

COMPANY INFORMATION

Credit Corporation (PNG) Limited commenced business in 1978 as a general finance company. It has grown successfully to become recognised as one of Papua New Guinea's most progressive financial institutions.

The company specialises in providing the following range of financial products and services:-

- Chattel Mortgage and Lease finance for customers to acquire a wide variety of motor vehicles, heavy machinery and plant and equipment for commercial and business use.
- Specially tailored financial packages.
- Attractive investment facilities.

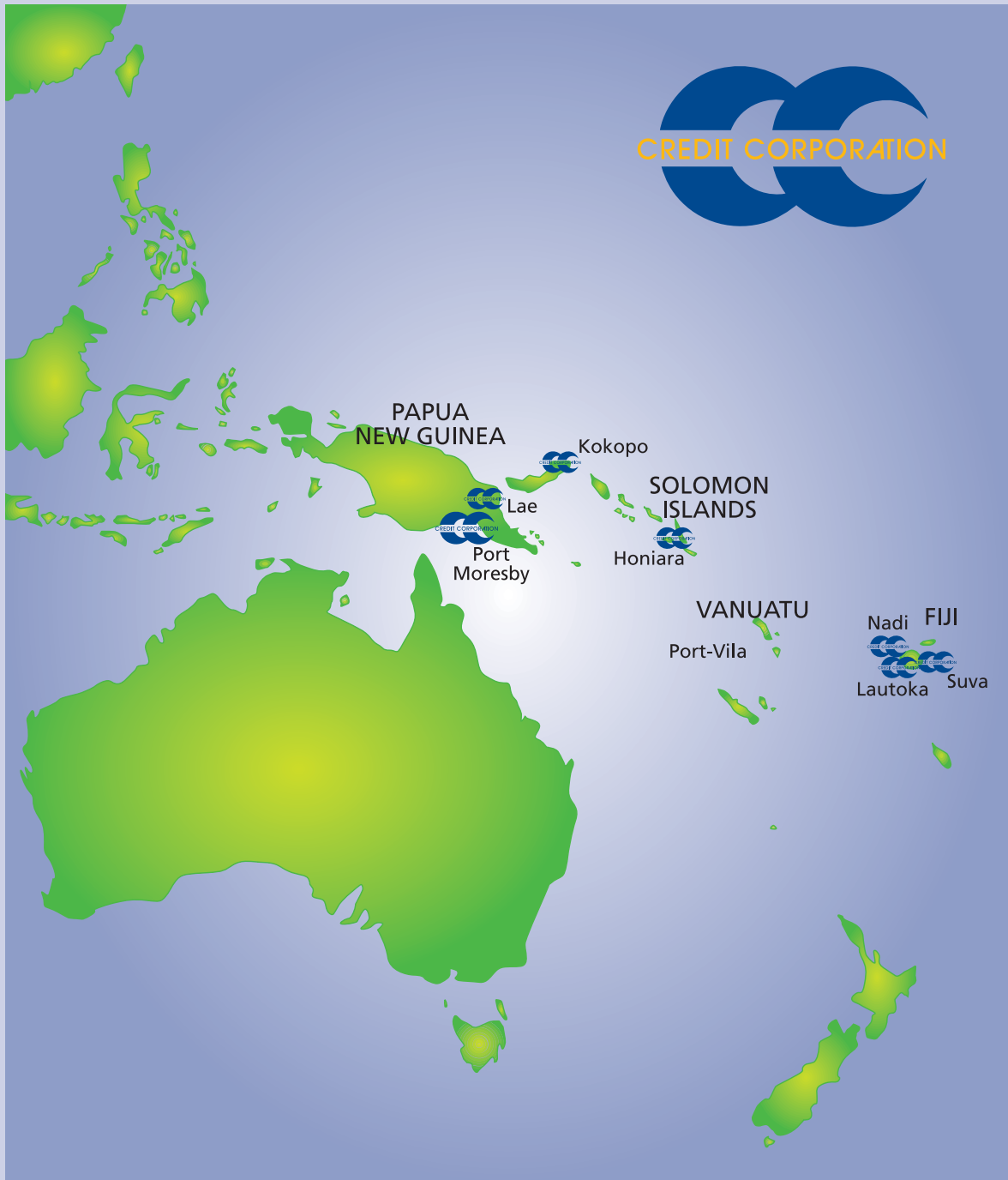
In addition, through its subsidiary companies, the Credit Corporation Group owns and manages a portfolio of prime real property assets. Shareholders have received a dividend each year since the incorporation of the company in 1978.

The Credit Corporation Group presently owns assets valued at over K486 million and operates offices in Port Moresby, Kokopo and Lae in Papua New Guinea, in Suva, Nadi and Lautoka in Fiji and in Honiara in the Solomon Islands.

Credit Corporation (PNG) Limited is a registered company under the Papua New Guinea Companies Act 1997 and is incorporated and domiciled in Papua New Guinea.



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OUR VISION

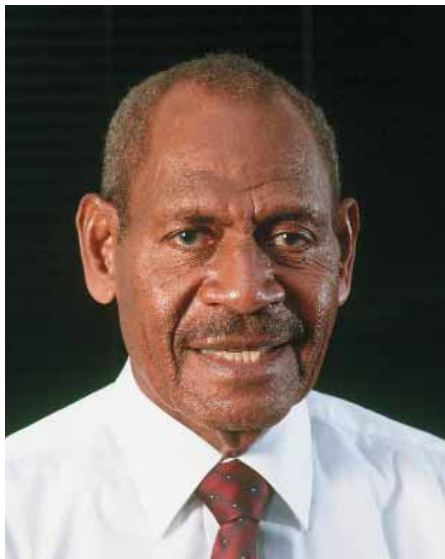
At Credit Corporation our ambition is to be the South Pacific's leading Financial Institution assisting in developing the aspirations of all Pacific Island Nations. To achieve this ambition Credit Corporation will use a set of defined values.

OUR MISSION

Ultimately Credit Corporation want to be known as a great company to invest in, to work in and to form a strategic alliance with, in order to underpin the prosperity of the Pacific Nations.

OUR VALUES

- Integrity
- Customer Commitment
- Maintaining highest standards in all aspects of doing business
- Building a strong, honest and motivated employee group



Sir Henry ToRobert, KBE

I am delighted to report that your company has completed another highly successful year with increased earnings, a strong balance sheet and a growing business.

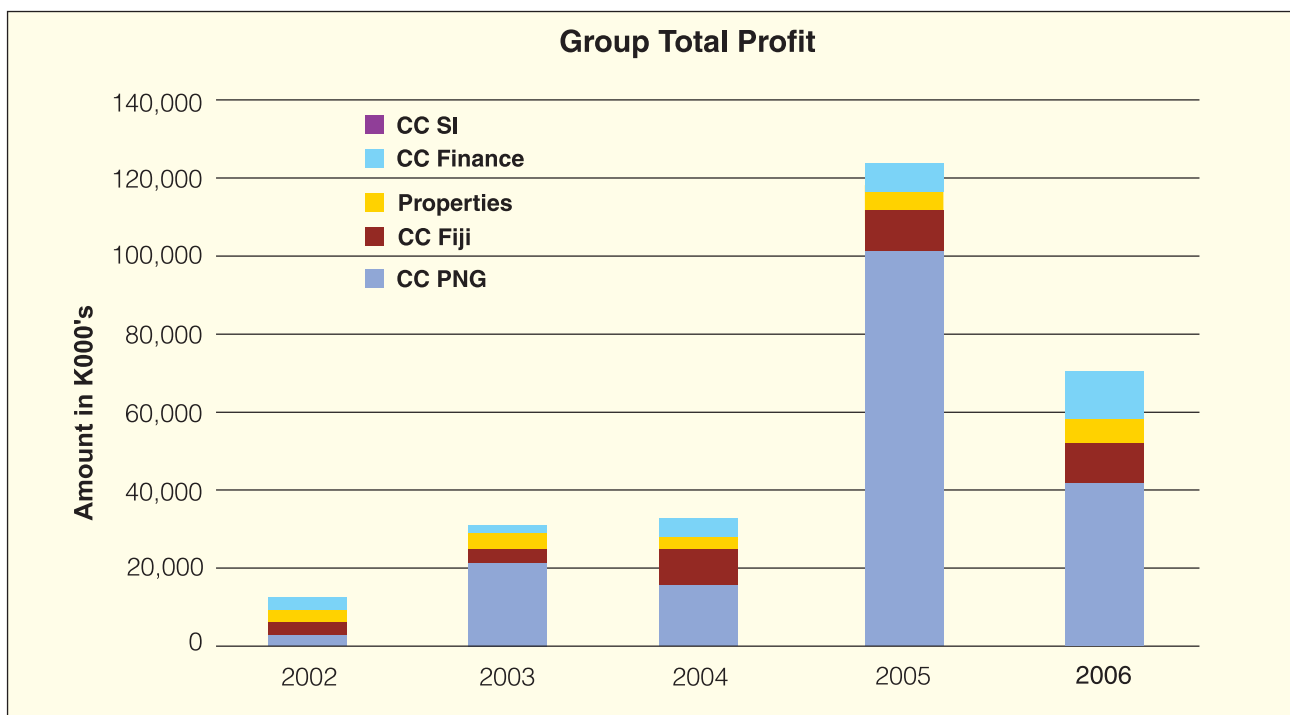
Credit Corporation (PNG) Limited recorded a strong net profit after tax of K56,929,609 for the year ended 31st December 2006. This represents an increase in underlying profit of 15% on the comparable figure for the previous 12 months and

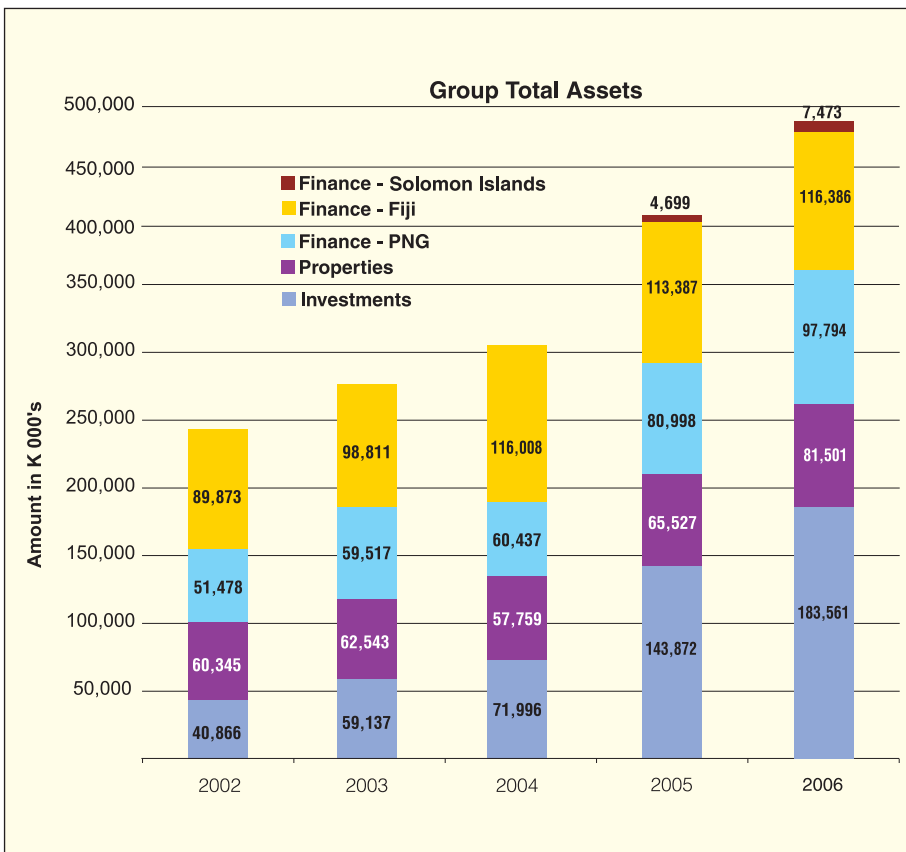
another record result for the Credit Corporation (PNG) Limited Group.

