New Zealand
Full Rating Report

Nelson Building Society

Ratings

Foreign Currency

Long-Term IDR	BB+
Short-Term IDR	B

Local Currency

Long-Term IDR	BB+
Short-Term IDR	B
Individual Rating	C/D
Support Rating	4
Support Rating Floor	B

Sovereign Risk

Foreign-Currency Long-Term IDR	AA+
Foreign-Currency Short-Term IDR	F1+
Local-Currency Long-Term IDR	AAA

Outlooks

Foreign-Currency Long-Term IDR	Stable
Local-Currency Long-Term IDR	Stable
Sovereign Foreign-Currency Long-Term IDR	Negative
Sovereign Local-Currency Long-Term IDR	Negative

Financial Data

Nelson Building Society

	31 Mar 2010	31 Mar 2009
Total assets (USDm)	193.6	139.7
Total assets (NZDm)	272.7	248.5
Total equity (NZDm)	16.7	17.3
Operating profit (NZDm)	2.1	1.2
Published net income (NZDm)	1.5	0.8
Comprehensive income (NZDm)	1.5	0.8
Operating ROAA (%)	0.81	0.51
Operating ROAE (%)	12.49	6.56
Tangible common equity/tangible assets (%)	6.06	6.92

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Related Research

Applicable Criteria

- *Global Financial Institutions Rating Criteria (August 2010)*

Rating Rationale

- The ratings of Nelson Building Society (NBS) reflect its good funding, resilient profitability and asset quality in a difficult economic environment, while also considering its small size and significant concentration, which are partly offset by NBS's general prudent risk management. The Support Rating upgrade reflects Fitch Ratings' view that the propensity for the New Zealand regulatory authorities to provide support is higher than Fitch originally considered likely.
- In addition to mortgage and deposit products, NBS offers a wider range of banking products and services, such as personal loans and transaction banking, unlike most of its peers. NBS is a full service provider, but because of its size this comes at a cost, which is reflected in noticeably higher cost/income ratios than those of larger banks.
- In the financial year to end-March 2010 (FY10), NBS generated good profitability compared with its peers. Despite New Zealand's recession, NBS benefited from a decline in loan impairment charges, good loan growth, and wider interest spreads on some of its lending products, which offset larger funding costs due to strong deposit competition. Fitch notes that NBS's operating environment is likely to remain challenging due to the slow economic recovery and regulatory changes in funding and liquidity requirements.
- NBS's asset quality remained sound, comparing well with its peers. Its impaired loan/gross loan ratio stood at 0.19% (FY09: 0.74%), reflecting some decline in impaired loans but also good loan growth. The increase in past-due loans has partly been a result of changes in the society's reporting. Problem loans, which mainly occurred in NBS's personal loan book, have been adequately provided for. Due to its size and concentration, NBS is more vulnerable than larger peers to operational risks. Market risk is prudently managed.
- NBS's loan book was entirely funded by customer deposits at FYE10. The society has no wholesale funds outstanding and benefits from strong retention rates of its maturing term deposits. Liquidity is adequately managed. NBS's liquid ratio stood at 24% of tangible assets, well above the trust deed's requirement of 15%. Liquidity is composed of physical holdings rather than committed bank facilities. NBS's capitalisation is adequate for its risks.

Support

- The Reserve Bank of New Zealand (RBNZ) assumed responsibility for the prudential supervision of non-bank deposit-taking institutions in 2010 under a new regulatory framework. NBS is one of New Zealand's smaller financial institutions and Fitch considers support from the authorities would be limited.

Key Rating Drivers

- NBS's Long-Term IDR is on a Stable Outlook, reflecting its resilient performance when New Zealand faced an economic recession and strong competition in the financial markets. The ratings are constrained by NBS's small capital base in absolute terms, and geographical and industry sector concentrations.

Profile

NBS is New Zealand's oldest building society, based in the north-west of the South Island, and dating back to 1862. NBS operates six branches across its home region.

- Fourth-largest building society, located in the north-western part of New Zealand's South Island
- Change in prudential regulation of building societies
- More diversified business model than most small building societies
- NBS's home region benefits from lowest unemployment in the country

Profile

NBS was established in 1862 in Nelson to provide housing and personal finance to members of the local communities in the Nelson and Tasman regions. NBS was incorporated under the Building Societies Act 1965 and, although very small, it is New Zealand's fourth-largest building society by total assets (FY10: NZD273m). It currently employs 31 staff.

Most of NBS's business activities are conducted in the Nelson/Tasman region in the north-west of New Zealand's South Island. NBS offers traditional banking services such as loans and deposits to retail and SME customers. In contrast to some of its domestic peers, NBS also offers transaction banking, and sells insurance and investment products through its six branches and the internet banking channel.

