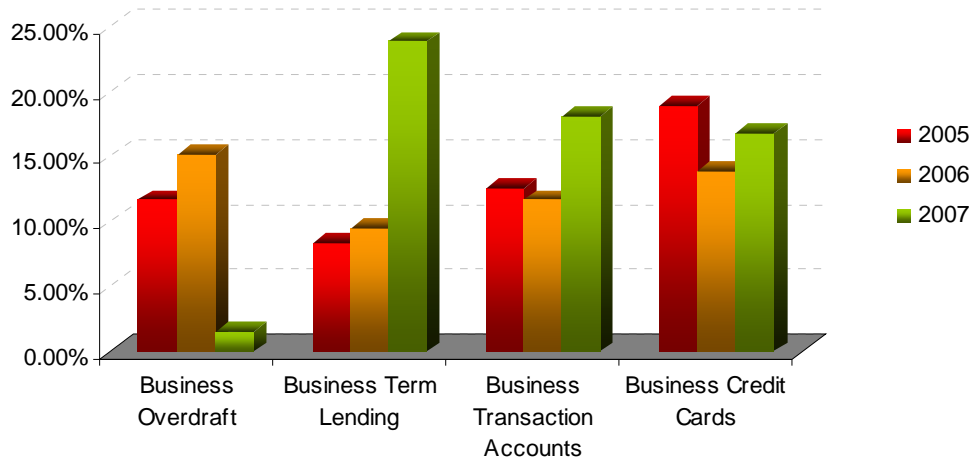
“This will not be a direct reflection of the budding business owner’s capabilities or acumen, rather the flow-on effects of an uncertain global money market,” Mr Ooi said.

The CANNEX business banking star ratings report shows that business lending is not alone in its growth. Business deposit accounts have also grown, as have business credit cards, possibly at the expense of overdrafts.

“The investment in business that these figures indicate are encouraging, as they give a glimpse into the health or otherwise of the small business sector,” Mr Ooi said.

“Business owners must now brace themselves for further expense in the form of servicing their credit commitments. Now is the time to examine your current banking processes to determine if you really are getting the best deal.”

Business Banking Annual Growth



Source: CANNEX 30.1.08

CANNEX today released its *business banking star ratings* report which assesses business credit cards, deposit accounts and loans – covering residential and commercial lending for both secured and unsecured lending categories. CANNEX researched and rated over 360 loans, 37 credit cards and 54 transaction accounts.

Consumers can download the CANNEX *business banking star ratings* report on www.cannex.com.au

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About CANNEX:

CANNEX is Australia's leading financial services research and ratings group, providing the country's only fully interactive online research service in retail and business finance.

Founded in 1992, CANNEX (Aust) Pty Limited is Australia's premier researcher of retail finance information for over 350 institutions such as Banks, Building Societies, Credit Unions, Finance Companies, Brokers, Mortgage Originators, General Insurers, Life Companies and finance-related Internet Portals.

CANNEX customers use the extensive database for competitor analysis as well as a means of disseminating their product range. CANNEX also distributes this information to print and electronic media for publication and to Agents, Accountants, Brokers and Internet Portals for use in advising their clients.

Does CANNEX rate other product areas?

YES, CANNEX also rates credit cards, reward programs, mortgages, low-doc home loans, reverse mortgages, personal loans, deposit accounts, package banking, margin lending and car insurance. These star ratings use similar methodologies to the business banking star ratings methodology. This guarantees quality and transparency. The use of similar star ratings logos also builds consumer recognition of quality products across all categories. Please access the CANNEX website at www.cannex.com.au if you would like to view the latest CANNEX star ratings reports of interest.



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CANNEX FIVE STAR BUSINESS OVERDRAFTS & TERM LOANS

Overdrafts, secured by commercial property Product

ANZ Bank	Business Overdraft
nab	Business OD res sec
Savings & Loans CU SA	Business Latitude

Overdrafts, secured by residential property Product

ANZ Bank	Business Overdraft
Hume Building Society	Business OD res sec
nab	Business OD res sec
Savings & Loans CU SA	Business Latitude
Westpac	Bus Overdraft res sec

Term Loans, secured by commercial property Product

ANZ Bank	Business Loan 5yr
ANZ Bank	Business Loan Var
Commonwealth Bank	BBL Var all sec other
Commonwealth Bank	Better Bus Ln 5y Fxd oth
Commonwealth Bank	BBL Var all sec secured
nab	Bus Opts Instal 5y Stand

nab
Westpac
Westpac

Bus Opt Instl Var Std
Business One Ln bus sec
Bank Bill Business Var

☐ Term Loans, secured by residential property

Product

ANZ Bank
ANZ Bank
Commonwealth Bank
Commonwealth Bank
Commonwealth Bank
Commonwealth Bank
nab
nab
nab
nab
Westpac
Westpac

Business Loan Var
Business Loan 5yr
Better Bus var all sec secured
Better Bus Ln 12mth disc
Better Bus Ln var res sec
Better Bus Ln 5yr fxd oth
Bus Opts Instal 5y Stand
Bus Opt Instl Ln Var Res
Bus Opts Instal 5y Res
Bus Opts Instal Var Std
Bank Bill Business Var
Bank Bill 5yr Fixed



CANNEX FIVE STAR BUSINESS DEPOSIT ACCOUNTS

☐ High Transactor

Product

ANZ Bank
BankWest
Bendigo Bank
Commonwealth Bank
Commonwealth Bank
Savings & Loans CU SA
SUNCORP

Business Cash Management
Business Bonus
Business Solutions
Standard Cheque Account
Premium Business Account
Business Cash Manager
Business Management AC

☐ Low Transactor

Product

ANZ Bank
BankWest
Commonwealth Bank
Savings & Loans CU SA

Business Cash Management
Business Bonus
Standard Cheque Account
Business Cash Manager

☐ Internet High Saver

Product

AMP Banking
Bank of Queensland
BankWest
BankWest
Capricornia CU
Commonwealth Bank
nab
RaboPlus
Savings & Loans CU SA
St George Bank
SUNCORP
Westpac
Westpac

Business eASYSaver
Business WebSavings Acc
Business Telenet SaverAc
Business Bonus
E \$aver Business Account
Business Online Saver
Business Cash Maximiser
Business Savings Account
Business Online
Express Saver Business
Bus Investment Ac Option
Business Max-i Direct
Business Max-i Bonus

☐ Internet Low Saver

Product

AMP Banking
BankWest
Capricornia CU

Business eASYSaver
Business Telenet Saver Ac
E \$aver Business Account

Community First CU
ING Direct
Members Equity Bank
RaboPlus
Savings & Loans CU SA
St George Bank
SUNCORP
Westpac

FirstBiz Online Savings
Business Optimiser
Business Investment Acct
Business Savings Account
Business Online
Express Saver Business
Bus Investment Ac Option
Business Max-i Direct



CANNEX FIVE STAR BUSINESS CREDIT CARDS

Business Transactor

Product

Alliance One Credit Union
ANZ Bank
ANZ Bank
BankSA
nab
nab
St George Bank
Westpac

Business Visa CreditCard
Corporate Card
Business One-Cash Rewards
Visa Business
Business ChargeCard VISA
Business ChargeCard
Bus Vantage VISA Unsec
Bus Choice Charge/MCard

Business Revolver

Product

Alliance One Credit Union
ANZ Bank
BankSA
Commonwealth Bank
nab
nab
St George Bank

Business VISA Credit Card
Business One-Cash Rewards
Visa Business
Low Rate Bus Card Opt 3
Bus Access (Unsec) Visa
Bus Access (Unsec)
Bus Vantage VISA Unsec