All segments of the group have again achieved very good results. The strength of our operations in finance, property and investments impacted favourably on our financial performance and the value of Credit Corporation (PNG) Limited shares over the last 12 months. This is another excellent outcome for our shareholders.

Shareholders' funds have continued the growth of the last few years, and have now reached K300,789,717. Total assets have also grown to K486,714,854 whilst net asset backing per share has increased from K4.79 per share to K5.79 per share. Credit Corporation (PNG) Limited continues to be one of the largest and most profitable locally owned companies in Papua New Guinea.

As has been the case in the last few years our investment in Bank South Pacific (BSP) has been a major contributor to the overall profit. Bank South Pacific recorded an after tax profit of K111.62 million for 2006. This compares with an after tax profit of K99.22 million achieved for 2005. The increase in the share price of Bank South Pacific contributed K35,649,884 to the total profits of the





achieved 100% occupancy for many years and remains Port Moresby's most sought after business address.

Era Dorina

Era Dorina enjoyed another exceptional year in 2006 achieving a record operating profit. These exclusive residential apartments have again remained fully tenanted and, as has been the case for the last few years, we still have an extensive waiting list of prospective new tenants. The construction of the 18 new residential town houses are nearing completion and should be ready for occupation on time in June 2007. In addition, the

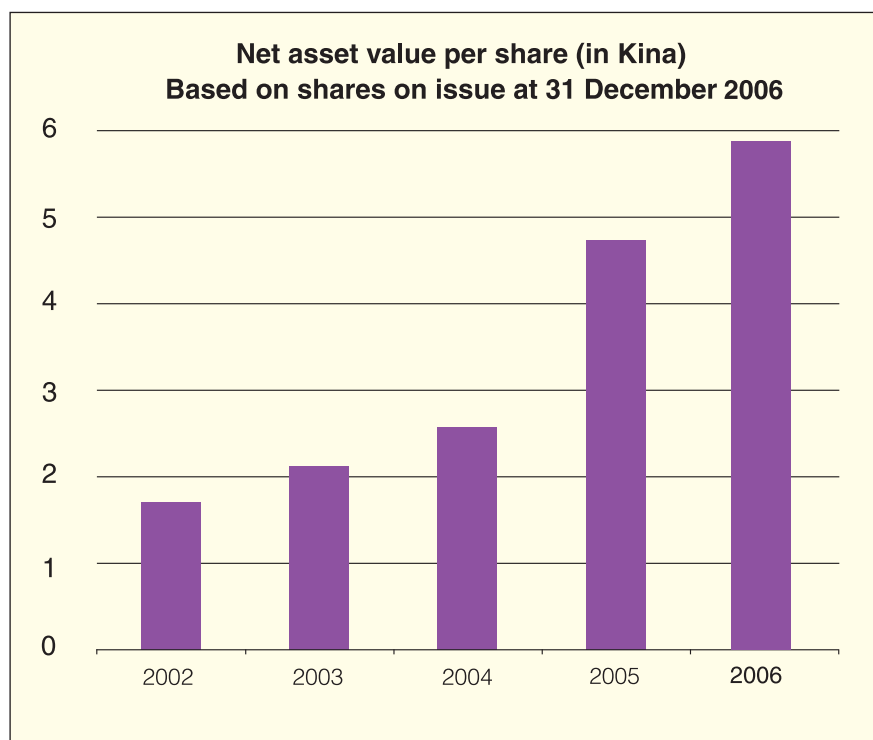
group.

After reviewing the 2006 results and in recognition of another substantial increase in underlying profits, the directors have recommended that a final dividend of 15 toea per share be paid, an increase of 25% on the 2005 dividend. This dividend, together with a share price increase of over 20% on the Port Moresby Stock Exchange, represents another exceptional result for shareholders for 2006.

Credit House

This prestigious building has maintained its reputation as Port Moresby's premier commercial building. Credit House has

board at it's meeting on the 21st December 2006, further approved the construction of an 18 apartment





The Board and Senior Management with the Kokopo staff



Credit House Port Moresby

tower block. This should be completed by September 2009 and will complete the Era Dorina Estate.

Bank of South Pacific Limited

Bank South Pacific is strategically one of our major

long term investments. The Bank enjoyed another stellar year in 2006. Total assets increased from K2.95 billion to K4.74 billion and, as previously stated, the Bank's after tax profit increased to K111.62 million. The Bank, following Credit Corporation (PNG) Limited's lead, has opened Branches in Fiji and the Solomon Islands. The performance of the Bank over the last four years has been outstanding. Recent share trades on the Port Moresby Stock Exchange capitalise the Bank at approximately K2.018 billion. Credit Corporation (PNG) Limited owns 10.01% of the issued shares in Bank South Pacific.

Credit Corporation Finance Limited

Credit Corporation Finance Limited was established in September 2005 to take over the Papua New Guinea finance company functions of the group. After the first full year of trading, it recorded an operating profit before tax of K8,618,046, a very pleasing result. Low and stable interest rates should enable this company to be a large contributor to the group's growth in future years.

Credit Corporation (Fiji) Limited

CHAIRMAN'S REVIEW

It is pleasing to report that the Fiji operations continued their strong performance with a fourth successive year of record profitability, earning a profit before tax of F\$6,066,642 for the year compared to F\$5,340,130 in 2005. Profit after tax was F\$4,200,519 compared to F\$3,652,206 in 2005.

The 2006 profit was achieved against signs of a slowing Fiji economy with liquidity tightening and a significant increase in interest rates. The economy in Fiji is under further pressure as a result of the Military Coup of 5 December 2006 which overthrew the Government of Prime Minister Laisenia Qarase. The Coup has also seen the suspension of some aid by donor countries. With this background, growth in our business is expected to slow in 2007.

The Economy

The improving economic conditions in PNG which commenced in 2003, have continued to prevail. Indications are for continuing buoyant economic conditions with export volumes and commodity prices to remain strong. Interest rates maintain

a downward trend, foreign reserves are at an all time high and the Kina continues to trade in a stable range.

Outlook

The prospects for 2007 are positive and results for the first two months of 2007 have exceeded expectations. Whilst we may be moving into a period of slightly lower economic growth due to the elections in Papua New Guinea and the effects of the Coup in Fiji, given reasonable business conditions and stable governments we can expect to again capitalise on the progress made over the last few years. I would like to acknowledge the excellent work of the Credit Corporation executive team and staff during 2006 and would like to thank my fellow directors, shareholders and clients for their ongoing support that they have given to our company over the last 12 months. I look forward to working with the Credit Corporation team to achieve our financial targets for 2007 and to create further shareholders' wealth in the years to come.



The nearly completed townhouses at Era Dorina

TOP 20 SHAREHOLDERS AS AT 31 DECEMBER 2006

	Number	%
Teachers Savings & Loan Society Limited	8,481,380	16.90
POSF Limited	7,500,000	14.94
National Superannuation Fund Limited	4,991,482	9.95
New Guinea Islands Produce Company Limited	3,570,230	7.11
Sios Workers Ritaia Fund Trustees Services Limited	3,380,150	6.74
Motor Vehicles Insurance Limited	2,850,000	5.68
Federation of Savings and Loan Societies Limited	2,700,000	5.38
Lamin Trust Fund	2,672,104	5.32
Ballimore No 21 Limited	1,688,705	3.36
Kina Funds Management Limited	1,073,851	2.14
General's Holding Limited	1,012,904	2.02
Vada No.3 Limited	500,000	1.00
Mineral Resources OK Tedi No 2 Limited	498,168	0.99
Comrade Trustee Services Limited	430,000	0.86
Tropicana Limited	410,000	0.82
Columbus Investments Limited	388,300	0.77
Lady Elizabeth Kiki	386,850	0.77
Capuchin Friars Minor	330,000	0.66
Daughters of our Lady of Sacred Heart	300,000	0.60
Kina Nominees Pty Limited	229,250	0.46
Total	43,393,374	86.47

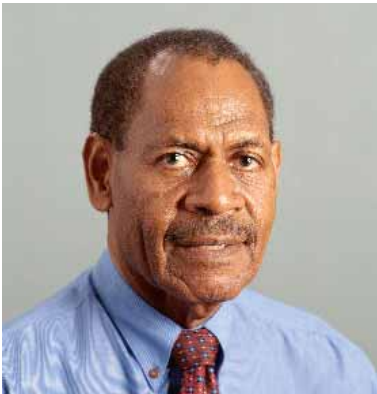
SHAREHOLDING BANDS AS AT 31 DECEMBER 2006

Shareholding	% of Issue Capital	No. of Shareholders	No. of Shares
1-1000	0.26	252	129,371
1001-5000	2.48	615	1,247,231
5001-10,000	0.84	59	418,988
10,001-100,000	4.78	81	2,396,710
100,001 and above	91.64	37	45,994,050
Total	100	1,044	50,186,350

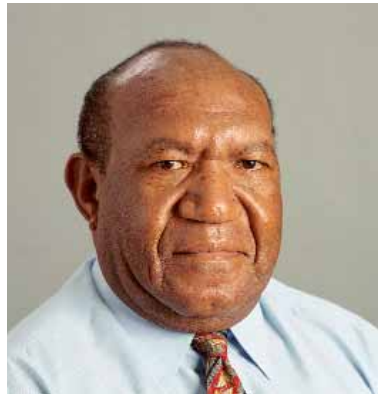
SHARE TRADES

Year	No.	Volume
2002	117	269,341
2003	89	797,725
2004	156	879,359
2005	171	228,528
2006	333	486,440

BOARD OF DIRECTORS



*Sir Henry ToRobert, KBE
Chairman*



*Noreo Beangke
Managing Director*



Fr. Barry Hanson



Sinai Brown



Luke Polangou



Michael Koisen



Leon Buskens



Rod Mitchell

DIRECTORS MEETINGS

There were four meetings of the Board of Directors during 2006 and these were attended as follows:

Sir Henry ToRobert, KBE	4/4	Fr. Barry Hanson	3/4
Noreo Beangke	4/4	Michael Koisen	4/4
Sinai Brown	4/4	Leo Buskens	3/4
Luke Polangou	4/4	Rod Mitchell	3/4

GROUP'S FIVE YEAR FINANCIAL SUMMARY

K'000	2002	2003	2004	2005	2006
Profit and Loss Account					
Turnover	38,740	41,880	47,814	145,487	93,493
Operating profit before tax	11,116	30,076	32,961	123,790	67,888
Operating profit after tax					
attributable to the group	7,812	25,579	25,179	114,126	56,930
Dividends	-	-	-	-	-
Retained earnings	22,693	27,164	35,417	72,980	89,172
Dividend per share	50t	6t	10t	12t	15t*
Balance Sheet					
Shareholder's funds	85,768	109,827	134,131	248,703	300,790
Net receivables	117,996	118,671	132,704	162,362	178,204
Other assets	124,567	161,337	173,496	246,121	308,511
Deposits	132,729	146,235	159,768	142,761	149,889
Other liabilities	24,066	23,945	12,301	17,019	36,036

* Dividend declared after year end and therefore not reflected in Profit and Loss account

The board is committed to achieving the highest standards of corporate governance and ethics and expects similar standards from all employees. The board sets the strategic direction for the group and meets quarterly or as required. All matters pertinent to the group are discussed by the full board, including, but not limited to, the operations and financial performance of the group and achievement of objectives.

