



THE MARKET

Buying a house is the biggest single purchase most people make and Australia's rate of home ownership is among the world's highest. Currently, more than 70 per cent of the country's adult population is either buying a home or owns it outright.

RAMS Home Loans was launched as a retail brand in 1995. Its prime objective, from the outset, was to give home buyers a competitive source of home finance. RAMS offered a flexible, customer-oriented alternative to that provided by the banks which, at the time, monopolised the market and offered few if any loan options.

Today, the Australian residential mortgage market is one of the most competitive and innovative in the world.

Since deregulation of the finance industry in the 1990s, mortgage specialists like RAMS Home Loans have excelled in this market by introducing

unique and innovative products and giving customers the options and service they have always wanted.

ACHIEVEMENTS

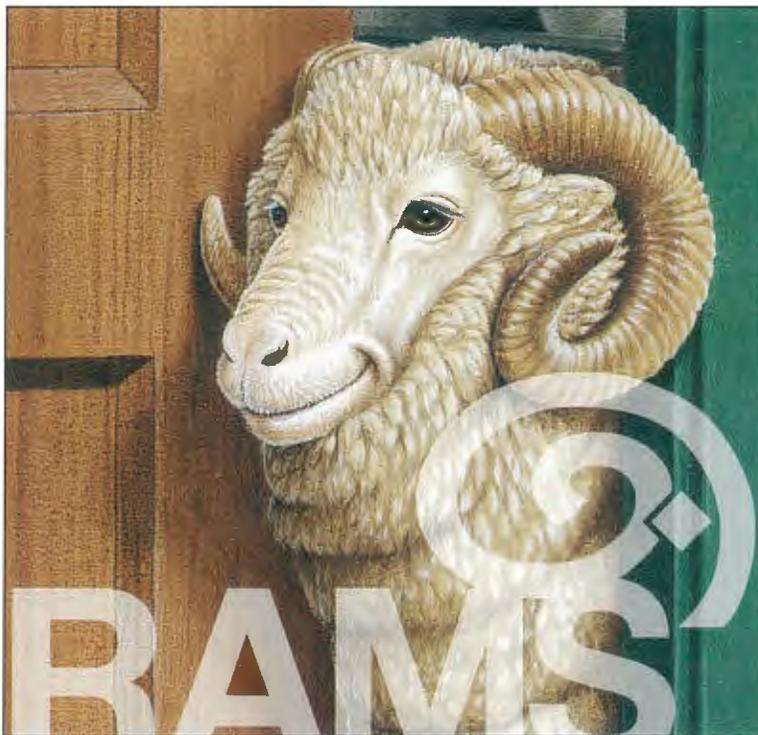
RAMS Home Loans has more than 70,000 customers and a loan book of close to \$7 billion. The Sydney-based company is now one of Australia's largest non-bank home loan originators.

The company prides itself on constant innovation, as expressed by the company's motto: A Better Way. This reflects its vigorous pursuit of a product portfolio relevant to customer needs, offering greater choice, more flexibility and easier access across the different sales channels.

RAMS funds its loans through securitisation and was among the first in the Australian and European markets to issue securities backed by Australian residential mortgages. To date the company has undertaken 13 such issues. All RAMS' senior bonds have been awarded a triple-A rating by the rating agency Moody's – the highest attainable.

HISTORY

RAMS Home Loans was founded by John Kinghorn and an association of dynamic individuals with expertise in marketing and finance. The Australian entrepreneur took the bold step of entering the home loans market when it was



completely dominated by Australia's big four banks.

By 2000, RAMS was the only mortgage supplier to originate, service and fund all of its loans within Australia.

RAMS Home Loans initially operated through its call centre, 13-RAMS (13-7267), its website www.rams.com.au and a team of mobile home loan managers. However, in 2000 RAMS recognised the growth of alternative distribution channels and their expected impact on the home loan market. To take advantage of this new development, the company entered the mortgage broker market and set up a dedicated business channel to support and service mortgage brokers selling RAMS' home loans.

