

Managing Director's view



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Stuart Grimshaw

Managing Director and
Chief Executive Officer



While only having just taken over the Managing Director's role, the Bank is no stranger to me. The strong regional franchise and brand name have been attractive to shareholders and customers, which has been reinforced through its growth over recent years.

Over the past three years we have seen the values of the regional banks wane as the larger banks grew strength from the adverse global conditions. Where BOQ used to trade at a premium to the major banks, this has now been reversed. However, the prospects for growth are still just as attractive at BOQ as they were prior to the GFC. We do have some issues to deal with in regard to the reliance on wholesale funding, and we are not by ourselves, but the fundamental strength of the Bank still exists as strongly as ever. In the period just passed we were able to demonstrate an underlying profit growth of 18% which is a much stronger outcome than most of our peers. We arrived later into the asset impairment cycle than the major banks but we are seeing the end in sight.

The ability to compete in the financial services market relies upon the ability to adapt to changing conditions and that is something BOQ has a long and proud history of doing. Recognising and respecting customers, and being there for them, are hallmarks of this Company. Having great, and committed, staff are essential components to any strategy of any Company and in my short time here this cornerstone appears firmly in place. While the economic climate is variable, the strong positions we have in Queensland and Western Australia are real strengths on which we will continue to focus and build.

My predecessor David Liddy has done a tremendous job growing the Company, not just through the introduction of the highly successful Owner-Managed Branch model, but also via the integration of six strategic acquisitions. In the year ahead we intend to continue to grow our Finance and Insurance lines and we will continue to look at further bolt-on acquisition opportunities should they emerge, at the right price, in these areas.

I look forward to leading BOQ through the next stage in its growth trajectory and I believe our goal to be the real alternative in Australian financial services is eminently achievable. The support of our staff, customers and you our shareholders will be important to this success.

About Stuart Grimshaw

Stuart has held a wide variety of roles across many functions of banking and finance in a career spanning almost 30 years in Australian financial services, most recently as a Non-Executive Director of Suncorp Group Ltd and Chief Executive Officer of Caledonia Investments Pty Ltd.

Stuart joined Caledonia in 2009 to assist in the growth and development of the group through a challenging external environment. Caledonia currently manages approximately \$2 billion for more than 400 investors.

Prior to joining Caledonia, Stuart spent seven years leading a variety of functions at Commonwealth Bank of Australia (CBA). Initially joining the Bank as Chief Financial Officer in 2001, Stuart was appointed Group Executive, Investment and Insurance Services ("IIS") in 2002. Over the next four years, he led the integration of Colonial First State into CBA and the consolidation of the IIS division, which was renamed Wealth Management. His next move was to Premium Business Services in 2006 where he drove a change in the capability and culture of this division as well as re-energising the focus on, and growth of, CBA's business banking segment.

Prior to joining CBA, Stuart spent a decade with National Australia Bank Limited (NAB), during which time he worked across a range of business areas including Credit, Corporate Banking, Corporate Financial Services and Global Business Financial Services. His final appointment at NAB was as Chief Executive Officer – Great Britain. In this role, Stuart was responsible for managing the performance of the Yorkshire and Clydesdale Banks, which involved dealing with regulators, the Board of Directors and a staff of 7,500 people.

Stuart commenced his career at Australia and New Zealand Banking Group (ANZ) in 1983.

On a personal note, Stuart lives in Brisbane and was a talented hockey player who represented his country of origin, New Zealand, in the 1984 Olympic Games. As President of Hockey Australia and a Director of Melbourne Football Club, Stuart remains passionate about sport.