Board Composition

The board consists of eight members, of whom one is a full time executive and the remainder are non-executive directors. The members of the board seek to ensure that it contains a blend of experience and skills appropriate to the group.

Directors retire by rotation each three years and are eligible for re-election.

Committees

The board meets as a committee to consider issues pertaining to the appointment of new directors.

A committee of the non-executive directors determines the Managing Director's remuneration and assesses the performance of the group at least once a year.

An audit committee of three non-executive directors meets half-yearly in order to confirm that any matters raised by the group's external auditors are addressed and to confirm that the group's financial affairs are conducted in accordance with prudent commercial practice, the requirements of the group Procedures Manual and the prudential standards

issued by the Bank of Papua New Guinea.

Independent Advice

Directors are entitled to seek independent legal advice on their duties at the group's expense, provided that they seek the prior approval of the Chairman.

Risk Management

The board is committed to identifying significant business risks and has put in place a number of measures to manage such risks.

Shareholder Information

The board communicates with shareholders at least once a year by means of a comprehensive annual report. In addition, the board provides shareholders with continuous disclosure of information considered to be price sensitive to the group's shares. At all times the board ensures that statutory requirements regarding disclosure are met.

Staff Matters

The group is an equal opportunity employer and does not knowingly tolerate sexual harassment amongst employees.

Procedures

The group has in place Staff and Procedures Manuals, which set out duties for each staff member and systems for all procedures.

All routine legal documents are standard and used in all instances.

DIRECTORS' REPORT

Your directors present their annual report on the affairs of the company including the financial statements for the year ended 31 December 2006.

Activities

The principal activities of the group during the course of the financial year remain that of providing general finance, leasing and hire purchase financing and property investment.

There were no other significant changes in the nature of the activities of the group during the year.

Results

The net profit after taxation for the group attributable to the members of the group for the year was K56,929,609 (2005 : K114,125,634) and for the company was K44,170,018 (2005: K104,603,593).

Dividends

Dividends paid by the company to members since the end of the previous financial year were as follows:

	Per Share	Total	Paid
Final	K 0.12	K 6,022,362	August 2006

After the balance sheet date the following dividends were proposed by the directors.

	Per Share	Total	Payable
Final	K 0.15	K 7,527,953	August 2007

The financial effects of these dividends have not been brought to account in the financial statements for the year ended 31 December 2006 and will be recognised in subsequent financial reports.

Directors

The directors at the date of the report of the company are listed on page 8. Directors' interests and shareholdings are disclosed in Note 20. No director had any material interest in any contract or arrangement with the company or any related entity during the year.

Remuneration of Directors and Employees

The directors and employees remuneration information is disclosed in Note 20.

Interests Register

The details of information recorded in the Interests Register is disclosed in Note 20.

For and on behalf of the Board of Directors



Director
29th March 2007



Director
29th March 2007

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CREDIT CORPORATION (PNG) LIMITED FOR THE YEAR ENDED 31 DECEMBER 2006

Scope

We have audited the consolidated financial statements of Credit Corporation (PNG) Limited ("company") and its subsidiary companies ("group") for the year ended 31 December 2006, consisting of the balance sheets, profit and loss accounts, statements of changes in equity, cash flow statements and accompanying notes as set out on pages 13 to 39. The financial statements comprise the accounts of the company and the consolidated accounts of the group.

Respective responsibilities of the directors and auditors

The company's directors are responsible for the preparation and presentation of the financial statements and the information they contain. Our responsibility is to perform an audit of these financial statements in order to express an opinion on the financial statements to the shareholders of the company.

Basis of opinion

Our audit has been planned and performed in accordance with International Standards on Auditing to provide a reasonable level of assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are consistent with generally accepted accounting practice and presented fairly in accordance with International Financial Reporting Standards and statutory requirements so as to present a view of the company and the group which is consistent with our understanding of its operations. We believe that our audit provides a reasonable basis for our opinion.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Our firm carries out other assignments on behalf of the group in the areas of taxation and advisory services.

Audit opinion

We have obtained all the information and explanations we required for the purposes of our audit.

- (a) the consolidated financial statements of Credit Corporation (PNG) Limited
 - i) comply with generally accepted accounting practice; and
 - ii) give a true and fair view of the financial position of the group and the company as at 31 December 2006 and the results of their operations and cash flows for the year ended on that date; and
- (b) proper accounting records have been kept by Credit Corporation (PNG) Limited as far as appears from our examination of those records.

DATED at Port Moresby this 29th day of March 2007.



Chartered Accountants

A handwritten signature in black ink, appearing to read 'R. Muralidharan'.

Raghunathan Muralidharan

Partner

Registered under the Accountants Act 1996

PROFIT AND LOSS ACCOUNTS

	Note	Consolidated		Company	
		2006 K	2005 K	2006 K	2005 K
Financing income		36,477,422	32,277,973	-	11,293,017
Interest expense		(6,869,342)	(6,687,774)	-	(2,307,823)
Other costs of financing		(3,857,981)	(2,377,304)	-	(827,760)
Net financing income		25,750,099	23,212,895	-	8,157,434
Property income		8,082,150	8,045,572	4,950	4,500
Other operating income		7,183,665	6,368,441	749,362	1,497,102
Change in fair value of investments		35,649,884	96,394,059	35,649,884	96,394,059
Dividend income		6,099,886	5,152,717	9,150,065	5,752,334
		82,765,684	139,173,684	45,554,261	111,805,429
Staff costs		(5,947,113)	(5,032,884)	-	(2,117,737)
Depreciation expense		(798,669)	(753,446)	(169,718)	(138,469)
Other operating expenses		(8,029,740)	(9,552,693)	(463,315)	(2,991,674)
Other financing costs		(102,274)	(44,311)	(2,017)	-
Profit before taxation	2	67,887,888	123,790,350	44,919,211	106,557,549
Income tax expense	5	(8,657,878)	(7,536,218)	(749,193)	(1,953,956)
Profit after taxation		59,230,010	116,254,132	44,170,018	104,603,593
Minority interests		(2,300,401)	(2,128,498)	-	-
Profit for the year attributable to the members of Credit Corporation (PNG) Limited		56,929,609	114,125,634	44,170,018	104,603,593
Earnings per Share					
Profits attributable to the members of the company		56,929,609	114,125,634	44,170,018	104,603,593
Number of shares on issue as at 31 December 2006		50,186,350	50,186,350	50,186,350	50,186,350
Basic and diluted earnings per share		1.13	2.27	0.88	2.08

The profit and loss accounts are to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 39.

FINANCIAL STATEMENTS

STATEMENTS OF CHANGES IN EQUITY

Particulars	Share Capital K	Reserves K	Retained Earnings K	Minority Interest K	Total K
Consolidated					
Balance as at 1 January 2005	3,560,456	88,492,332	35,416,673	6,661,472	134,130,933
Profit for the year	-	-	114,125,634	2,128,498	116,254,132
Transfer to / from reserves	-	71,543,804	(71,543,804)	-	-
Dividend paid (note 4)	-	-	(5,018,635)	-	(5,018,635)
Revaluation	-	4,738,598	-	-	4,738,598
Exchange variation	-	(802,710)	-	(599,500)	(1,402,210)
Balance as at 31 December 2005	3,560,456	163,972,024	72,979,868	8,190,470	248,702,818
Balance as at 1 January 2006	3,560,456	163,972,024	72,979,868	8,190,470	248,702,818
Profit for the year	-	-	56,929,609	2,300,401	59,230,010
Transfer to / from reserves	-	34,714,913	(34,714,913)	-	-
Dividend paid (note 4)	-	-	(6,022,362)	-	(6,022,362)
Revaluation	-	-	-	-	-
Exchange variation	-	(624,280)	-	(496,469)	(1,120,749)
Balance as at 31 December 2006	3,560,456	198,062,657	89,172,202	9,994,402	300,789,717
Company					
Balance as at 1 January 2005	3,560,456	105,942,457	17,966,548	-	127,469,461
Profit for the year	-	-	104,603,593	-	104,603,593
Transfer to / from reserves	-	71,543,805	(71,543,805)	-	-
Dividend paid (note 4)	-	-	(5,018,635)	-	(5,018,635)
Revaluation	-	13,457,929	-	-	13,457,929
Balance as at 31 December 2005	3,560,456	190,944,191	46,007,701	-	240,512,349
Balance as at 1 January 2006	3,560,456	190,944,191	46,007,702	-	240,512,349
Profit for the year	-	-	44,170,018	-	44,170,018
Transfer to / from reserves	-	34,799,060	(34,799,060)	-	-
Dividend paid (note 4)	-	-	(6,022,362)	-	(6,022,362)
Revaluation	-	12,135,310	-	-	12,135,310
Balance as at 31 December 2006	3,560,456	237,878,561	49,356,298	-	290,795,315

The statements of changes in equity are to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 39.