In just three years, the channel has expanded rapidly and, through its relationships with the major broking groups in Australia, now delivers a significant share of RAMS' total business volume. The rapid growth reflects RAMS' ability to provide a demanding, competitive market with the very highest levels of service and product innovation.

RAMS Home Loans is now poised to extend its reach into the high streets of Australia, building

on its existing e-sales (telephone/Internet), mobile and mortgage broker distribution channels.

THE PRODUCT

RAMS has always been an innovator in mortgage products and service. The company regularly reviews its range to ensure it remains highly competitive while providing real choice and value and meeting the needs of all home loan customers.

At the time of publication, early 2004, the company's loan portfolio includes:

- RAMS SmartWay Home Loan: an award-winning 'all-in-one' home loan
- RAMS Better Offset Home Loan: enabling customers to save interest every day with a full 100 per cent offset
- RAMS Basic Line of Credit Home Loan: providing customers with access to their available credit at low interest rates

• RAMS Easy Start Home Loan: a discounted variable rate for the first three years of the loan

- RAMS Low Doc Home Loans: a choice of two home loans – a fully featured standard loan or an all-in-one loan – helping customers to obtain a home loan with a minimum amount of paperwork and fuss
- RAMS Basic Home Loan: a no-frills, low-rate loan.

A number of value-added features are available across the portfolio including redraw, 100 per cent offset, loan splitting, portability, on-line access and lifestyle options.

Through its Homextra range, RAMS also offers



a range of complementary products and services. These include credit protection insurance, silver and gold RAMS credit cards, and alliances with two in-house (but separate) companies that offer property conveyancing and investment property consultation.



As a result, RAMS is currently tracking well ahead of its plan to open some 50 Centres across Australia by the end of 2004.

In 2002 RAMS also announced a strategic relationship with Unisys, the worldwide information technology services and solutions company. Unisys provides RAMS with a market-leading technology infrastructure and customer servicing to support the needs of the growing business. The relationship enables RAMS to offer customers an enhanced quality of service as well as improving RAMS' speed to market and operational efficiencies.

RECENT DEVELOPMENTS

In 2002 RAMS opened two Home Loans Centres in Sydney on a trial basis. They proved extremely popular with customers who appreciated the ability to discuss their needs face-to-face with a RAMS Home Loans Manager.



The trial clearly demonstrated the potential of this style of customer service to enhance the reach of RAMS Home Loans products. This led to a comprehensive review of the business and in early 2003, RAMS announced the rollout of a new network of franchise RAMS Home Loans Centres.

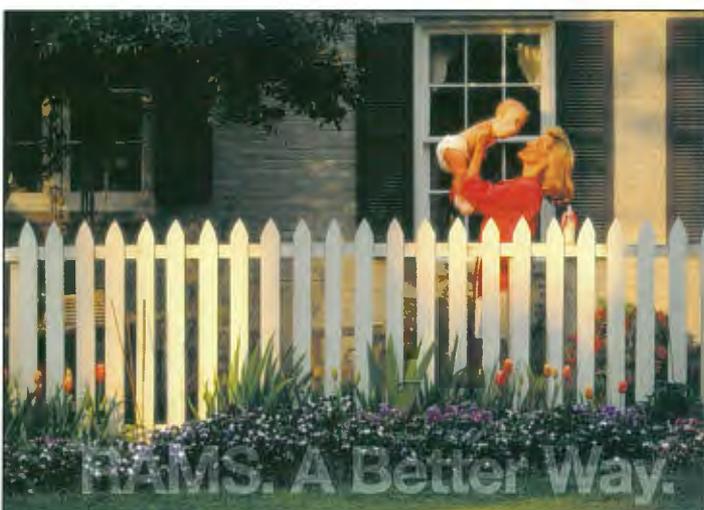
The Centres operate from major suburban and regional locations across Australia and significantly increase the coverage and accessibility of RAMS' products.