When selling insurance products, NBS acts as an agent for a number of large, third-party product manufacturers (e.g. AXA, AMP, Fidelity, Tower and AMI). Products include income protection, term life, trauma, health, home and contents, boat, motor vehicle and caravan insurance.

The regional economy is influenced most heavily by fishing and forestry, although farming, horticulture and tourism also feature. The unemployment rate in the Nelson/Tasman region is one of the lowest in the country, and declined to 3.5% at end-June 2010 from 5.2% at end-March 2010. Similar to the rest of the country, the property market in the Nelson/Tasman region has suffered from weaker sales, leading to a drop in prices. However, according to NBS management, house prices started to stabilise in the first six months of 2010 and performed in line with the rest of the country.

Corporate Governance

NBS is an unlisted, mutual building society, meaning that it is owned by its customers (depositors and borrowers) rather than by shareholders. Each customer has one vote, irrespective of the number of accounts held. However, customers must hold a minimum of NZD200 on deposit. Consequently, NBS has a stronger community link than publicly listed institutions.

The board of directors comprises a chair, a deputy chair and three non-executive directors, who bring a range of commercial and non-commercial experience to the group. The board meets monthly, or more frequently if required (e.g., to consider large loan exposure applications).

NBS's current management has been in place for 10 years.

Prudential Regulation

Since March 2010, New Zealand's building societies have been under the prudential supervision of the RBNZ. Unlike in the past, they now have to comply with the RBNZ's minimum prudential and governance standards. The proposed reforms are taking shape and should improve the societies' risk management policies, capital and liquidity management, and corporate governance.

However, their governing bodies (i.e. trustees) will continue to supervise individual institutions and monitor their compliance with the new regulations, as they currently do in relation to trust deed covenants designed to protect the interests of depositors.

NBS is an approved institution under the retail deposit guarantee scheme, which guarantees debt securities (i.e. deposits, term deposits, current accounts) held by retail investors (i.e. anyone other than financial institutions) up to a maximum of NZD1m per investor, up until 12 October 2010. The New Zealand government has provided an option to extend this guarantee but NBS has decided to opt out of it.

- Stable NIM following healthy loan growth
- Weaker cost efficiency reflects NBS's mutuality
- Decline in loan impairment charges boosts NBS's operating profitability

Performance

In FY10, NBS's operating profitability improved in contrast to the weak operating economic environment, which was characterised by increasing unemployment, declining house prices and weaker economic growth. While good net interest revenue generation supported pre-impairment operating profit, the society benefited from a significant decline in loan impairment charges.

NBS managed to generate a wider and stable net interest margin (NIM) than its domestic peers in FY10, as good pricing management on the asset side offset pressure on funding costs. However, NBS's approach to be a full service provider to its members meant that operating expenses remain larger than those of its international peers, affecting the society's cost efficiency.

In FY10, NBS's operating income increased by 13% on the back of strong net interest revenue growth resulting from healthy loan growth and declining funding costs. Net interest income accounted for 92% of operating income at FYE10 and remains the most important revenue source for NBS, making it dependent on the development on interest rate spreads.

NBS benefited from a large proportion of its assets being priced on a variable rate, allowing the society to adjust lending rates when the RBNZ started to increase the official cash rate for the first time in 18 months. Pressure on its NIM was offset by wider spreads on NBS's small but less well secured personal loan book, which is adequately priced, and a decline in funding costs. These factors combined with loan growth of 13% lead to an impressive 21% increase in net interest revenue in FY10.

Despite NBS's wider product range, non-interest revenue remained a small proportion of the society's operating income in FY10. In fact, fee income declined following the discontinuation of re-licensing of motor vehicles of New Zealand's Automobile Association in one branch. In addition, NBS's property portfolio suffered a decline in fair value which affected the society's non-interest operating income in FY10.

In Fitch's opinion, NBS's cost management is good for an institution of its size, as its cost/income ratio improved to 68% in FY10, reflecting the society's revenue growing faster than expenses. However, NBS is challenged by larger fixed costs due to its wider product range, including more costly transaction banking. In FY10, NBS's operating expenses increased by 12%. Most of the growth related to increased compliance costs, but also to the fee for the Crown guarantee, increased costs for the maintenance of NBS's IT and larger sponsorship contributions. In FY10, staff expenses increased by 6%, somewhat above New Zealand's inflation rate.