BALANCE SHEETS

	Note	Consolidated		Company	
		2006 K	2005 K	2006 K	2005 K
ASSETS					
Non-current assets					
Property, plant and equipment	6	24,464,606	7,480,495	816,584	702,855
Finance receivables	8	96,682,709	85,182,054	-	-
Investments	7	242,527,081	207,434,894	288,498,623	240,014,815
Deferred tax assets	15	5,216,582	4,633,339	201,876	189,529
		368,890,978	304,730,782	289,517,083	240,907,199
Current assets					
Finance receivables	8	81,521,079	77,180,118	-	-
Other receivables	9	4,739,813	3,478,264	5,043,994	2,303,690
Investments	7	20,492,355	6,458,101	200,000	1,300,000
Cash and cash equivalents	14	11,070,629	16,636,048	935,843	508,512
		117,823,876	103,752,531	6,179,837	4,112,202
Total assets		486,714,854	408,483,313	295,696,920	245,019,401
LIABILITIES					
Non-current liabilities					
Deposits	11	23,251,284	15,156,524	-	-
Interest bearing loans	10	18,287,179	2,823,539	-	-
Deferred tax liabilities	15	6,020,806	5,289,851	2,857,885	2,264,823
		47,559,269	23,269,914	2,857,885	2,264,823
Current liabilities					
Bank overdraft	14	-	67,765	-	-
Deposits	11	126,637,768	127,604,917	-	-
Other creditors	13	2,001,249	2,233,139	251,744	298,568
Taxes payable		8,164,391	5,259,742	1,119,057	1,311,898
Provisions	12	1,562,460	1,345,018	672,919	631,764
		138,365,868	136,510,581	2,043,720	2,242,230
Total liabilities		185,925,137	159,780,495	4,901,605	4,507,053
Net assets		300,789,717	248,702,818	290,795,315	240,512,348
SHAREHOLDERS' EQUITY					
Issued capital	16	3,560,456	3,560,456	3,560,456	3,560,456
Reserves	17	198,062,657	163,972,024	237,878,561	190,944,191
Retained earnings		89,172,202	72,979,868	49,356,298	46,007,701
Shareholders' equity attributable to members of the company		290,795,315	240,512,348	290,795,315	240,512,348
Minority interests		9,994,402	8,190,470	-	-
Total shareholders' equity		300,789,717	248,702,818	290,795,315	240,512,348

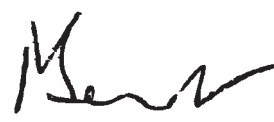
For and on behalf of the Board of Directors

Director



29th March 2007

Director



29th March 2007

The balance sheets are to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 39.

FINANCIAL STATEMENTS

CASH FLOW STATEMENTS

	Note	Consolidated		Company	
		2006 K	2005 K	2006 K	2005 K
OPERATING ACTIVITIES					
Charges earned on leases & loans		36,477,422	32,978,199	-	11,095,262
Commission, fees and rents		10,922,729	14,077,845	256,823	1,029,937
Interest from funds deposited		1,322,502	(156,596)	358,489	624,017
Interest payments		(7,054,133)	(6,827,612)	(2,016)	(2,307,823)
Payments to suppliers and employees		(15,573,863)	(12,329,910)	(1,046,660)	(6,607,803)
Operating cash flows before changes in operating assets		26,094,657	27,741,926	(433,364)	3,833,590
Net cash (advanced) / received in respect of leases		(19,212,428)	(26,189,754)	-	52,949,277
Net cash received / (repaid) in respect of deposits		3,855,041	(14,965,797)	-	(76,821,114)
Net cash from subsidiaries		-	(2,341,358)	(1,556,008)	281,676
Net cash from operating activities before income tax		10,737,270	(15,754,983)	(1,989,372)	(19,756,571)
Income taxes paid		(5,585,230)	(4,942,688)	(341,032)	225,481
Cash flows from operating activities		5,152,040	(20,697,671)	(2,330,404)	(19,531,090)
INVESTING ACTIVITIES					
Purchase of property, plant & equipment		(18,641,274)	(5,572,675)	(283,446)	(454,383)
Proceeds from sale of property		-	237,403	-	174,038
Proceeds from sale of shares		1,105,000	30,630,363	1,105,000	30,630,363
Dividends received		6,858,543	-	6,858,543	644,298
Net cash flow from short term investments		(8,718,267)	(4,216,819)	1,100,000	3,638,580
Investment in other entities		-	-	-	(22,993,561)
Cash flows from investing activities		(19,395,998)	21,078,272	8,780,097	11,639,335
FINANCING ACTIVITIES					
Proceeds/(repayment) of borrowings		15,429,974	1,045,886	-	-
Dividends paid		(6,022,362)	(5,018,635)	(6,022,362)	(5,018,635)
Cash flows from financing activities		9,407,612	(3,972,749)	(6,022,362)	(5,018,635)
Effect of exchange rate changes on cash and cash equivalents		(661,308)	(842,905)	-	-
Net increase/(decrease) in cash and cash equivalents		(5,497,654)	(4,435,053)	427,331	(12,910,390)
Cash and cash equivalents at 1 January	14	16,568,283	21,003,336	508,512	13,418,902
Cash and cash equivalents at 31 December	14	11,070,629	16,568,283	935,843	508,512

The cash flow statements are to be read in conjunction with the notes to and forming part of the financial statements set out on pages 17 to 39.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been authorised by the Board of Directors on 30 March 2007.

(a) Statement of compliance

The consolidated financial statements of Credit Corporation (PNG) Limited ('the company') and its subsidiaries (together with the company referred to as 'the group') have been prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations adopted by the International Accounting Standards Board and the requirements of the Papua New Guinea Companies Act 1997.

(b) Basis of preparation

The financial statements have been prepared primarily on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments held for trading, financial instruments classified as available-for-sale and investment property.

The preparation of a financial report in conformity with International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The accounting policies have been consistently applied by the group and they are consistent with those of the previous year.

(c) Consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the company. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are carried at the proportion of the net assets of the subsidiaries in the company's financial statements.

(ii) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Foreign currency

(i) Foreign Currency Transactions

The functional currency adopted in the preparation of the financial statements is the Papua New Guinea currency, the Kina. Transactions in foreign currencies are recorded at the exchange rate at the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate at the balance sheet date. Foreign exchange differences arising on translation are recognised in the profit and loss accounts.

(ii) Financial Statements of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Kina at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to Kina at rates approximating to the foreign exchange rates ruling at the dates of the transactions. Resulting exchange differences are recognised directly in equity, through an 'Exchange Fluctuation Reserve'.

(e) Property, plant and equipment

Items of property (other than investment properties), plant and equipment are stated at original cost or deemed cost or at valuation less accumulated depreciation and impairment losses (see accounting policy f).

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the profit and loss accounts on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Fixed assets are first depreciated in the year of acquisition. Land is not depreciated.

The straight line method of depreciation is used and the rates of depreciation are:

• Buildings	2.5%
• Office equipment and furniture & fittings	7.5 -20%
• Motor vehicles	20%

(f) Impairment

The carrying amounts of all assets, other than investment property (see accounting policy m), are reviewed at each balance sheet date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the profit or loss account.

(g) Inventories

Inventory of consumable materials are valued at the lower of purchase cost, which is based on invoice prices and includes expenditure incurred in acquiring the goods and bringing them to their existing condition and location, and net realisable value.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) Receivables**

Lease finance transactions are recorded using the 'finance method' and accordingly these are included within receivables in the balance sheet rather than as fixed assets less depreciation.

The gross income arising from the various forms of installment credit transactions and other credit facilities is apportioned over the term of the contract in direct proportion to the amount of funds invested therein during the relevant accounting periods. The 'Rule of 78' method is used for this purpose.

Other receivables are stated at their cost less impairment losses (see accounting policy f).

(i) Interest bearing loans and borrowings

Interest bearing loans and borrowings are initially recorded at the net proceeds received. Any discount, premium or other difference between the net proceeds and the redemption value is amortised and included in finance costs over the term of the loan.

If debt is repurchased or settled before maturity, any difference between the amount repaid and the carrying amount is recognised immediately in the profit and loss account.

(j) Provisions

Provisions are recognised when the group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provision has been made for all debts considered doubtful as at balance date. The amount of the provision for doubtful debts is that which the directors consider is required in respect of both specific and general provisions. Bad debts incurred are written off in the period in which they are identified.

(k) Taxation

Tax on the profit or loss for the year comprises current tax and the change in deferred tax.

Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rates enacted by the balance sheet date, and any adjustment of tax payable for previous years.

Deferred tax is provided using the balance sheet liability method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes.

The tax value of losses expected to be available for utilisation against future taxable income is set off against the deferred tax liability. Net deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is calculated on the basis of the current tax rates. The effect on deferred tax of any changes in tax rates is charged to the profit and loss account, except to the extent that it relates to items previously charged or credited directly to equity.

(l) Revenue

Revenue consists of finance charges earned, rental and other income. Revenue earned from the provision of lease finance is recognised over the finance contract using the 'Rule of 78'. Interest income is recognised on a receivable basis. Rental income from investment property is recognised on a straight line basis over the term of the lease.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Investment Property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value. An external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio every three years. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The valuations are prepared by considering the aggregate of the net annual rents receivable from the properties and where relevant, associated costs. A yield which reflects the specific risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

Any gain or loss arising from a change in fair value is recognised in the statements of changes in equity.

Property that is being constructed or developed for future use as investment property is stated at cost until construction or development is complete and is included in property plant and equipment. Any differences arising between the carrying amount of the property immediately prior to completion and its fair value on completion is recognised directly in the statements of changes in equity if it is a gain. Any loss arising in this manner is recognised immediately in the profit and loss accounts. Upon disposal of the item the gain is transferred to retained earnings.

(n) Investments

Investments held for long term capital appreciation and for regular investment returns are classified as non-current assets and are stated at fair value, with any resultant gain or loss recognised in the profit and loss accounts.

The fair value of investments approximates their quoted bid price at the balance sheet date.

Government bonds are stated at amortised cost less impairment losses.

(o) Cash and Cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of cash management are included as a component of cash and cash equivalents for the purpose of the cash statements.

(p) Employee benefits

Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss accounts as incurred.

The group's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods based on current earnings of the employee.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)**(q) Segment reporting**

A segment is a distinguishable component of the group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

(r) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable or payable is included as a current asset or liability in the balance sheets.

(s) Components of impaired assets

In determining the components of impaired assets, the group has adopted the following guidelines for classifying impaired assets which consist of the broad categories:

Non-accrual receivables are receivables or similar facilities for which it is probable that the group will not be able to collect all amounts of principal and interest in accordance with the terms of the agreement.

Restructured receivables are receivables or similar facilities which are not non-accrual receivables and for which: -

- (i) the original terms have been changed to grant the borrower a concession that would not otherwise have been available due to the borrower's difficulties in complying with the original terms and;
- (ii) the revised terms of the facility are not comparable with the new facilities with comparable risks.

Past due receivables are receivables or similar facilities which have not been operated within their key terms by the borrower and which are not non-accrual receivables.

(t) Trade and other payables

Trade and other payables are stated at cost.

