



SUMMARY KEY DISCLOSURE STATEMENT
for the financial year ended 30 June 2005

Introductory Statement

- ☒ The purpose of this information is to provide customers and potential customers with information about the financial condition of their credit institution.

- ☒ 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 Merchant Finance & Investment Company Limited.

Corporate Information

- ☒ The full name of the credit institution is Merchant Finance & Investment Company Limited.
- ☒ The full name of the ultimate parent company of Merchant Finance & Investment Company Limited is Fijian Holdings Limited, which is domiciled in Fiji.
- ☒ The names of the directors of Merchant Finance & Investment Company Limited are:

Chairman L N Cupit

Members S Weleilakeba
 F T Nemani
 J Koroï
 M Nawari
 U F Tuituku
 S Qoro

	Audited Current Year	Audited Prior Period
Profitability		
<input checked="" type="checkbox"/> Net operating profit after tax and extraordinary items (\$'000)	4,143	3,354
<input checked="" type="checkbox"/> As a percentage of average total assets	5.65%	5.56%
Size - as at end of financial year		
<input checked="" type="checkbox"/> Total assets (\$'000)	78,659	68,047
<input checked="" type="checkbox"/> The percentage change in total assets over 12 months	15.60%	29.22%
Capital Adequacy - as at end of financial year		
<input checked="" type="checkbox"/> Tier 1 Capital (\$'000)	16,056	13,875
<input checked="" type="checkbox"/> Tier 1 capital to total risk-weighted assets ratio	21.56%	20.34%
<input checked="" type="checkbox"/> Total Capital (\$'000)	16,915	14,639
<input checked="" type="checkbox"/> Capital adequacy ratio	22.71%	21.46%

	Audited Current Year	Audited Prior Period
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Asset Quality - as at end of financial year		
<input checked="" type="checkbox"/> Total impaired assets (on- and off-balance sheet) (\$'000)	2,024	1,286
<input checked="" type="checkbox"/> As a percentage of total assets	2.57%	1.89%
<input checked="" type="checkbox"/> Total specific provisions (\$'000)	1,819	1,686
<input checked="" type="checkbox"/> Total general provisions (\$'000)	5,395	4,460
<input checked="" type="checkbox"/> Total provisions as a percentage of total impaired assets	356.42%	477.92%

Peak Credit Exposure Concentrations - number of counterparties or groups of closely-related counterparties in relation to the total capital of the credit institution		
<input checked="" type="checkbox"/> 10% to 20% of total capital	3	2
<input checked="" type="checkbox"/> 20% to 25% of total capital	0	0
<input checked="" type="checkbox"/> Over 25% of total capital	0	0

Peak Connected Persons Credit Exposures - for all connected persons		
<input checked="" type="checkbox"/> Peak end-of -day credit exposure amount (\$'000)	311	252
<input checked="" type="checkbox"/> As a percentage of total capital	1.84%	1.72%
<input checked="" type="checkbox"/> 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	7,843	3,150
Balance with the Reserve Bank of Fiji	0	0
Receivables due from other financial institutions	4,000	4,007
Securities held	6,836	5,913
Loans (including advances to customers and similar facilities)	80,787	73,757
Unearned revenue	(17,282)	(15,895)
Provision for doubtful debts	(7,214)	(6,146)
Fixed assets	1,214	1,163
Accrued receivables and other assets	125	125
Future Income Tax Benefit	2,350	1,973
Total Assets	78,659	68,047
Deposits or Promissory Notes of statutory bodies	0	0
Payables due to other financial institutions	0	0
Deposits and borrowings	59,974	51,440
Amounts owed to other depositors	0	0
Certificates of deposits	0	0
Promissory Notes and other liabilities evidenced by paper	0	0
Other	1,951	2,141
Secured borrowings	0	0
Issued and paid up or assigned capital	4,000	4,000
Capital reserves	0	0
Revaluation reserves	0	0
Other reserves	900	900
Retained earnings	11,834	9,566

	Audited Current Year	Audited Prior Period
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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	11,637	9,890
Interest and similar expense	(2,075)	(1,629)
Dividend income	0	0
Fee and commission revenue	504	421
Fee and commission expense	0	0
Other revenues arising from financial instruments	352	345
Gains less losses arising from dealing securities	0	0
Other expenses arising from financial instruments	(1,000)	(480)
Gains less losses arising from investment securities	0	0
Gains less losses arising from dealing in foreign currencies	0	0
Other operating revenue	0	0
Bad and doubtful debts (including provisions for impairment)	(1,264)	(1,292)
Recoveries of bad and doubtful debts	0	0
General administration expense	(3,136)	(2,728)
Other	0	0
Net profit before tax	5,018	4,527
Net profit after tax	4,143	3,354

Availability of Disclosure Statements

- ☒ Merchant Finance & Investment Company Limited's most recent Key Disclosure Statement is available at all Merchant Finance & Investment Company Limited branches.
- ☒ Merchant Finance & Investment Company Limited's most recent General Disclosure Statement is available at all Merchant Finance & Investment 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 Level 1, 91 Gordon Street, Suva.

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Director	Director