Peer Group Comparison: Profitability, Capitalisation and Funding

	Nelson Building Society ('BB+'/Stable)		Southland Building Society ('BBB'/Stable)		Wairarapa Building Society ('BB+'/Stable)		Hastings Building Society ('BB'/ Rating Watch Positive)	
(%)	FY10	FY09	FY10	FY09	FY10	FY09	FY10	FY09
Net interest margin	2.61	2.61	2.36	2.51	1.44	2.20	1.74	1.89
Cost/income ratio	68.3	69.2	54.1	59.8	78.7	74.1	50.0	137.6
Impairment charges/pre-impairment operating profit	8.51	40.8	43.3	43.5	99.0	35.2	31.6	-164.5
Operating profit/ average assets	0.81	0.51	0.80	0.64	0.00	0.45	0.79	-0.88
Operating profit/ average equity	12.5	6.56	12.5	10.5	0.03	3.1	8.8	-10.0
Customer loans/customer deposits	85.6	84.1	112.5	115.8	103.4	106.6	85.4	82.4
Tangible common equity/tangible assets	6.06	6.92	6.65	6.02	13.99	14.26	9.19	8.68
Total equity (NZDm)	16.69	17.26	177.66	155.58	16.15	16.09	17.00	15.95

Long-Term IDR and Outlook or Watch shown in brackets
Source: Fitch

NBS reduced its loan impairment charges by 76% in FY10 despite an increase in past-due loans. However, NBS benefited from some recoveries of previously written-off loans. Most of the impairment charges are classified as specific charges, reflecting a small number of problem loans in the society's mortgage book.

Prospects

NBS managed well through New Zealand's economic downturn in 2009-2010. Its profitability proved to be resilient. However, in Fitch's opinion, operating profitability is likely to remain under pressure, as the society is highly reliant on the economic development of the region, competition for customer deposits is fierce, and the introduction of new regulatory requirements has proved to be costly.

If the economic environment continues to improve and customer deposits increase, NBS could benefit from healthy loan growth, supporting net interest revenue generation. Operating income would also benefit if NBS manages to enhance cross-selling to offset some of its operating cost burden. As property markets slowly stabilise and unemployment in the Nelson/Tasman region decreases, NBS's asset quality should remain sound, limiting potential loan impairment charges and supporting internal capital generation.

Risk Management

- Improved asset quality despite challenging operating environment
- Healthy loan growth
- Geographic and industry concentrations in the society's loan book
- Market risk is adequately managed
- Small size of society increases operational risk

NBS has a prudent approach to risk management, and processes appear adequate for the size and nature of its core business. The board and general manager are responsible for overall performance and risk management across the business. There is no dedicated risk manager in place; however, a credit manager and his three lending administrators report to the assistant general manager. The credit manager reports to the board through the general manager on a monthly base.

In 2009, NBS set up a treasury committee, which meets quarterly and monitors interest rate risk.

Credit Risk

NBS's largest risk is credit risk, as the society's loan book accounted for 80% of the total assets at FYE10. In addition, NBS is exposed to credit risk through its interbank loans (16% of total assets), held-to-maturity securities portfolio (2%) and other assets, including cash reserves (2%), as well as NZD3.3m in other commitments such as approved but unpaid loans. Due to NBS's close links to the Nelson region, the society has a close understanding of collateral values, income multiples and/or rental coverage ratios factored into underwriting decisions.

In FY10, NBS's loan book increased by 13%, consisting entirely of residential mortgages as it reduced its exposure to commercial mortgages and personal loans. As a result, at FYE10 almost three-quarters of NBS's loan book was classified as residential mortgages. In particular, NBS reduced its commercial mortgages and

Peer Group Comparison: Asset Quality

	Nelson Building Society		Southland Building Society		Hastings Building Society		Wairarapa Building Society	
(%)	FY10	FY09	FY10	FY09	FY10	FY09	FY10	FY09
Loan exposure (NZDm)	217.9	192.8	2,601.4	2,511.9	142.3	135.8	99.3	99.1
Residential mortgages	73.0	66.2	65.9	65.2	82.6	84.5	60.7	59.5
Commercial mortgages	23.5	29.4	29.2	30.9	17.3	15.4	39.3	40.5
Others[a]	0.5	4.4	4.9	4.0	0.1	0.1	0.0	0.0
Impaired loans/gross loans	0.19	0.74	1.21	0.90	1.72	1.31	0.15	0.34
Impairments/impaired loans	63.23	49.92	57.57	58.58	44.76	53.75	615.33	121.35
Proportion of residential mortgages exceeding LVR of 80%	13.0	N/A	23.2	16.6	5.5	5.1	1.2	0.9
Proportion of loan book backed by collateral	100.0	N/A	99.7	99.6	99.9	99.9	99.9	99.8

[a] Includes secured and unsecured personal loans, and local authorities
Source: Fitch

tightened criteria on loan/value ratios (LVR), reflecting its prudent approach to credit risk in a difficult operating environment.