(u) Reclassification

Prior year balances have been reclassified to correspond to current year presentation where considered necessary.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. PROFIT BEFORE TAXATION

The operating profit for the year is stated after (crediting) / charging the following items;

	Consolidated		Company	
	2006 K	2005 K	2006 K	2005 K
Auditors remuneration				
- audit	90,000	223,167	14,000	124,949
- other services	113,518	92,536	7,967	92,536
(Profit)/ Loss on sale of fixed assets	(227,764)	44,682	788	(45,403)
Provision for bad debts	3,201,298	1,741,880	-	750,000
Bad debts written off	1,038,304	299,040	-	218,196
Bad debts recovered	(124,892)	(74,568)	-	(140,436)
Interest on term deposits, treasury bills and semi-government bonds	(1,322,501)	(1,244,988)	-	(624,017)

3. EMPLOYEES

The number of employees as at 31 December 2006 employed in the group was 104 (2005: 90)

4. DIVIDENDS

	Consolidated		Company	
	2006 K	2005 K	2006 K	2005 K
Final dividend of K0.12 per share (2005 : K0.10 per share)	6,022,362	5,018,635	6,022,362	5,018,635
	6,022,362	5,018,635	6,022,362	5,018,635

A final dividend of K0.15 per share amounting to K7,527,953 has been proposed but not yet approved by shareholders and has not been provided for in the financial statements (2005 : K 0.12 per share amounting to K6,022,362).

5. INCOME TAX EXPENSE

	Consolidated		Company	
	2006 K	2005 K	2006 K	2005 K
Current tax	8,275,711	7,078,850	12,347	1,655,750
Change in deferred taxes	246,324	360,723	601,003	201,561
	8,522,035	7,439,573	613,350	1,857,311
Irrecoverable dividend withholding tax on Fiji dividends	135,843	96,645	135,843	96,645
	8,657,878	7,536,218	749,193	1,953,956

The group's applicable tax rate represents the statutory corporate income tax rate of 30% (2005: 30%). The following is a reconciliation of income taxes calculated at the applicable tax rate with income tax expense:

Profit before tax	67,887,888	123,790,350	44,919,211	106,557,549
Computed tax using the applicable corporate income tax rate	20,496,157	37,137,105	13,475,763	31,967,265
Non-deductible costs	16,557	26,843	5,922	21,000
Non-taxable income	(12,566,631)	(30,211,992)	(13,481,685)	(30,561,973)
Effect of dividend withholding tax on foreign subsidiary profits	749,193	536,862	749,193	536,862
	8,695,276	7,488,818	749,193	1,963,154
Under/(Over) provision in prior years	(37,398)	47,400	-	(9,198)
	8,657,878	7,536,218	749,193	1,953,956

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

6. PROPERTY, PLANT AND EQUIPMENT

Company	Furniture & Fittings K	Motor Vehicles K	Office Equipment K	Total K
Cost				
At 1 January 2006	-	681,743	748,407	1,430,150
Additions	-	119,673	120,692	240,365
Disposals	-	-	-	-
At 31 December 2006	-	801,416	869,099	1,670,515
Depreciation				
At 1 January 2006	-	270,982	456,313	727,295
Charge for the year	-	69,982	56,654	126,636
Disposals	-	-	-	-
At 31 December 2006	-	340,964	512,967	853,931
Book value				
At 31 December 2006	-	460,452	356,132	816,584
At 31 December 2005	-	410,761	292,094	702,855

Consolidated	Buildings K	Furniture & Fittings K	Motor Vehicles K	Office Equipment K	Total K
Cost					
At 1 January 2006	3,938,925	3,169,494	2,040,907	1,592,702	10,742,028
Additions	17,219,306	274,878	415,505	224,531	18,134,220
Disposals	-	-	(154,097)	(555,038)	(709,135)
Effect of exchange variances	1,804	(9,182)	(16,518)	(18,555)	(42,451)
At 31 December 2006	21,160,035	3,435,190	2,285,797	1,243,640	28,124,662
Depreciation					
At 1 January 2006	2,358	1,655,139	716,573	887,463	3,261,533
Charge for the year	28,455	258,421	259,884	81,164	627,924
Disposals	-	-	(63,372)	(147,410)	(210,782)
Effect of exchange variances	798	(3,088)	(5,695)	(10,634)	(18,619)
At 31 December 2006	31,611	1,910,472	907,390	810,583	3,660,056
Book value					
At 31 December 2006	21,128,424	1,524,718	1,378,407	433,057	24,464,606
At 31 December 2005	3,936,567	1,514,355	1,324,334	705,239	7,480,495

7. INVESTMENTS

		Consolidated		Company	
		2006 K	2005 K	2006 K	2005 K
Non - Current					
Investment properties	(a)	61,378,397	60,539,600	100,000	100,000
Subsidiary companies	(b) &(g)	-	-	111,886,310	99,771,286
Associates	(c)	-	-	-	-
Shares in other companies	(h)	176,512,313	140,143,529	176,512,313	140,143,529
Government securities	(d)	4,000,000	5,734,369	-	-
Semi-government securities	(d)	636,371	1,017,396	-	-
		242,527,081	207,434,894	288,498,623	240,014,815
Current					
Semi-government securities	(d)	909,091	554,939	-	-
Government securities	(d)	1,636,364	184,979	-	-
Term deposits	(e)	-	-	200,000	1,300,000
Treasury bills	(f)	17,946,900	5,718,183	-	-
		20,492,355	6,458,101	200,000	1,300,000

(a) Investment Properties

Investment properties are land and buildings held for long-term investments.

An independent valuation on investment properties in Papua New Guinea was performed in November 2005 by Mark J Kelep of Ashton Brunswick Limited, Registered Valuer, in accordance with the "Valuers Registration Act", on the basis of open market value. This valuation and current market conditions were considered by the directors in arriving at their valuation.

(b) Subsidiary Companies

	Country	Ownership	2006 K	2005 K
Credit Corporation Finance Limited	PNG	100%	28,078,632	22,046,000
Credit House Limited	PNG	100%	30,938,274	30,539,466
Era Dorina Limited	PNG	100%	22,401,414	20,407,015
Credit Corporation (Fiji) Limited	Fiji	69%	22,237,529	18,223,782
Credit Corporation (Fiji) Limited Subordinated Loan (g)			3,889,091	3,956,715
Credit Corporation (SI) Limited	Solomon Islands	100%	4,341,370	4,598,308
			111,886,310	99,771,286

During 2005 the company transferred its finance activities to its wholly owned subsidiary Credit Corporation Finance Limited (previously known as Credit Corporation Properties Limited). The net assets transferred to Credit Corporation Finance Limited amounted to K18,327,813.

In September 2005, a new subsidiary was incorporated in the Solomon Islands known as Credit Corporation (SI) Limited. The company has contributed SBD\$10,000,000 (PNG K4,598,308) as capital.

7. INVESTMENTS (continued)

(c) Investment in Associate Company

The investment in New Guinea Islands Produce Company Limited was sold in 2005 resulting in a net profit of K361,852 being recognised in the profit and loss account.

- (d)** The government and semi-government securities consist of stocks and bonds of Fiji semi-government institutions held by Credit Corporation (Fiji) Limited which earn interest rates of between 2.10% and 8.45% per annum. (2005: between 4.20% and 8.45% per annum). Interest is credited every six months and paid on maturity.
- (e)** Term deposits consist of amounts placed with Credit Corporation Finance Limited, banks and other financial institutions for certain periods of time in respect of which interest is earned.
- (f)** Treasury bills consist of Treasury Bills issued by the Bank of Papua New Guinea and Solomon Islands. These are accounted for at cost less amortisation.

	2006 K	2005 K
Face value	18,000,000	5,800,000
Less: Unamortised interest	(53,100)	(81,817)
	17,946,900	5,718,183

- (g)** Subordinated loan of F\$2.139 million lent to Credit Corporation (Fiji) Limited. The loan is unsecured, accrues interest at the rate of 9% per annum and is repayable within five years from the date of issue, subject to the Reserve Bank of Fiji approval.
- (h)** Credit Corporation (PNG) Limited owns 10.01% of the issued shares in Bank South Pacific Limited (BSP). At 31 December 2006, the investment was valued at market value amounting to K176,512,313. The change of K35,649,884 (2005 : K95,448,229) resulting from the revaluation of the BSP investment is credited to profit and loss account.

During the year, the company sold 0.3 million shares in BSP at K1,105,000 resulting in a profit of K139,000. In 2005 the company sold 8.7 million shares in BSP at K27,832,710 resulting in a profit of K583,978. The profits were credited to the profit and loss account. As a result of the sale, the unrealised gain on the BSP shares sold of K850,825 (2005: K23,904,425) was transferred from general reserve to retained earnings.

8. FINANCE RECEIVABLES

	Consolidated		Company	
	2006 K	2005 K	2006 K	2005 K
Non - Current				
Finance receivables	112,926,887	98,122,377	-	-
Unearned charges	(16,244,178)	(12,940,323)	-	-
	96,682,709	85,182,054	-	-
Current				
Finance receivables	123,307,788	113,231,798	-	-
Unearned charges	(26,319,400)	(22,264,648)	-	-
Provision for doubtful debts	(15,467,309)	(13,787,032)	-	-
	81,521,079	77,180,118	-	-
Analysis of provisions				
Specific provisions (a)	7,376,707	8,067,904	-	-
General provisions (b)	8,090,602	5,719,128	-	-
	15,467,309	13,787,032	-	-
(a) Specific Provision				
Opening balance	8,067,904	7,115,522	-	-
Net increase in provisions	1,090,910	1,109,878	-	-
Transfer from / (to) general provision	-	1,180,289	-	-
Charge against provisions	(1,782,107)	(1,337,785)	-	-
Closing balance	7,376,707	8,067,904	-	-
(b) General Provision				
Opening balance	5,719,128	5,241,729	-	-
Increase in provisions	2,371,474	1,657,688	-	-
Transfer from / (to) specific provision	-	(1,180,289)	-	-
Charge against provisions	-	-	-	-
Closing balance	8,090,602	5,719,128	-	-
Impaired assets				
Impaired assets consist of non-accrual finance receivables. The group's policy is to place finance receivables on non-accrual status for potential repossession of collateral.				
Non-accrual receivables without specific provision for impairment	6,012,875	4,794,052	-	-
Non-accrual receivables with specific provision for impairment	21,031,223	16,426,038	-	-
Restructured receivables fully provided for impairment	843,380	1,397,869	-	-
Past due receivables	28,477,080	7,923,847	-	-

8. FINANCE RECEIVABLES (continued)

Analysis of receivables by industry

	Consolidated - 2006		Consolidated - 2005	
	%	K'000	%	K'000
Agriculture	6%	13,212	6%	12,619
Mining	2%	5,175	2%	5,289
Manufacturing	7%	15,730	5%	11,631
Forestry and saw-milling	0%	815	0%	285
Civil contracting	9%	22,194	7%	14,023
Building and construction	8%	18,934	9%	19,795
Real estate	5%	11,539	5%	11,609
Wholesale / Retail	5%	12,727	5%	10,798
Transport and storage	19%	46,282	15%	32,808
Public utilities	0%	694	1%	2,326
Professional and business services	17%	39,526	20%	44,154
Private and self employed	18%	41,405	20%	43,232
Financial Institutions	0%	480	0%	504
Government & statutory bodies	0%	-	1%	1,821
Other	4%	9,657	4%	8,558
	100%	238,370	100%	219,452

