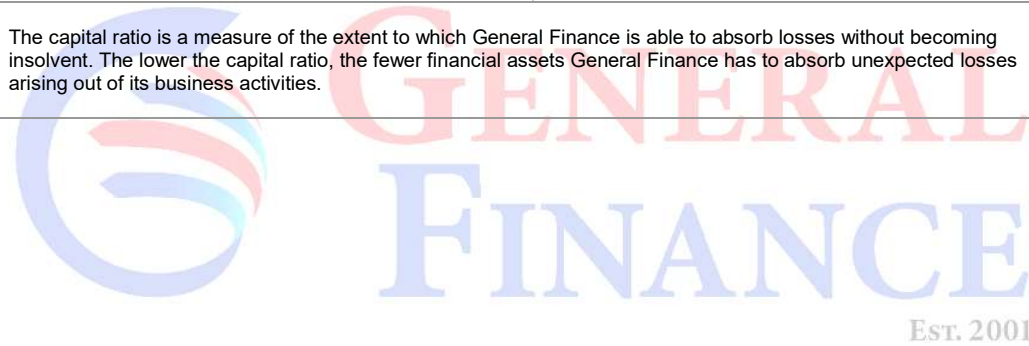


GENERAL FINANCE LIMITED
 Quarterly report as at 31 March 2019

KEY RATIOS

Capital

	31 March 2019
Our capital ratio calculated in accordance with the 2010 Regulations*	34%
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

** The creditworthiness of General Finance is not rated by an approved rating agency. This is because we operate under the Deposit Takers (Credit Ratings Minimum Threshold) Exemption Notice 2016, exempting us from the Non-bank Deposit Taker Act 2013 requirement to have a credit rating. The exemption applies because we have liabilities of less than \$20 million, making it unduly onerous to comply with the requirement to have a credit rating, and because we maintain a capital ratio of at least 10%. This means that General Finance has not received an independent opinion, from an approved source, of its capability and willingness to repay its debts.

Related Party Exposures

	31 March 2019
Our aggregate exposures to related parties as calculated in accordance with the 2010 Regulations*	6%
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

	31 March 2019
Our liquidity calculated in accordance with the quantitative liquidity requirements included in our Trust Deed	22.54 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 31 Mar 2019
Total Assets	20,143,167
Total Liabilities	15,053,223
Net Profit After Tax	75,384
Net Cash Flows from Operating Activities	(2,693,090)
Cash and Cash Equivalents	2,814,108
Capital (per 2010 Regulations)	5,008,991



HOW THE RATIOS HAVE BEEN CALCULATED

CAPITAL RATIO

Position at 31 March 2019

Capital

Gross capital	5,089,943
Less deductions	80,952
Total capital	<u>5,008,991</u>

	Exposures	Exposure	Risk Weight	Risk Weighted Exposures
Cash		2,814,108	20%	562,822
Residential mortgages:				
LVR 70% and under		12,059,087	35%	4,220,680
LVR 70% - 80%		926,038	50%	463,019
LVR 80% - 90%		-	100%	-
LVR 90% - 100%		-	125%	-
LVR over 100%		-	150%	-
Second mortgages		2,192,186	150%	3,288,279
Property development loans:				
LVR 60% and under		1,416,483	150%	2,124,725
LVR 60% - 100%		602,411	200%	1,204,822
Other assets (Unsecured)		-	200%	-
Other assets		51,902	350%	181,657
Investments		-	600%	Est. 2001
Deductions from capital		80,952		-
Total credit risk weighted exposures (A)				12,046,004
Total assets (B)		20,143,167		
Operational and Market Exposures		(A+B)/2x0.175		2,816,552
Total Exposures				<u>14,862,556</u>
Capital Ratio				34%
(being Total Capital/Total Exposures)				

AGGREGATE EXPOSURE TO RELATED PARTIES

Loans to related parties (A)	307,254
Other related party exposures (B)	-
Capital	5,008,991
(A + B) / C	6%

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

LIQUIDITY

Liquidity (A)	2,814,108
3 month expected loan receivables (B)	4,579,319
3 month expected gross deposit redemptions (C)	328,080
(A + B) / C	22.54 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.