Run as franchises, the Centres are owned and operated by successful local lenders working in partnership with RAMS Home Loans. They are fully supported by the strength of the RAMS brand.

The RAMS franchise model is unique in the marketplace and places the emphasis on customer retention and ongoing customer relationships. This is consistent with RAMS' commitment to ensuring the highest standards of customer service, not just at the beginning but throughout the life of a loan.

The Home Loans Centres complement and enhance the existing sales channels and demonstrate RAMS' commitment to growing its presence in the highly competitive home loan market.

The high level of interest received from potential franchisees is a positive endorsement of the RAMS brand and of the way the company does business.



PROMOTION

RAMS uses television, radio and other media to communicate with its target markets. RAMS has advertised extensively on both television and radio and achieved an extraordinarily high level of recall for its campaigns. These use real RAMS customers, talking about their home loan experiences with RAMS and what they like about RAMS' people and products, to illustrate the core message of RAMS — A Better Way.

The iconic 'Raymond the Ram' and the fluffy RAMS sheep slippers are used to create unique, readily recalled imagery that communicates the warm and friendly brand values synonymous with RAMS Home Loans.

The RAMS brand is further reinforced by the presence of the franchise Home Loans Centres and their marketing activities within their local communities. This will continue to grow as the network expands over the next 18 months.

Through its sponsorship program, RAMS Home Loans actively supports a wide range of community organisations and RAMS Home Loans Centres are encouraged to participate at a local level.

RAMS is a major sponsor of Surf Educate Australia, a company dedicated to teaching children of both primary and high school age surf awareness and safety skills. This practical community surf education program is coordinated through schools in New South Wales, Queensland, Victoria and Western Australia.

RAMS is also the naming rights sponsor of Athletics New South Wales. By developing and promoting athletics within the state, Athletics New South Wales plays an active part in the community providing programs and competitions that encourage participation, fitness and a healthy lifestyle, whilst helping many talented young individuals achieve their sporting dreams.

A number of smaller organisations across Australia also benefit from the RAMS sponsorship program.

BRAND VALUES

In less than ten years, RAMS Home Loans has become one of Australia's most trusted financial services brands. Independent research shows that RAMS consistently achieves high levels of awareness and consideration



and compares strongly with the banks, which sometimes have over 100 years of history in the market.

RAMS aims to help its customers achieve lasting security through home ownership, by providing unrivalled service in every aspect of home-related finance. RAMS offers consumers 'A Better Way' by tailoring its products to suit their exact needs and recruiting staff and franchisees who can demonstrate their commitment to the brand and to RAMS customers.

The RAMS brand is seen as warm, friendly, innovative, straight-talking and easy to deal with. This message is consistently reinforced throughout all RAMS marketing communications – from loyalty programs for existing customers to radio and other advertising to potential new customers.

The achievements of the RAMS brand, its staff and business partners have been recognised by many industry awards; in the past two years, RAMS has won a total of 5 Australian Mortgage Awards. In 2003, RAMS won 'Best Brand' and 'Most Effective Internet Presence' and in 2002 won 'Best Retail or Franchise Operation', 'Best Advertising' and 'Sales Manager of the Year'.



THINGS YOU DIDN'T KNOW ABOUT RAMS

- The RAMS website www.rams.com.au receives over 100,000 hits a month and, in 2002, was ranked as the second most visited Australian mortgage industry site by Australian Mortgage Professional.
- In October 2001, RAMS issued Australia's largest ever domestic Residential Mortgage Backed Securities (RMBS) transaction - an A\$1.45 billion bond issue. In August 2003, RAMS also issued Australia's largest ever Euro RMBS transaction - a US\$1.1 billion (equivalent) bond issue.
- RAMS is an acronym meaning 'Registered Australian Mortgage Securities'. It is one of Australia's largest privately owned Australian finance companies.
- RAMS was the first financial institution to use an alpha-numeric phone number to create brand recall and ease of response – '13 RAMS, that's 13 7267'.