9. OTHER RECEIVABLES

	Consolidated		Company	
	2006 K	2005 K	2006 K	2005 K
Receivable from subsidiaries	-	-	1,632,052	76,044
Other debtors and prepayments	4,542,677	3,213,059	3,411,942	2,227,646
Stock of materials	197,136	265,205	-	-
	4,739,813	3,478,264	5,043,994	2,303,690

10. INTEREST BEARING LOANS AND BORROWINGS

	Consolidated		Company	
	2006	2005	2006	2005
	K	K	K	K
Non-current				
Secured bank loan	16,539,906	1,045,885	-	-
Unsecured subordinated loan	1,747,273	1,777,654	-	-
	18,287,179	2,823,539		
Current				
Bank overdraft	-	67,765	-	-

Bank Facilities and Security

Interest bearing loans and borrowings include:

- (a) A bank overdraft facility of F\$2 million and an advance facility of F\$3 million made by Australia and New Zealand Banking Group (Fiji) Limited to Credit Corporation (Fiji) Limited. Interest is charged at 5.75% per annum. The facilities are secured by a first registered mortgage debenture over the assets and undertakings of Credit Corporation (Fiji) Limited including uncalled and unpaid capital. The loan is repayable on demand.
- (b) Credit Corporation (PNG) Limited has a bank overdraft facility with Australia and New Zealand Banking Group (PNG) Limited of K10 million at 31 December 2006. The interest rate on the facility is the bank's indicator lending rate minus 0.50%. These facilities are secured by a first registered equitable mortgage over the fixed and floating assets of Credit Corporation (PNG) Limited, a first registered mortgage over the fixed and floating assets of Credit Corporation (PNG) Limited and a first registered mortgage over Lots 2,3,4 and 8 Section 45, Granville, Port Moresby known as "Credit House".
- (c) Subordinated loan received from shareholders of Credit Corporation (Fiji) Limited totalled F\$3.1m including F\$2.139m from Credit Corporation (PNG) Limited. The loan is unsecured, accrues interest at a rate of 9% per annum and is payable within five years from the date of issue, subject to Reserve Bank of Fiji approval.
- (d) Era Dorina Limited has obtained a loan from Bank South Pacific Limited of K20 million at a fixed interest rate of 8.20% p.a. The loan is secured by a registered equitable mortgage over the fixed and floating assets of Era Dorina Limited, first registered mortgage over Lots 27, 28 and 29 Section 34, Granville, Port Moresby, first registered mortgage over Portion 2259, Granville, Port Moresby, second registered Mortgage over Lots 2,3,4 and 8 Section 45, Granville, Port Moresby known as "Credit House", deed of guarantee and indemnity for K20 million by Credit House Limited and a second registered equitable mortgage over the fixed and floating assets of Credit House Limited.
- (e) Credit Corporation (SI) Limited has a bank overdraft facility of SBD\$5 million with National Bank of Solomon Islands Limited. Interest is charged at 8% per annum. The facilities are secured by a first registered equitable mortgage over the assets and undertakings of Credit Corporation (SI) Limited including uncalled capital plus an unlimited guarantee from Credit Corporation (PNG) Limited. The loan is payable on demand.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

11. DEPOSITS

	Consolidated		Company	
	2006	2005	2006	2005
	K	K	K	K
Non-current	23,251,284	15,156,524	-	-
Current	126,637,768	127,604,917	-	-

Non-current deposits mature as follows:

Between one and two years	23,213,642	15,156,524	-	-
Between two and five years	37,642	-	-	-
	23,251,284	15,156,524	-	-

12. PROVISIONS

	Consolidated		Company	
	2006	2005	2006	2005
	K	K	K	K
Employee provisions	1,562,460	1,345,018	672,919	631,764
	1,562,460	1,345,018	672,919	631,764

13. TRADE AND OTHER PAYABLES

	Consolidated		Company	
	2006	2005	2006	2005
	K	K	K	K
Interest accrued on deposits	224,420	1,183,564	-	-
Other creditors and accrued expenses	1,776,829	1,049,575	251,744	298,568
	2,001,249	2,233,139	251,744	298,568

14. RECONCILIATION OF CASH

For the purpose of the Cash Flow Statements, cash includes cash on hand and at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the Cash Flow Statements is reconciled to the related items in the balance sheet as follows:

	Consolidated		Company	
	2006	2005	2006	2005
	K	K	K	K
Cash and short term deposits	11,070,629	16,636,048	935,843	508,512
Bank overdraft	-	(67,765)	-	-
	11,070,629	16,568,283	935,843	508,512

15. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and deferred tax liabilities at 31 December 2006 and 2005 are attributable to the items detailed in the tables below:

	2006			2005		
	Asset K	Liability K	Net K	Asset K	Liability K	Net K
(a) Consolidated						
Investment property, plant and equipment	-	(3,125,102)	(3,125,102)	-	(2,990,085)	(2,990,085)
Provisions on finance receivables	4,732,255	-	4,732,255	4,223,763	-	4,223,763
Employee provisions	484,327	-	484,327	409,576	-	409,576
Prepayments	-	(47,513)	(47,513)	-	(44,639)	(44,639)
Other items	-	(2,848,191)	(2,848,191)	-	(2,255,127)	(2,255,127)
Net tax assets/ liabilities	<u>5,216,582</u>	<u>(6,020,806)</u>	<u>(804,224)</u>	4,633,339	(5,289,851)	(656,512)

Deferred tax assets amounting to K44,304 have not been recognised in respect of the loss incurred of K147,681 for the period ended 31 December 2005 by Credit Corporation (SI) Limited.

	2006			2005		
	Asset K	Liability K	Net K	Asset K	Liability K	Net K
(b) Company						
Property, plant and equipment	-	(9,695)	(9,695)	-	(9,695)	(9,695)
Investments in subsidiaries	-	(2,686,475)	(2,686,475)	-	(2,073,125)	(2,073,123)
Employee provisions	201,876	-	201,876	189,529	-	189,529
Other items	-	(161,715)	(161,715)	-	(182,003)	(182,003)
Net tax assets / liabilities	<u>201,876</u>	<u>(2,857,885)</u>	<u>(2,656,009)</u>	189,529	(2,264,823)	(2,075,274)

16. SHARE CAPITAL

	Consolidated & Company	
	2006 K	2005 K
Issued ordinary share capital		
50,186,350 shares in issue at 1 January 2006	3,560,456	3,560,456
Nil shares issued or repurchased during the year	-	-
50,186,350 shares in issue at 31 December 2006	<u>3,560,456</u>	<u>3,560,456</u>

In accordance with the provisions of the Companies Act 1997 the shares do not have a par value.

In accordance with the provisions of the Constitution, the Board of Directors of the company may issue shares as it thinks fit so long as it does not create a controlling interest in the company and subject to complying with the requirements of Port Moresby Stock Exchange listing rules.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

17. RESERVES

		Consolidated		Company	
		2006 K	2005 K	2006 K	2005 K
Asset revaluation reserve	(a)	36,771,664	36,903,147	78,116,136	65,980,826
Asset realisation reserve	(b)	1,328,824	1,328,824	149,294	149,294
Exchange fluctuation reserve	(c)	349,038	925,982	-	-
General reserve	(d)	159,613,131	124,814,071	159,613,131	124,814,071
		198,062,657	163,972,024	237,878,561	190,944,191
(a) Asset revaluation reserve					
Balance at 1 January		36,903,147	32,164,548	65,980,826	52,522,896
Transfer to retained earnings		(84,146)			
Revaluation increment		(47,337)	4,738,599	12,135,310	13,457,930
Balance at 31 December		36,771,664	36,903,147	78,116,136	65,980,826
(b) Asset realisation reserve					
Balance at 1 January		1,328,824	1,328,824	149,294	149,294
Transfer from retained earnings		-	-	-	-
Balance at 31 December		1,328,824	1,328,824	149,294	149,294
(c) Exchange fluctuation reserve					
Balance at 1 January		925,982	1,728,693	-	-
Translation adjustment		(576,944)	(802,711)	-	-
Balance at 31 December		349,038	925,982	-	-
(d) General reserve					
Balance at 1 January		124,814,071	53,270,267	124,814,071	53,270,267
Transfer (to) / from retained earnings		34,799,060	71,543,804	34,799,060	71,543,804
Balance at 31 December		159,613,131	124,814,071	159,613,131	124,814,071

Asset revaluation reserve

The asset revaluation reserve relates to the cumulative increase in the fair value of the investment properties and investments in subsidiaries.

Asset realisation reserve

The asset realisation reserve represents profits on sale of fixed assets over their cost.

Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations that are not integral to the operations of the company.

General Reserve

The General reserve represents amounts of net gains on long-term investments transferred from the Profit and Loss account.

18. EMPLOYEE BENEFIT PLANS

The group contributed to the National Superannuation Fund and AON Master Trust, which are defined contribution plans, whereby employees contribute 7% of their salary to the fund and the group contributes up to 10% of each member's salary. During 2006 the group expensed K196,600 (2005:K183,350) in contribution payables.

19. COMMITMENTS AND CONTINGENCIES

Commitments

Era Dorina Limited has entered into a contract in 2005 for the construction of a set of apartments which is expected to be completed in 2007. Capital costs expected to be incurred in 2007 are approximately K6 million.

Contingencies

The company and its subsidiaries have provided various assets as security to the bank facilities provided to the group. Other than the above, there are no contingencies as at 31 December 2006.

20. RELATED PARTY TRANSACTIONS

Interests Register

There were no entries recorded in the Interests Register for the year.

Shareholdings of Directors and interested parties in Credit Corporation (PNG) Limited

	2006	2005
Sir Henry ToRobert, the chairman of the company holds shares as follows:	100,000	100,000
Noreo Beangke, a director of the company and Garth McIlwain, a director of Credit Corporation (Fiji) Limited, are directors of Niugini Islands Produce Co. Limited that hold shares as follows:	3,570,230	3,570,230
Garth McIlwain, a director of Credit Corporation (Fiji) Limited is a director of Ballimore No 21 Limited that holds shares as follows:	1,688,705	1,965,700
Noreo Beangke, a director of the company, is a director of General's Holding Limited that hold shares as follows:	1,012,904	1,500,000
Sinai Brown, a director of the company, is a director of Nambawan Quarries Limited and BBL Consultancy Limited that holds shares as follows:		
Nambawan Quarries Limited	200,000	200,000
BBL Consultancy Limited	15,000	15,000
Fr Barry Hansen a director of the company is also a director of Vada No 3 Limited that holds shares as follows:	500,000	600,000
Luke Polangou and Michael Koisen, directors of the company are directors of Federation of Savings and Loans Societies Limited that holds shares as follows:	2,700,000	2,700,000
Leon Buskens, a director of the company, is the managing director of POSF Limited that holds shares as follows:	7,500,000	7,500,000
Michael Koisen, a director of the company, is the Chief Executive Officer of PNG Teachers Savings and Loans Society Limited that holds shares as follows:	8,481,380	8,481,380
Rod Mitchell, a director of the company, is the Chief Executive Officer of National Superannuation Fund Limited that holds shares as follows:	4,991,482	4,991,482

Transactions with Directors and entities in which Directors are interested

Noreo Beangke, a director of the company, has been provided loans amounting to K137,875 and the balance of amounts due at 31 December 2006 was K134,627.

