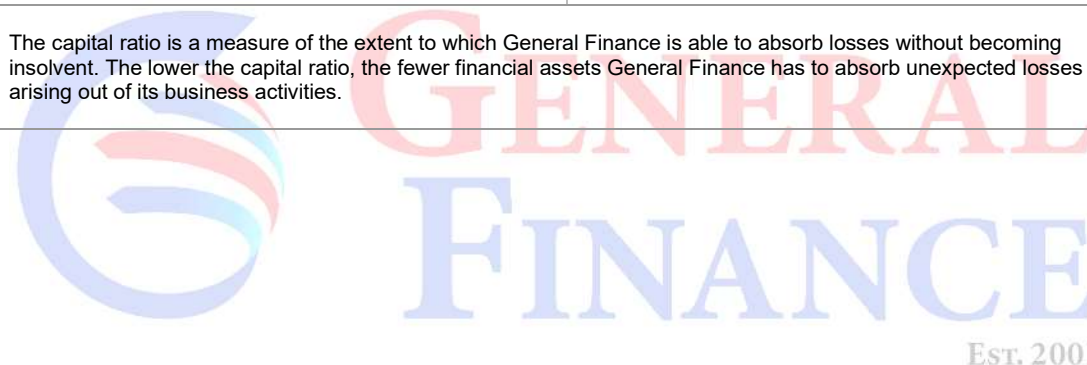


GENERAL FINANCE LIMITED
 Quarterly report as at 30 September 2019

KEY RATIOS

Capital

	30 September 2019
Our capital ratio calculated in accordance with the 2010 Regulations*	25%
Minimum capital ratio required by our Trust Deed	8% if we have a credit rating**, or 15% if we do not have a credit rating
Minimum capital ratio that must be included in the trust deed under reg 8(2) of the 2010 Regulations*	8% if we have a credit rating**, or 10% if we do not have a credit rating
<p>The capital ratio is a measure of the extent to which General Finance is able to absorb losses without becoming insolvent. The lower the capital ratio, the fewer financial assets General Finance has to absorb unexpected losses arising out of its business activities.</p>	



* Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010

** General Finance has been rated by Equifax Australasia Credit Ratings Pty Ltd ("Equifax"). Equifax gives ratings from AAA through to C (excluding ratings attaching to entities in default).

Equifax has issued General Finance a credit rating of BB- with a Positive Outlook, as at March 2019. According to Equifax's criteria, this rating is classified as "Near Prime" and has "Low to Moderate" risk level. Equifax's credit rating report for General Finance can be accessed at www.business.govt.nz/disclose.

Related Party Exposures

	30 September 2019
Our aggregate exposures to related parties as calculated in accordance with the 2010 Regulations*	Nil
Maximum limit on aggregate exposures to related parties that we must not exceed that is included in our Trust Deed	10% of capital
Maximum limit on aggregate exposures to related parties that we must not exceed that must be included in our Trust Deed under reg 23(3)(b) of the 2010 Regulations*	15% of capital
<p>Related party exposures are financial exposures that General Finance has to related parties. A related party is an entity that is related to General Finance through common control or some other connection that may give the party influence over General Finance (or General Finance over the related party). These related parties include our directors, our parent company Corporate Holdings Limited and Investment Research Group Limited.</p>	



* Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010

Liquidity

	30 September 2019
Our liquidity calculated in accordance with the quantitative liquidity requirements included in our Trust Deed	23.89 times
The minimum liquidity requirements required by our Trust Deed	A liquidity cover ratio of 1.25 times
Liquidity requirements help to ensure that General Finance has sufficient realisable assets on hand to pay its debts as they become due in the ordinary course of business. Failure to comply with liquidity requirements may mean that General Finance is unable to repay investors on time, and may indicate other financial problems in its business.	



SELECTED FINANCIAL INFORMATION

	Quarter to 30 Sep 2019
Total Assets	31,353,192
Total Liabilities	25,805,673
Net Profit After Tax	97,263
Net Cash Flows from Operating Activities	(2,791,535)
Cash and Cash Equivalents	7,471,050
Capital (per 2010 Regulations)	5,466,964



GENERAL
FINANCE

EST. 2001

HOW THE RATIOS HAVE BEEN CALCULATED

CAPITAL RATIO

Position at 30 September 2019

Capital

Gross capital	5,547,520
Less deductions	80,556
Total capital	<u>5,466,964</u>

Exposures	Exposure	Risk Weight	Risk Weighted Exposures
Cash	7,471,050	20%	1,494,210
Residential mortgages:			
LVR 70% and under	15,404,042	35%	5,391,415
LVR 70% - 80%	2,980,011	50%	1,490,005
LVR 80% - 90%	-	100%	-
LVR 90% - 100%	-	125%	-
LVR over 100%	-	150%	-
Second mortgages	1,591,905	150%	2,387,858
Property development loans:			
LVR 60% and under	1,782,140	150%	2,673,210
LVR 60% - 100%	1,867,391	200%	3,734,782
Other assets (Unsecured)	-	200%	-
Other assets	176,097	350%	616,340
Investments	-	600%	-
Deductions from capital	80,556		-
Total credit risk weighted exposures (A)			17,787,820
Total assets (B)	31,353,192		
Operational and Market Exposures	(A+B)/2x0.175		4,299,839
Total Exposures			<u>22,087,659</u>

Capital Ratio

(being Total Capital/Total Exposures)

25%

AGGREGATE EXPOSURE TO RELATED PARTIES

Loans to related parties (A)	Nil
Other related party exposures (B)	-
Capital	5,466,964
(A + B) / C	Nil

*Related party exposures are calculated by dividing total related party exposures by Capital (per 2010 Regulations).

LIQUIDITY

Liquidity (A)	7,471,050
3 month expected loan receivables (B)	6,708,178
3 month expected gross deposit redemptions (C)	593,523
(A + B) / C	23.89 times

*The Liquidity Cover Ratio is calculated by dividing Liquidity plus the 3 month expected loan receivables, by the 3 month expected gross deposit redemptions.