As a result of NBS's small size and focus on its home region, the loan book has been concentrated by geography and industries. Single-name concentration, however, appears acceptable for an institution of its size as the top 20 largest exposures accounted for 17% of the society's loan book at FYE10. The agency also takes comfort from the society's familiarity with its home region (where 85% of its loans are written) and customers, as well the fact that all loans are collateralised.

NBS's asset quality improved in FY10: its impaired loan ratio dropped to 0.19% from 0.74% for FY09, reflecting successful recoveries of impaired loans as well as some write-offs. Past-due loans rose strongly despite a decline in unemployment during the first half of 2010 and still historically low interest rates. While it suggests potential asset quality problems, the strong increase reflects a change in reporting, as NBS now includes in its past-due loans residential mortgages that could face repayment problems. Although these loans have been excluded in the past, NBS has closely monitored their performance.

Following the decline in impaired loans, NBS's impairment provisions/impaired loan ratio improved to 63% at FYE10 (FYE09: 50%). Fitch views this ratio as adequate, given that most of NBS's loans are well collateralised, with maximum LVRs at 80%. Mortgages written with higher LVRs are either classified as "welcome home" loans, which are guaranteed by Housing New Zealand, or are covered by mortgage insurance. House prices in New Zealand, however, have not dropped more than 10% from their peak in 2007 to the trough in early 2009.

Residential Mortgage Book

The vast majority of NBS's residential mortgage book consisted of owner-occupied mortgages at FYE10. The society estimates that less than 10% of the residential mortgages would be classified as residential investment loans (i.e. buy to let). The asset quality of NBS's residential mortgage book remained sound, with only one mortgage being impaired. No mortgages have been in negative equity.

Commercial Mortgage Book

Commercial mortgage lending contracted in FY10 and fell to 24% of total loans from 29% in FY09. It mainly consisted of commercial investment loans. Commercial loans classified as development loans or agriculture loans, which are typically secured on farm land, have been modest in size.

Asset quality remained fairly resilient. No commercial loans were impaired at FYE10. NBS tightened underwriting criteria and loans written in FY10, requiring a maximum LVR of 50%. All of NBS's commercial mortgages had an LVR below 70% at FYE10.

Other assets

At FYE10, NBS's other assets mainly comprised high-quality interbank exposures and a small securities portfolio, which is accounted as held to maturity. According to its investment policy NBS can invest in any New Zealand registered bank or in securities which are rated at least 'AA−'.

Market Risk

The key market risk for NBS is interest rate risk arising out of asset and liability repricing. In contrast to its peers, NBS manages its interest rate risk through natural hedging as assets and liabilities have similar maturities. The maximum maturity of a fixed-rate mortgage deal is two years, avoiding potential interest rate mis-matches. The society does not use derivatives to hedge any market risks. If there had been a 100bp parallel movement in the yield curve, and NBS's management had not taken action, the impact would have been around 13% of NBS's pre-impairment operating profit at FYE10. Although this ratio is somewhat higher than for more diversified international peers, it needs to be viewed in light of NBS's size and mutuality.

NBS holds all its securities in a held-to-maturity portfolio, limiting potential market risk from trading. In addition, the society had no FX exposure at FYE10.

Operational Risk

NBS has adequate operational risk management systems relative to its size and the low complexity of its business. The general manager is primarily responsible for internal operational risk management oversight and Deloitte undertakes an annual external audit.

Business continuity planning employs data replication (i.e. back-up tapes) to ensure core functions will continue in emergencies. IT systems and support are based in Auckland and NBS has outsourced daily clearing and settlement processes to Westpac New Zealand Limited.

- Loan book entirely funded by customer deposits
- Healthy deposit growth
- Good liquidity position
- Adequately capitalised

Funding and Capital

Funding

In Fitch's view, NBS funding position is good, as the society's total loan book is funded by customer deposits, of which the vast majority were classified as retail deposits at FYE10. Despite strong competition for customer deposits in New Zealand, NBS experienced healthy growth of 11% in FY10, reflecting its solid local franchise, which enabled the society to expand its mortgage book roughly in line with its deposits. The top 10 depositors accounted for 7% of the society's deposits base at FYE10.

NBS had no wholesale funding exposure outstanding at FYE10. Due to its small size, the agency believes that NBS is limited in raising debt in the capital markets, which would most likely be more expensive than customer deposits. However, if NBS were to require additional funding at short notice to supplement liquidity, it could use its residential mortgage book as collateral to receive central bank funding if necessary.

Liquidity

Fitch considers NBS's liquidity management adequate for its size and business complexity, as its liquidity position compares well with those of domestic peers. The trust deeds of the building society require NBS to hold a minimum of 15% of its total tangible assets in liquid assets. At FYE10, NBS's liquid ratio stood at 24% of tangible assets, making it independent from committed bank facilities.