Noreo Beangke, a director of the company, is a director of Boroma Limited. Boroma Limited has been provided loans amounting to K48,004 by the group and the balance of amounts due was K9,111.

Sinai Brown, a director of the company, is a director of Nambawan Quarries Limited. Nambawan Quarries Limited has been provided a loan amounting to K43,597 by the group and the balance of amounts due was K21,048.

Directors and entities in which directors are interested have interest bearing deposits with the group at commercial rates prevailing at the time of the deposit.

Transactions with Associates

Shares in Niugini Islands Produce Company Limited, an associate, were sold during the year 2005. Niugini Islands Produce Company Limited holds 3,570,230 shares (2005: 3,570,230) in the company.

REMUNERATION OF DIRECTORS AND EMPLOYEES

Remuneration of Directors

Directors' remuneration, including the value of benefits, received during the year, is as follows:

	2006	2005
	K	K
Sir Henry ToRobert	52,000	39,130
Luke Polangou	22,500	15,625
Sinai Brown	22,500	15,625
Fr. Barry Hanson	22,500	15,625
Noreo Beangke	396,274	465,097
Michael Koisen	22,500	15,625
Leon Buskens	22,500	15,625
Rod Mitchell	22,500	15,625

In addition Noreo Beangke as a full time employee of the company also received the benefit of a fully provided vehicle, the value of which has not been quantified.

Directors fees in respect of following directors are paid directly to the company they represent:

Luke Polangou	Federation of Savings and Loan Societies Limited
Michael Koisen	Teachers Savings and Loan Society Limited
Leon Buskens	POSF Limited
Rod Mitchell	National Superannuation Fund Limited

Directors' Retirement Benefit Scheme

Shareholders, at the June 2005 annual general meeting, have approved a retirement benefit scheme for directors of the company, in respect of which a sum of K Nil (2005:K 516,328) has been charged to the profit and loss account during the year.

Remuneration of Employees

The number of employees (not including directors) whose remuneration, including benefits, was within the specified bands are as follows;

	2006	2005
K 100,000 - K 109,999	1	-
K 150,000 - K 159,999	1	-
K 160,000 - K 169,999	-	1
K 210,000 - K 219,999	-	-
K 220,000 - K 229,999	1	1
K 310,000 - K 319,999	-	1
K 410,000 - K 419,999	1	-
K 440,000 - K 449,999	-	1
K 860,000 - K 869, 999	-	-
K 930,000 - K 939, 999	1	-
K 980,000 - K 989, 999	-	1

21 FINANCIAL INSTRUMENTS

Exposure to credit, interest rate and currency risks arises in the normal course of the group's business.

Credit risk

The group requires collateral in respect of financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit. At balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Investments are allowed only in liquid securities and only with counter parties that have a credit rating equal to or better than the group. Management does not expect any counter party to fail to meet its obligations.

Foreign exchange risk

The group's foreign currency risk is limited to management salaries denominated predominantly in Australian dollars and the receipt of dividends denominated in Fijian and Solomon Island dollars.

Liquidity risk

The group's risk exposure to liquidity is managed through continuous review. The management of liquidity of the group is relatively straightforward given the size and nature of the operations. The maturity period provided on term deposits is usually of a short-term nature ranging between 30 and 180 days subject to management's expectations of interest rate movements.

Fiduciary activities

The group does not provide fiduciary services.

Interest rate risk

The group monitors the interest rate exposure on a regular basis. However the group is restricted in its ability to mitigate the risks associated with interest rate movements. The group's lease rental agreements with customers are generally of a short term nature and are fixed.

Sensitivity analysis

In managing interest rate and currency risks the group aims to reduce the impact of short-term fluctuations on the group's earnings. Over the longer term, however, permanent changes in foreign exchange and interest rates would have an impact on consolidated earnings.

At 31st December 2006 a general increase of one percentage point in interest rates would decrease the group's profit before tax by approximately between K1,000,000 - K1,500,000 (2005: K1,000,000 - K1,500,000).

A general increase of one percentage point in the value of the kina against other foreign currencies would not directly have any significant impact on the group's profit.

Fair value

Fair values of financial instruments are not expected to be materially different from their carrying values.

22. MATURITY ANALYSIS

	Less than one year K	Between one and five years K	No specific maturity K	Total K
Company at 31 December 2006				
Liquid assets	1,135,843	-	-	1,135,843
Investment securities	-	-	288,498,623	288,498,623
Other assets	5,043,994	-	1,018,460	6,062,454
Total assets	<u>6,179,837</u>	-	<u>289,517,083</u>	<u>295,696,920</u>
Other liabilities	2,043,720	-	2,857,885	4,901,605
Total liabilities	<u>2,043,720</u>	-	<u>2,857,885</u>	<u>4,901,605</u>
Shareholders' equity and minority interests				<u>290,795,315</u>
Company at 31 December 2005				
Liquid assets	1,808,512	-	-	1,808,512
Investment securities	-	-	240,014,815	240,014,815
Other assets	2,303,690	-	892,384	3,196,074
Total assets	<u>4,112,202</u>	-	<u>240,907,199</u>	<u>245,019,401</u>
Other liabilities	2,242,230	-	2,264,823	4,507,053
Total liabilities	<u>2,242,230</u>	-	<u>2,264,823</u>	<u>4,507,053</u>
Shareholders' equity and minority interests				<u>240,512,348</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

22. MATURITY ANALYSIS (continued)

	Less than one year K	Between one and five years K	No specific maturity K	Total K
Consolidated at 31 December 2006				
Cash and cash equivalents	11,070,629	-	-	11,070,629
Investments	20,492,355	4,636,371	176,512,313	201,641,039
Net loans and advances	81,521,079	96,682,709	-	178,203,788
Other assets	4,739,813	-	91,059,585	95,799,398
Total assets	117,823,876	101,319,080	267,571,898	486,714,854
Interest bearing loans and borrowings	-	18,287,179	-	18,287,179
Deposits	126,637,768	23,251,284	-	149,889,052
Other liabilities	11,728,100	-	6,020,806	17,748,905
Total liabilities	138,365,868	41,538,463	6,020,806	185,925,137
Shareholders' equity and minority interests				300,789,717
Consolidated at 31 December 2005				
Cash and cash equivalents	16,636,048	-	-	16,636,048
Investments	6,458,101	6,751,765	140,143,529	153,353,395
Net loans and advances	77,180,118	85,182,054	-	162,362,172
Other assets	3,478,264	-	72,653,434	76,131,698
Total assets	103,752,531	91,933,819	212,796,963	408,483,313
Interest bearing loans and borrowings	67,765	2,823,539	-	2,891,304
Deposits	127,604,917	15,156,524	-	142,761,441
Other liabilities	8,837,899	-	5,289,851	14,127,750
Total liabilities	136,510,581	17,980,063	5,289,851	159,780,495
Shareholders' equity and minority interests				248,702,818

23. SEGMENT INFORMATION
Company

The company operates only in Papua New Guinea and is predominately an investment holding company.

	Total Assets K	Total Liabilities K	Turnover K	Net profit after tax and minorities K
Consolidated at 31 December 2006				
Geographical segments				
Papua New Guinea	393,374,437	102,579,122	71,003,527	52,595,857
Fiji	116,385,513	84,153,581	21,822,028	5,118,388
Solomon Islands	7,472,908	3,131,539	1,717,631	265,543
Less: Inter Segment	(30,518,004)	(3,939,105)	(1,050,179)	(1,050,179)
Total	<u>486,714,854</u>	<u>185,925,137</u>	<u>93,493,007</u>	<u>56,929,609</u>

Business segments

Financial services	231,038,954	164,804,987	40,486,278	11,416,563
Property	81,501,405	28,161,719	11,555,697	4,393,207
Investment holdings	295,496,920	4,701,605	45,554,260	44,170,018
Less: Inter Segment	(121,322,425)	(11,743,174)	(4,103,228)	(3,050,179)
Total	<u>486,714,854</u>	<u>185,925,137</u>	<u>93,493,007</u>	<u>56,929,609</u>

Consolidated at 31 December 2005
Geographical segments

Papua New Guinea	317,251,942	76,739,594	128,465,556	110,181,709
Fiji	113,387,449	86,973,197	20,395,666	4,735,905
Solomon Islands	4,698,771	100,462	21,840	(147,681)
Less: Inter Segment	(26,854,850)	(4,032,758)	(644,299)	(644,299)
Total	<u>408,483,313</u>	<u>159,780,495</u>	<u>148,238,763</u>	<u>114,125,634</u>

Business segments

Financial services	407,799,119	144,470,656	137,819,324	109,915,150
Property	66,256,320	15,309,839	11,445,020	4,210,484
Less: Inter Segment	(65,572,126)	-	(1,025,581)	-
Total	<u>408,483,313</u>	<u>159,780,495</u>	<u>148,238,763</u>	<u>114,125,634</u>

24. EVENTS OCCURRING AFTER BALANCE SHEET DATE

There were no events subsequent to the balance sheet date that would either require a disclosure in or adjustment to the financial statements.



Fiji Managing Director: Ross McDonald.

It is pleasing to report that the Fiji operations continued their excellent performance with a fourth successive year of record profitability earning an operating profit before tax of F\$6,066,642 for the year compared to F\$5,340,130 in 2005. Profit after tax was F\$4,200,519 compared to F\$3,652,206 in 2005.

This profit was achieved against signs of a weakening Fiji economy. In the general elections held in May 2006 the Qarase Government was returned to power before being overthrown by the Military in December. The Coup has placed further pressure on the economy with the suspension of some aid programmes by donor countries and an expected downturn in investment.

The Interim Government has announced that Fiji will return to democratic rule in 2010, although the International Community is pressing for an earlier date. It is expected that economic conditions in Fiji will commence to improve when the Interim Government announces a firm timetable to return to democracy.

Early in 2006 the Reserve Bank of Fiji tightened money supply with the broader objective of reducing demand for consumables. With this the Reserve Bank has advised banks not to increase their lending levels and finance companies have been asked not to make any major increase in their lending levels. This slow down in liquidity immediately forced upward pressure on interest rates which rose continuously during the year. This impacted significantly on our interest costs which rose by 21% over last year. Interest rates appear to be softening in early 2007. Future levels will rely on

the performance of the economy, money supply and political stability.

