



Monday, May 31, 2004

**ADELAIDE BANK LAUNCHES \$800 MILLION
LO DOC SECURITISATION PROGRAM**

Adelaide Bank today announced the launch of its inaugural 100 per cent Lo Doc residential mortgage lending securitisation transaction, its ninth domestic issue under the TORRENS program.

The \$800 million issue follows record mortgage lending growth by Adelaide Bank nationally over the first 10 months of 2003-04, and reinforces Adelaide Bank's continued commitment as a regular securitisation issuer since 1996.

Commenting on the use of Lo Doc Loans in the securitisation issue, Adelaide Bank Chief General Manager, Operations, Mr Jamie McPhee said: "Adelaide Bank was one of the first banks to introduce a Lo Doc product more than three years ago.

"Over that time we have found the Lo Doc loan portfolio has performed extremely well with arrears in line with industry expectations and zero LMI claims."

Details of the \$800 million issue were announced today by Adelaide Bank Treasurer, Mr Anthony Baum.

The \$800 million Series 2004-2 (W) Torrens Trust issue comprises:

- A \$240 million fixed rate note issue with an expected maturity of 2.5 years, with a semi-annual coupon and is rated AAA/Aaa/AAA by S&P, Moody's and Fitch Ratings.
- A \$544 million floating rate note issue with an expected average life of 4.6 years, where coupon is one month BBSW plus a margin and is rated AAA/Aaa/AAA by S&P, Moody's and Fitch Ratings.
- A subordinated \$16 million floating rate note issue with an expected average life of six years with a coupon of one month BBSW plus a margin and is rated AA/AA by S&P and Fitch Ratings.

Joint Lead Managers on the transaction are ABN AMRO and Deutsche Bank A.G.

Commenting, Mr Baum said: “This is the third domestic issue this financial year that we have brought to the market.

“We are promoting the issue through a roadshow, beginning today (Tuesday) in Sydney and taking in both Brisbane and Melbourne in coming days.

“Adelaide Bank brings this issue to the market with a structure that provides excellent value for investors.

“This issue will further assist in funding Adelaide Bank’s continuing strong asset growth.

“In the first 10 months of 2003-04 mortgage loan approvals rose by 59 per cent over the corresponding period of the previous financial year.

“This has put Adelaide Bank on track to achieve its target of an increase in total loans under management for the full year of well in excess of 15 per cent.”

The Series 2004-2 (W) TORRENS Trust securitisation issue will take Adelaide Bank’s securitised mortgages to in excess of \$3.5 billion.

Further comment can be obtained from Mr Baum at Adelaide Bank (08-8300 6116)

Issued on behalf of Adelaide Bank by Greg Reid Marketing Communications Pty. Ltd. Telephone (08) 8300 6449.