The society's liquid asset consisted of interbank deposits with the major domestic banks, a small cash reserve and highly rated held-to-maturity securities, of which 50% are classified as subordinated. Fitch views subordinated securities as less liquid, especially in a stress event. The maturity of these exposures has been short-term: 60 to 90 days and in some instances up to 12 months.

In addition, NBS benefits from a small bank facility of NZD6m provided by Southland Building Society (SBS Bank; rated 'BBB'/Stable) and a securitisation facility of NZD10m.

The society runs different stress scenarios to assess potential liquidity risks.

Capital

NBS is relatively well capitalised, with a tangible common equity/tangible asset ratio of 6.06% at FYE10. Fitch considers that a higher ratio would be suitable for the level of product and geographic concentrations. In Fitch's view, the small absolute size of NBS's equity also causes some concern because of the society's limited internal capital generation, which provides only a thin cushion for potential losses arising from credit defaults, fraud or other unforeseen factors.

Capitalisation has been boosted by NZD7.5m subscription shares, which accounted for a significant 45% of NBS's total capital at FYE10. Subscription shares are treated as equity and accepted as capital under the trust deed because of their characteristics. Subscription shares have no maturity but can be redeemed. They rank behind shareholders' accounts in the event of liquidation and their non-cumulative coupon is determined by the performance of the society. In FY10, NBS redeemed NZD4.4m of subscription shares issued to one of its largest subscription shareholder. In the same year, NBS issued NZD2.7m of new subscription shares to its wealthy local retail customers. Only a small number of investors held the total of NZD7.5m subscription shares at FYE10. The society believes it could issue additional subscription shares in the market, although it considers these instruments extremely costly.

Previously, New Zealand's building societies — as non-bank deposit takers — were not required to calculate a Tier 1 ratio. Under the new prudential regulation, they are required to do so, although the risk weightings used are more conservative than those used under the standardised approach of Basel II. In addition, the proportion of the mortgage book that benefits from mortgage insurance is still treated as though the society had not taken out this policy. As a result, Fitch believes that the Tier 1 ratio of New Zealand's building societies compares well with those of its international peers.

Nelson Building Society
Income Statement

	31 Mar 2010			31 Mar 2009		31 Mar 2008		31 Mar 2007	
	Year End USDm Unqualified	Year End NZDth Unqualified	As % of Earning Assets	Year End NZDth Unqualified	As % of Earning Assets	Year End NZDth Unqualified	As % of Earning Assets	Year End NZDth Unqualified	As % of Earning Assets
1. Interest Income on Loans	11.9	16,705.7	6.22	19,630.0	8.02	18,646.0	9.33	15,441.0	8.26
2. Other Interest Income	1.8	2,525.9	0.94	2,520.9	1.03	2,131.0	1.07	1,796.0	0.96
3. Dividend Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Gross Interest and Dividend Income	**13.7**	**19,231.6**	**7.16**	**22,150.9**	**9.05**	**20,777.0**	**10.40**	**17,237.0**	**9.22**
5. Interest Expense on Customer Deposits	8.6	12,087.2	4.50	16,348.9	6.68	15,211.0	7.61	13,012.0	6.96
6. Other Interest Expense	0.3	437.7	0.16	244.0	0.10	261.0	0.13	241.0	0.13
7. Total Interest Expense	**8.9**	**12,524.9**	**4.66**	**16,592.9**	**6.78**	**15,472.0**	**7.74**	**13,253.0**	**7.09**
8. Net Interest Income	**4.8**	**6,706.7**	**2.50**	**5,558.0**	**2.27**	**5,305.0**	**2.65**	**3,984.0**	**2.13**
9. Net Gains (Losses) on Trading and Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Net Gains (Losses) on Assets at FV through Income Statement	-0.1	-190.0	-0.07	90.0	0.04	60.0	0.03	n.a.	-
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Fees and Commissions	0.1	79.9	0.03	104.0	0.04	189.0	0.09	120.0	0.06
14. Other Operating Income	0.5	710.6	0.26	710.1	0.29	669.0	0.33	663.0	0.35
15. Total Non-Interest Operating Income	**0.4**	**600.5**	**0.22**	**904.1**	**0.37**	**918.0**	**0.46**	**783.0**	**0.42**
16. Personnel Expenses	1.4	2,024.9	0.75	1,901.7	0.78	1,865.0	0.93	1,619.0	0.87
17. Other Operating Expenses	2.1	2,965.2	1.10	2,569.1	1.05	2,709.0	1.36	2,334.0	1.25
18. Total Non-Interest Expenses	**3.5**	**4,990.1**	**1.86**	**4,470.8**	**1.83**	**4,574.0**	**2.29**	**3,953.0**	**2.12**
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
20. Pre-Impairment Operating Profit	**1.6**	**2,317.1**	**0.86**	**1,991.3**	**0.81**	**1,649.0**	**0.83**	**814.0**	**0.44**
21. Loan Impairment Charge	0.1	197.1	0.07	812.1	0.33	212.0	0.11	3.0	0.00
22. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	n.a.	-	n.a.	-	144.0	0.08
23. Operating Profit	**1.5**	**2,120.0**	**0.79**	**1,179.2**	**0.48**	**1,437.0**	**0.72**	**667.0**	**0.36**
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	239.0	0.13
29. Pre-tax Profit	**1.5**	**2,120.0**	**0.79**	**1,179.2**	**0.48**	**1,437.0**	**0.72**	**906.0**	**0.48**
30. Tax expense	0.5	650.2	0.24	392.4	0.16	630.0	0.32	224.0	0.12
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	-97.0	-0.05
32. Net Income	**1.0**	**1,469.8**	**0.55**	**786.8**	**0.32**	**807.0**	**0.40**	**585.0**	**0.31**
33. Change in Value of AFS Investments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
36. Remaining OCI Gains/(losses)	n.a.	n.a.	-	n.a.	-	50.0	0.03	951.0	0.51
37. Fitch Comprehensive Income	**1.0**	**1,469.8**	**0.55**	**786.8**	**0.32**	**857.0**	**0.43**	**1,536.0**	**0.82**
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
39. Memo: Net Income after Allocation to Non-controlling Interests	1.0	1,469.8	0.55	786.8	0.32	807.0	0.40	585.0	0.31
40. Memo: Common Dividends Relating to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Exchange rate		USD1 = NZD1.40885		USD1 = NZD1.77900		USD1 = NZD1.26024		USD1 = NZD1.40292	