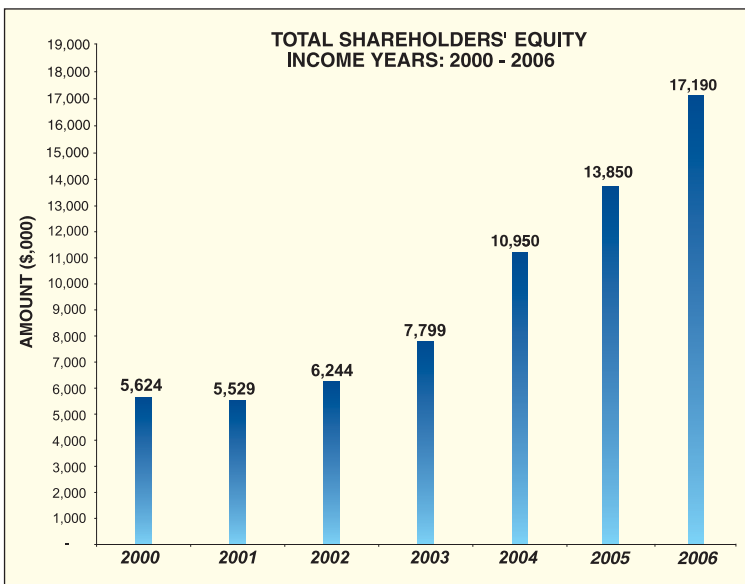
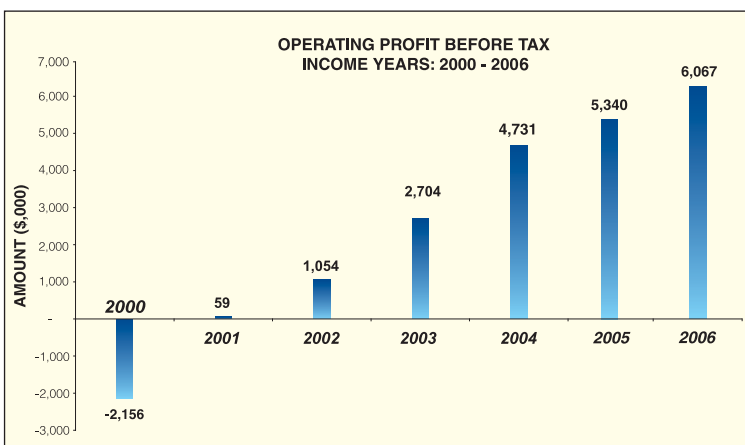
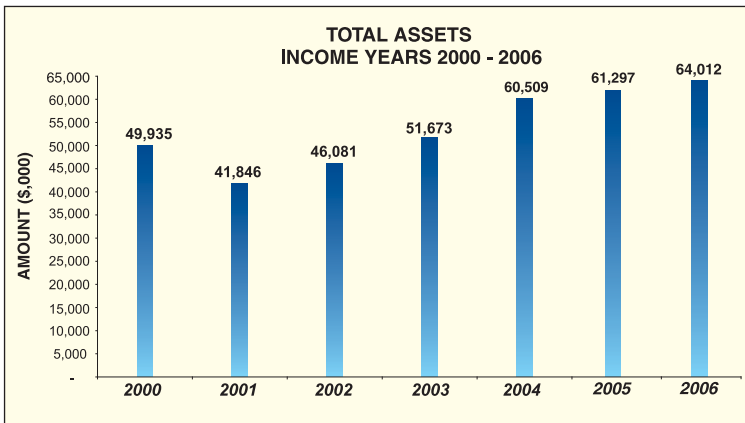
Tourism suffered towards the end of the year because of the impact of the Coup and visitor arrivals were around 540,000 for the year, a similar figure to 2005. Work continued on four major hotel resort projects, although work was stopped on one of these projects because of funding difficulties. Commencement of several other new resorts has been delayed because of the political uncertainty brought on by the Coup.

Good weather conditions resulted in an increased harvest of 3.2 million tonnes of cane with sugar production at around 307,000 tonnes, up 2% on the previous year. The industry continues to struggle because of the impact of reducing prices from the European Union as much of its sugar is exported there. The restructure of the industry has slowed with installation of new plant and machinery at the three large mills delayed until the 2008 season. Cogeneration (electricity production) an integral part of the reforms is similarly delayed.

Emperor Gold Mines announced in December 2006 that they were stopping gold production at the Vatukoula mine and have since said they are



Credit House, Suva, Fiji



negotiating with interested parties for the sale of the mine. The mine has been operational for some seventy years and employs up to 1,600 workers. The loss of gold exports is estimated at around \$80 million annually to the economy.

The accompanying loss of employment is severely affecting the local community in Vatukoula and adjoining town of Tavua.

In the other sectors of the economy only building and construction, water exports and remittances from overseas performed strongly.

During 2006 management closely monitored the changing market conditions brought on by reduced money supply and we did not suffer any liquidity issues resulting from this. Writing of new business was not impacted with new loans increasing by 9% over 2005 levels.

The new office building in Suva mentioned in last years report has now been fully renovated and we moved into this from our old premises in December 2006. We now have ample space for our operations and the building provides a permanent head quarters for our Fiji business, and will give us substantially increased office space to cater for our existing and future requirements. We can now proceed to employ the additional staff we need to strengthen our administrative procedures which will enable us to provide an improved level of service to clients.

We have also opened a small marketing office in Lautoka and this will enable us to increase our market share in the Western Division. This new branch will also assist us in meeting the increased level of competition in the market place, with competitor finance companies, banks and other financial institutions all being more aggressive .

Whilst we will continue to focus on improving the performance of the company to maximise profitability, with the slowing of the Fiji economy in 2007, and political uncertainty resulting from the December Coup, we expect to see a slowing in profitability in 2007 as the country and economy stabilise.

FIJI

(EXTRACTED FROM FINANCIAL STATEMENTS)

BALANCE SHEET

	2006 Fiji Dollars	2005 Fiji Dollars
ASSETS		
Cash at bank	1,154,074	528,505
Receivables, net	54,202,081	52,938,993
Semi-government securities	3,897,504	3,997,504
Property, plant and equipment	2,608,136	1,926,742
Investments	52,500	52,500
Future income tax benefit	1,701,301	1,569,673
Other debtors	396,436	283,338
Total Assets	64,012,032	61,297,255
LIABILITIES		
Accounts payable	285,776	435,304
Deposits	41,259,332	41,857,012
Provision for income tax	1,225,579	1,293,169
Provisions and accruals	947,720	754,884
Subordinated loan	3,100,000	3,100,000
Deferred tax liability	3,562	7,342
Total Liabilities	46,821,969	47,447,711
Net Assets	17,190,063	13,849,544
SHAREHOLDERS' EQUITY		
Issued capital (2,150,000 ordinary shares of F\$1.00 each)	2,150,000	2,150,000
Share premium reserve	1,300,000	1,300,000
General reserve	600,000	600,000
Capital profits reserve	633,814	633,814
Retained profits	12,506,249	9,165,730
Shareholders' Equity	17,190,063	13,849,544
PROFIT AND LOSS ACCOUNT		
Operating profit	6,066,642	5,340,130
Income tax expense	(1,866,123)	(1,687,924)
Operating profit after tax	4,200,519	3,652,206
Retained profits at the beginning of the year	9,165,730	6,266,024
Dividends	(860,000)	(752,500)
Retained profits at the end of the year	12,506,249	9,165,730

Board of Directors

Sir Henry ToRobert (Chairman)
 Noreo Beangke
 Garth McIlwain
 Ross McDonald
 Lionel Yee

Credit Corporation (SI) Limited completed its first full year's operation in the Solomon Islands with pleasing results. We recorded an operating profit before tax of SBD\$926,923, a very good result in a difficult business environment. This result was influenced by the unfortunate riots that took place in Honiara in April 2006. This had a direct impact on lending which was halted temporarily and only slowly reinstated. In addition, the riots also affected delinquencies with many businesses damaged or destroyed. It is hoped that with a stable and committed government and the ongoing help and support of RAMSI, the business conditions that are starting to show signs of improvement, will continue.

Credit Corporation (SI) Limited's core business in the Solomon Islands remains equipment finance by way of Bills of Sale and Lease Agreements. This includes finance for earthmoving equipment, mining equipment, motor vehicles, shop and office equipment and gensets.

In addition to equipment finance, Credit Corporation (SI) Limited also accepts Interest Bearing Deposits (IBD's) which pay attractive rates of interest based in the market rates for funds at the time.

Staffing levels have increased to four personnel consisting of the Manager plus three officers who handle the lending, collections and the reception. This increase has been bought on by the increase in enquiries as well as the increase in delinquent accounts brought on by the April 2006 riots.

The commitment that Credit Corporation (SI) Limited has made to the Solomon Islands remains despite the riots and the unfortunate ongoing spat with the Australian Government. As stated previously, with a stable government in place, Credit Corporation (SI) Limited will stay committed to assisting the people of the Solomon Islands in their financing and investment needs for many years to come.



A view of Solomon Islands looking across Iron Bottom Sound

SOLOMON ISLANDS

(EXTRACTED FROM FINANCIAL STATEMENTS)

BALANCE SHEET

(Amounts in Solomon Island Dollars)
2006 2005

Assets

Cash at bank	1,649,887	1,294,866
Receivables, net	15,107,843	1,681,889
Investment securities	-	6,729,695
Property, plant and equipment	197,102	263,298
Other debtors	38,658	43,803
Total Assets	16,993,490	10,013,551

Liabilities

Creditors	756,997	334,504
Deposits	6,259,590	-
Total Liabilities	7,016,587	334,504

Net Assets

9,976,903 9,679,047

Issued capital (10,000,000 at SBD\$1.00)	10,000,000	10,000,000
Accumulated losses	(23,097)	(320,953)

Shareholders' equity

9,976,903 9,679,047

PROFIT AND LOSS ACCOUNT

Operating profit / (loss)	926,923	(320,953)
Income tax expense	(329,067)	-
Operating profit before tax	597,856	(320,953)
Dividends	(300,000)	-
Accumulated losses brought forward	(320,953)	-
Accumulated losses at the end of the year	(23,097)	(320,953)

Board of Directors

Sir Henry ToRobert, KBE (Chairman)
Noreo Beangke
Robert Allport
Phillip Wyatt

Registered Office

Credit House, Cuthbertson Street
Port Moresby, Papua New Guinea

Principal Place of Business

Credit House, Cuthbertson Street
Port Moresby, Papua New Guinea

Directors

Sir Henry ToRobert, KBE (Chairman)
Noreo Beangke (Managing Director)
Fr Barry Hanson
Sinai Brown
Luke Polangou
Michael Koisen
Leon Buskens
Rod Mitchell

General Manager and Secretary

Robert Allport

Auditors

KPMG Chartered Accountants
PO Box 507
Port Moresby
Papua New Guinea

Share Registry

PNG Registries Limited
Level 2 AON Haus
PO Box 1265
Port Moresby
Papua New Guinea
Telephone: (675) 321 6377
Facsimile: (675) 321 6379
Email: ssimon@online.net.pg

Bankers

Australia and New Zealand Banking Group
(PNG) Limited
Australia and New Zealand Banking Group
(Fiji) Limited
Bank South Pacific Limited
National Bank of Solomon Islands Limited

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PAPUA NEW GUINEA**CREDIT CORPORATION (PNG) LIMITED**

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Papua New Guinea
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Lautoka, Fiji Islands
Telephone: (679) 6652 025
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Facsimile: (677) 22118
Email: pwyatt_creditcorp@solomon.com.sb