



IBA Leasing Solutions

**Sustainable Development through Asset
Leasing**

Ray McInnes
Senior Manager, Leasing Solutions

1 June 2016



© The artwork used in this presentation, 'Wattle',
is courtesy of Jeremy Devitt, National Aboriginal Design Agency.

***\$314 million portfolio - 57 Indigenous communities nationally
22 direct investments - 4 trusts - 30 co-investors - 62 lease customers***

**Direct
Investments**

**Commercial
Property
Solutions**

**Leasing
Solutions**

**Traditional
Owner and
Sustainability
Unit**

**Transaction
Assessment
Structuring &
Execution
Services**

**Investor
Relations**

Our Impact

WEALTH

Portfolio
~ **\$314 million**

Indigenous investors
own **\$88.2 million**
(30% of total)

INCOME

\$5.4 million paid to
Indigenous Partners
(annually)

SUPPLY CHAIN

\$4.8 million
(annually)

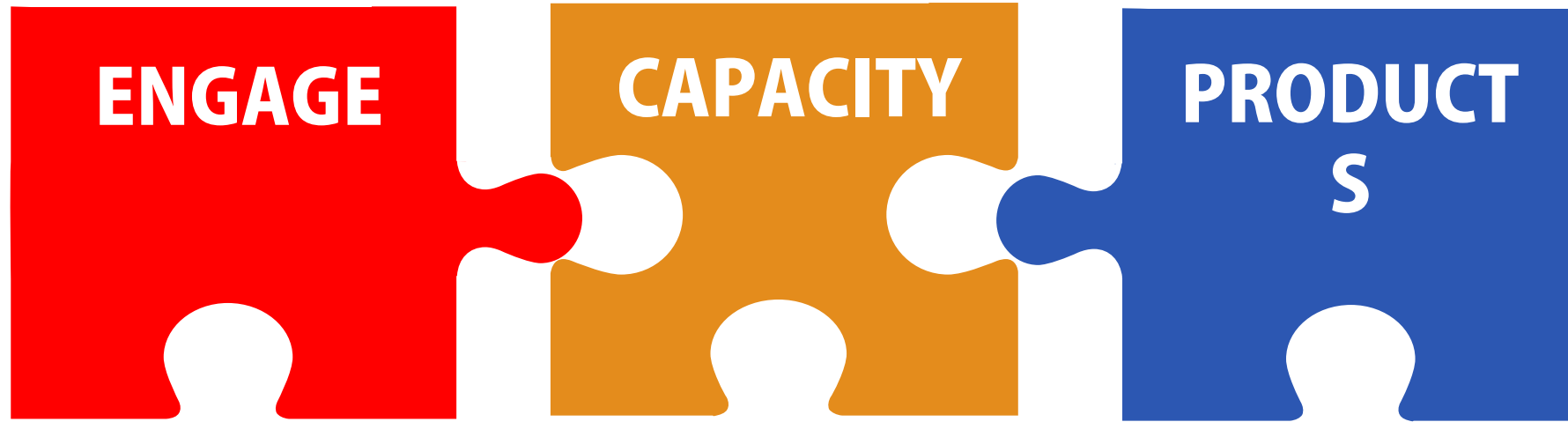
Monthly average of 40
Indigenous suppliers

EMPLOYMENT

241 Indigenous jobs
(28% of total portfolio
workforce)

\$18 million – salaries
and training

Foundation for sustainable development



Client Vision
Dialogue
Co-design
Impact Strategies

Governance
Management
Advisory

IBA Funds
Asset Leasing
JVs

Leasing Product

- We lease assets, including property, vehicles, trucks, buses, machinery, plant and equipment to Indigenous businesses and organisations
- We offer Operating (rental) and Finance (lease to buy with a balloon payment) Leases
- Flexible terms
- Specialise in remote leasing (we understand the harsh environment and differentiate normal wear and tear from urban use)
- Fixed and low interest rate (risk based upon application)

Why use us?

- We only lease to Indigenous businesses or organisations that deliver Indigenous programs (62 customers, 331 assets)
- The majority of our leases are in rural & remote Australia.
- We understand your business, and our outcomes are similarly aligned with yours.
- We take into account what environment your asset is used.
- Our staff will ensure regular contact with your asset managers to monitor and review the lease conditions (if required).
- We will use Indigenous suppliers where possible (purchasing, repairs & maintenance, transport).