Nelson Building Society
Balance Sheet

	31 Mar 2010			31 Mar 2009		31 Mar 2008		31 Mar 2007	
	Year End USDm	Year End NZDth	As % of Assets	Year End NZDth	As % of Assets	Year End NZDth	As % of Assets	Year End NZDth	As % of Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	149.4	210,530.4	77.20	184,907.7	74.41	185,693.0	82.88	173,332.0	83.61
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer/ Retail Loans	5.4	7,634.5	2.80	8,560.5	3.45	8,744.0	3.90	7,159.0	3.45
4. Corporate & Commercial Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Other Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Less: Reserves for Impaired Loans/ NPLs	0.2	260.0	0.10	716.4	0.29	148.0	0.07	148.0	0.07
7. Net Loans	**154.7**	**217,904.9**	**79.90**	**192,751.8**	**77.57**	**194,289.0**	**86.72**	**180,343.0**	**86.99**
8. Gross Loans	**154.9**	**218,164.9**	**79.99**	**193,468.2**	**77.86**	**194,437.0**	**86.78**	**180,491.0**	**87.06**
9. Memo: Impaired Loans included above	0.3	411.2	0.15	1,435.0	0.58	n.a.	-	n.a.	-
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Loans and Advances to Banks	30.4	42,811.7	15.70	42,297.8	17.02	n.a.	-	n.a.	-
2. Trading Securities and at FV through Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Available for Sale Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Held to Maturity Securities	4.4	6,137.5	2.25	7,702.0	3.10	3,536.0	1.58	4,581.0	2.21
6. At-equity Investments in Associates	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Total Securities	**4.4**	**6,137.5**	**2.25**	**7,702.0**	**3.10**	**3,536.0**	**1.58**	**4,581.0**	**2.21**
9. Memo: Government Securities included Above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Investments in Property	1.3	1,900.0	0.70	2,090.0	0.84	2,000.0	0.89	1,940.0	0.94
11. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Other Earning Assets	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00
13. Total Earning Assets	**190.8**	**268,754.1**	**98.54**	**244,841.6**	**98.53**	**199,825.0**	**89.19**	**186,864.0**	**90.13**
C. Non-Earning Assets									
1. Cash and Due From Banks	0.3	481.9	0.18	395.4	0.16	21,255.0	9.49	17,313.0	8.35
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	1.9	2,720.6	1.00	2,640.6	1.06	1,857.0	0.83	1,811.0	0.87
5. Goodwill	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00
6. Other Intangibles	0.1	156.4	0.06	76.2	0.03	160.0	0.07	362.0	0.17
7. Current Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Deferred Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	0.4	610.9	0.22	530.0	0.21	957.0	0.43	966.0	0.47
11. Total Assets	**193.6**	**272,723.9**	**100.00**	**248,483.8**	**100.00**	**224,054.0**	**100.00**	**207,316.0**	**100.00**
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	27.4	38,616.0	14.16	34,901.8	14.05	27,047.0	12.07	28,627.0	13.81
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Customer Deposits - Term	153.4	216,160.1	79.26	195,045.0	78.49	177,069.0	79.03	159,535.0	76.95
4. Total Customer Deposits	**180.8**	**254,776.1**	**93.42**	**229,946.8**	**92.54**	**204,116.0**	**91.10**	**188,162.0**	**90.76**
5. Deposits from Banks	n.a.	n.a.	-	n.a.	-	n.a.	-	2,000.0	0.96
6. Other Deposits and Short-term Borrowings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Total Deposits, Money Market and Short-term Funding	**180.8**	**254,776.1**	**93.42**	**229,946.8**	**92.54**	**204,116.0**	**91.10**	**190,162.0**	**91.73**
8. Senior Debt Maturing after 1 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Subordinated Borrowing	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Total Long Term Funding	**n.a.**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**
12. Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Total Funding	**180.8**	**254,776.1**	**93.42**	**229,946.8**	**92.54**	**204,116.0**	**91.10**	**190,162.0**	**91.73**
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	0.1	146.5	0.05	143.0	0.06	125.0	0.06	116.0	0.06
4. Current Tax Liabilities	0.1	200.9	0.07	188.1	0.08	193.0	0.09	54.0	0.03
5. Deferred Tax Liabilities	0.1	193.6	0.07	59.3	0.02	223.0	0.10	138.0	0.07
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	0.5	720.0	0.26	882.3	0.36	810.0	0.36	578.0	0.28
10. Total Liabilities	**181.7**	**256,037.1**	**93.88**	**231,219.5**	**93.05**	**205,467.0**	**91.70**	**191,048.0**	**92.15**
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity									
1. Common Equity	11.1	15,686.2	5.75	16,263.7	6.55	17,586.0	7.85	15,317.0	7.39
2. Non-controlling Interest	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Securities Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	0.7	1,000.6	0.37	1,000.6	0.40	1,001.0	0.45	951.0	0.46
6. Total Equity	**11.8**	**16,686.8**	**6.12**	**17,264.3**	**6.95**	**18,587.0**	**8.30**	**16,268.0**	**7.85**
7. Total Liabilities and Equity	**193.6**	**272,723.9**	**100.00**	**248,483.8**	**100.00**	**224,054.0**	**100.00**	**207,316.0**	**100.00**
8. Memo: Fitch Core Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Memo: Fitch Eligible Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Exchange rate		USD1 = NZD1.40885		USD1 = NZD1.77900		USD1 = NZD1.26024		USD1 = NZD1.40292	