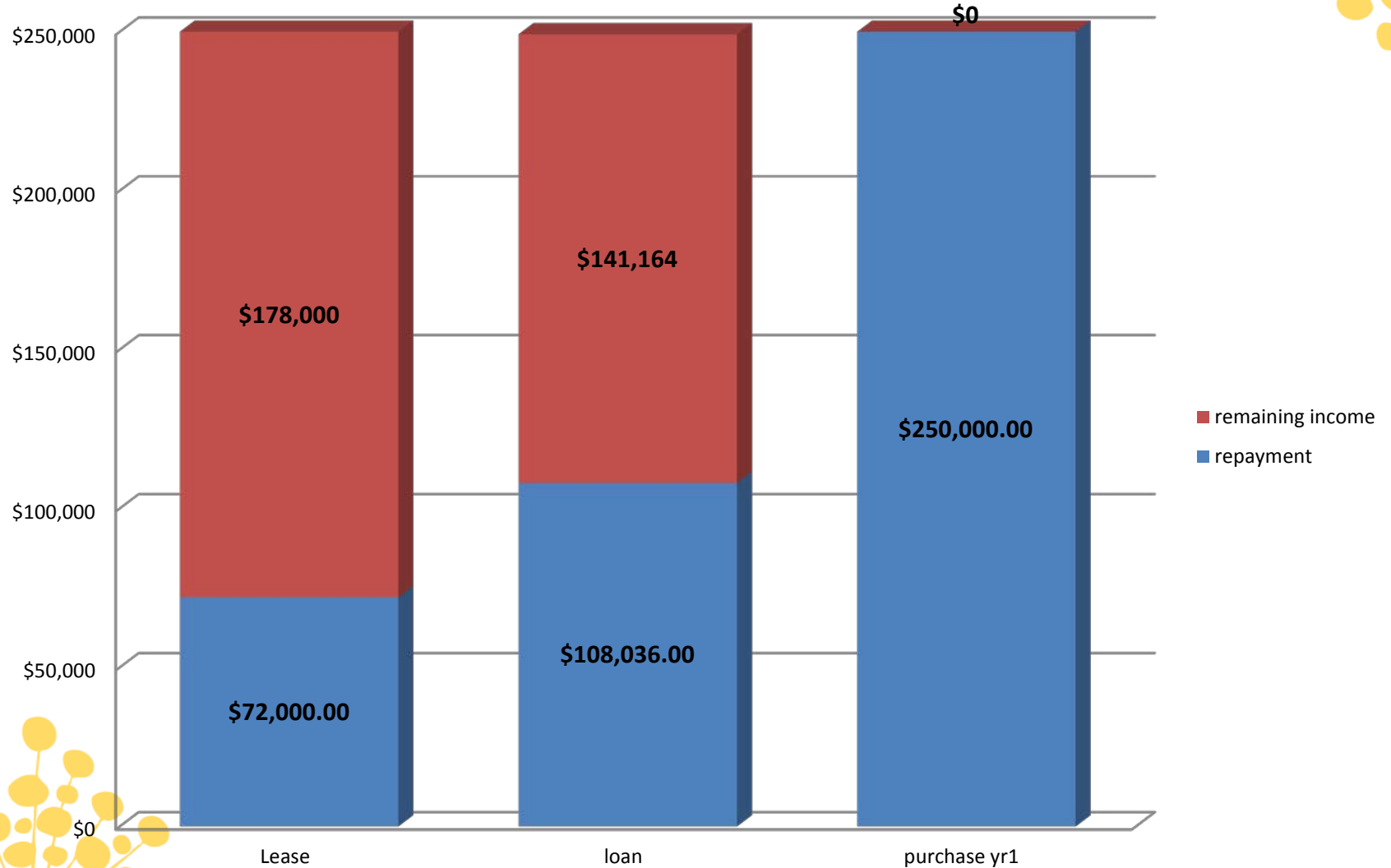
Benefits of Leasing

- Minimum investment up front
 - Keep the capital you have and take advantage of low – cost leasing
- Leasing is flexible
 - Options include maintained leases, seasonal or step-up leasing
- Reliability
 - All new assets are covered by warranties, require less maintenance
- Keep upgrading at end of lease
 - Keep your fleet new, or adapt to changes in your business needs.
- Large variety of assets that can be leased
 - Support a diverse range of community development and business needs

Scenario

- This example assumes \$250,000 per annum (in disposable income)
- An organisation has identified four assets that are required for both community and economic development needs which would cost \$355,000 to purchase
- These assets could enable income to be achieved (contracts) or grant funding to be sourced, or provide valuable community related outcomes
- Leasing cost for all assets is approx \$6,000 per month

cost lease v loan v purchase and available income



Scenario benefits

- All four assets can be utilised immediately
- Income from those assets are generated immediately
- Remaining income can be utilised for other projects, programs, business or community needs (\$178,000)

Leasing Solutions





Leasing Solutions



Leasing Solutions



Leasing Solutions



Leasing Solutions







Leasing Solutions



Leasing Solutions





QUESTIONS?