Nelson Building Society
Summary Analytics

	31 Mar 2010 Year End	31 Mar 2009 Year End	31 Mar 2008 Year End	31 Mar 2007 Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	8.12	10.21	9.95	n.a.
2. Interest Expense on Customer Deposits/ Average Customer Deposits	4.99	7.73	7.76	n.a.
3. Interest Income/ Average Earning Assets	7.49	10.40	10.75	n.a.
4. Interest Expense/ Average Interest-bearing Liabilities	5.17	7.84	7.85	n.a.
5. Net Interest Income/ Average Earning Assets	2.61	2.61	2.74	n.a.
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	2.53	2.23	2.63	n.a.
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	2.61	2.61	2.74	n.a.
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	8.22	13.99	14.75	16.43
2. Non-Interest Expense/ Gross Revenues	68.29	69.18	73.50	82.92
3. Non-Interest Expense/ Average Assets	1.91	1.94	2.12	n.a.
4. Pre-impairment Op. Profit/ Average Equity	13.65	11.08	9.46	n.a.
5. Pre-impairment Op. Profit/ Average Total Assets	0.89	0.86	0.76	n.a.
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	8.51	40.78	12.86	18.06
7. Operating Profit/ Average Equity	12.49	6.56	8.25	n.a.
8. Operating Profit/ Average Total Assets	0.81	0.51	0.67	n.a.
9. Taxes/ Pre-tax Profit	30.67	33.28	43.84	24.72
10. Pre-Impairment Operating Profit / Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
11. Operating Profit / Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	8.66	4.38	4.63	n.a.
2. Net Income/ Average Total Assets	0.56	0.34	0.37	n.a.
3. Fitch Comprehensive Income/ Average Total Equity	8.66	4.38	4.92	n.a.
4. Fitch Comprehensive Income/ Average Total Assets	0.56	0.34	0.40	n.a.
5. Net Income/ Av. Total Assets plus Av. Managed Assets	n.a.	n.a.	n.a.	n.a.
6. Net Income/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
7. Fitch Comprehensive Income/ Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
D. Capitalization				
1. Fitch Eligible Capital/ Fitch Adjusted Weighted Risks	n.a.	n.a.	n.a.	n.a.
2. Tangible Common Equity/ Tangible Assets	6.06	6.92	8.23	7.69
3. Tangible Common Equity/ Total Business Volume	6.06	6.92	8.22	7.67
4. Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.
5. Total Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.
6. Fitch Eligible Capital/ Tier 1 Regulatory Capital	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	6.12	6.95	8.30	7.85
8. Cash Dividends Paid & Declared/ Net Income	n.a.	n.a.	n.a.	n.a.
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	n.a.	n.a.	n.a.	n.a.
10. Net Income - Cash Dividends/ Total Equity	8.81	4.56	4.34	3.60
E. Loan Quality				
1. Growth of Total Assets	9.76	10.90	8.07	n.a.
2. Growth of Gross Loans	12.77	-0.50	7.73	n.a.
3. Impaired Loans(NPLs)/ Gross Loans	0.19	0.74	n.a.	n.a.
4. Reserves for Impaired Loans/ Gross loans	0.12	0.37	0.08	0.08
5. Reserves for Impaired Loans/ Impaired Loans	63.23	49.92	n.a.	n.a.
6. Impaired Loans less Reserves for Imp Loans/ Equity	0.91	4.16	-0.80	-0.91
7. Loan Impairment Charges/ Average Gross Loans	0.10	0.42	0.11	n.a.
8. Net Charge-offs/ Average Gross Loans	n.a.	0.13	0.11	n.a.
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	0.19	0.74	n.a.	n.a.
F. Funding				
1. Loans/ Customer Deposits	85.63	84.14	95.26	95.92
2 . Interbank Assets/ Interbank Liabilities	n.a.	n.a.	n.a.	n.a.

Nelson Building Society
Reference Data

	31 Mar 2010			31 Mar 2009		31 Mar 2008		31 Mar 2007	
	Year End USDm	Year End NZDth	As % of Assets	Year End NZDth	As % of Assets	Year End NZDth	As % of Assets	Year End NZDth	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Other Contingent Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Total Business Volume	**193.6**	**272,723.9**	**100.00**	**248,483.8**	**100.00**	**224,054.0**	**100.00**	**207,316.0**	**100.00**
8. Memo: Total Weighted Risks	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Fitch Adjustments to Weighted Risks.	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Adjusted Weighted Risks	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Average Balance Sheet									
Average Loans	146.1	205,816.6	75.47	192,256.7	77.37	187,464.0	83.67	n.a.	-
Average Earning Assets	182.3	256,797.9	94.16	212,973.9	85.71	193,344.5	86.29	n.a.	-
Average Assets	185.0	260,603.9	95.56	230,700.3	92.84	215,685.0	96.26	n.a.	-
Average Managed Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	172.0	242,361.5	88.87	211,550.3	85.14	197,139.0	87.99	n.a.	-
Average Common equity	11.3	15,975.0	5.86	16,972.6	6.83	16,451.5	7.34	n.a.	-
Average Equity	12.0	16,975.6	6.22	17,973.4	7.23	17,427.5	7.78	n.a.	-
Average Customer Deposits	172.0	242,361.5	88.87	211,550.3	85.14	196,139.0	87.54	n.a.	-
C. Maturities									
Asset Maturities:	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Loans & Advances > 5 years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Liability Maturities:									
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior debt Maturing < 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior debt Maturing > 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt maturing < 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt maturing > 1 year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Equity Reconciliation									
1. Equity	11.8	16,686.8	6.12	17,264.3	6.95	18,587.0	8.30	16,268.0	7.85
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	**n.a.**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**	**n.a.**	**-**
E. Fitch Eligible Capital Reconciliation									
1 .Total Equity as reported (including non-controlling interests)	11.8	16,686.8	6.12	17,264.3	6.95	18,587.0	8.30	16,268.0	7.85
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Non-loss-absorbing non-controlling interests	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Goodwill	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00
5. Other intangibles	0.1	156.4	0.06	76.2	0.03	160.0	0.07	362.0	0.17
6. Deferred tax assets deduction	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Net asset value of insurance subsidiaries	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Embedded value of insurance business	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. First loss tranches of off-balance sheet securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Core Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Eligible weighted Hybrid capital	n.a.	n.a.	-	n.a.	-	10,672.0	4.76	8,430.0	4.07
12. Government held Hybrid Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Fitch Eligible Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Eligible Hybrid Capital Limit	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Exchange Rate		USD1 = NZD1.40885		USD1 = NZD1.77900		USD1 = NZD1.26024		USD1 = NZD1.40292	