



Australian Government
Indigenous Business Australia

Media release

RESULTS SHOW GROWTH, CHALLENGE AND CHANGE FOR INDIGENOUS BUSINESS AUSTRALIA

Indigenous Business Australia (IBA) tabled its Annual Report 2015–16 detailing outcomes for Aboriginal and Torres Strait Islander peoples in areas of home ownership, business development and commercial investment opportunities.

IBA Chair Eddie Fry in presenting the report said everything we do is to enhance the economic advancement of our customers and ongoing improvements to our programs remained a keen focus in 2015–16.

'In 2015–16, IBA provided a platform for over 1,000 jobs for Indigenous Australians, supported over 420 Indigenous entrepreneurs in capability development activities, and provided \$162 million in capital to Indigenous Australians to enter into home ownership.

'Whilst these are very meaningful outcomes, IBA must continue to strive to do better to generate greater economic opportunities for Indigenous Australians', Mr Fry said.

Summary of 2015–16 results

In accordance with its legislated purpose, IBA grew its net asset value by 4.8% to \$1.24 billion (measured at fair value) and delivered the following program outcomes.

Indigenous Home Ownership Program

IBA responded to range of factors faced by IBA's customers by introducing additional interest rate discounts and new policies which enable people to achieve home ownership.

489 new home loans benefiting over 1200 Indigenous customers and their families.

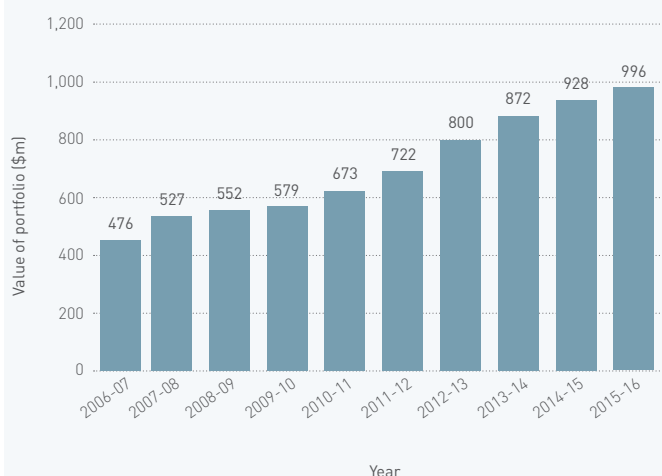
The financial year ended with 489 new home loans approved for Indigenous Australians, with a total value of \$162 million (up eight per cent on last year).

The percentage of home loans made to first home buyers increased from 91 to 93 per cent and 77 per cent of home loans were for homes in regional and remote areas.

IBA's total home loan portfolio increased from 4,471 to 4,591 active loans with the total value of the housing loan portfolio growing to \$996 million.

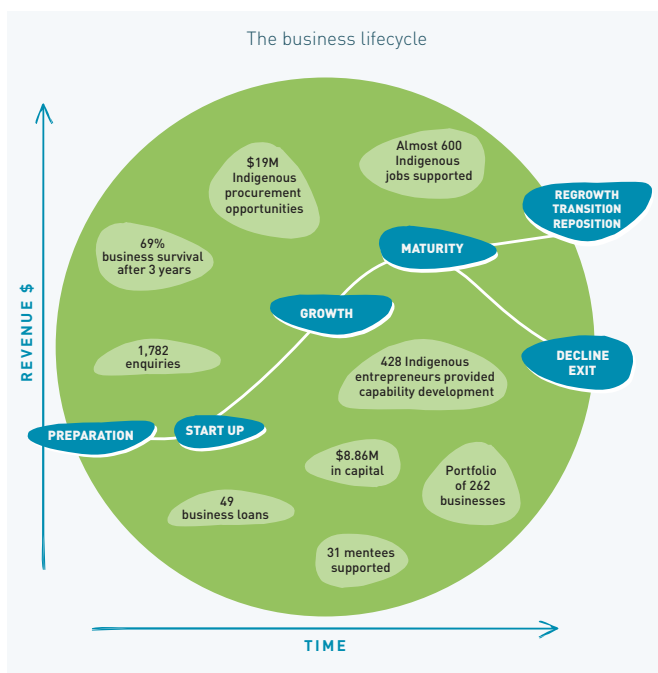
Employment for almost 600 Indigenous Australians through the Business Development and Assistance Program.

Total value of the housing loan portfolio, over ten years



Business Development and Assistance Program

Changes to our Business Development and Assistance Program were made to align with our customers' needs and the business life cycle', said Mr Fry.



The number of business loans provided was lower than expected at 49, but this is only one of the suite of business development and assistance products that IBA provides. Our asset leasing also fulfils a vital role in business success.

Over 420 Indigenous entrepreneurs were supported in capability development. Significantly, 69 per cent of business loan customers were still in business after three years.

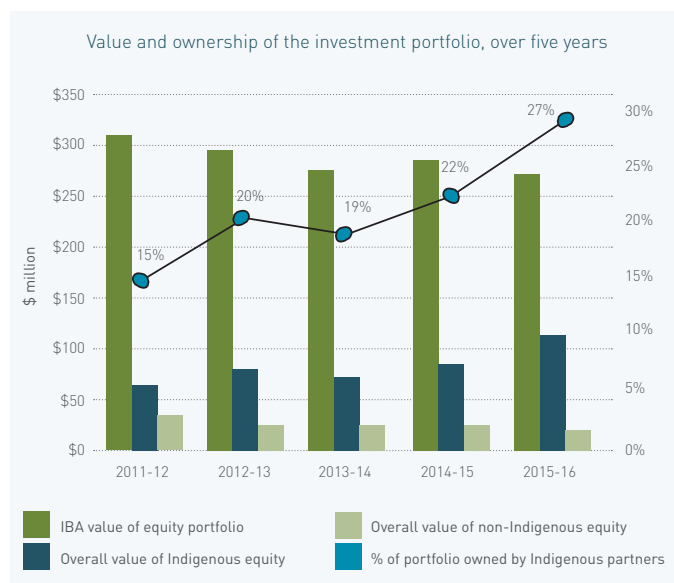
At 30 June 2016, IBA's total business loan portfolio stood at 262 with a total face value of \$53 million that supported almost 600 jobs.

Equity and Investment Program

The Equity and Investments Program enhanced its asset and funds management platform, launching the Indigenous Prosperity Funds and continuing to grow the Indigenous Real Estate Investment Trust.

Overall the investments program generated more than \$23 million in financial benefit to Indigenous Australians in 2015-16 through financial returns, wages, and training and procurement outcomes.

The investment portfolio returned 7.1 per cent to our Indigenous partners which exceeded targets. The overall portfolio is valued at \$408 million of which \$109 million is held by Indigenous investors.



The investment portfolio subsidiaries supported 208 jobs for Indigenous Australians with an additional 188 employed by the businesses to which IBA supplies leasing options.

Indigenous investment partners received a 7.1 per cent return.

'After a year of growth, challenge and change, IBA remains in a strong financial position and is well positioned to meet its current and future operating commitments', Mr Fry concluded.

To access the IBA Annual Report, visit iba.gov.au.

Images are available upon request. Media contact:
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About IBA

IBA is a commercially focused organisation. Economic independence for Aboriginal and Torres Strait Islander peoples is at the heart of what we do. Our programs assist Indigenous Australians to buy their own homes, be successful in business, and invest in commercial ventures that provide strong financial returns.

IBA is established under the *Aboriginal and Torres Strait Islander Act 2005* (ATSIA Act) and is a corporate Commonwealth entity for the purposes of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). IBA resides in the portfolio of the Prime Minister and Cabinet, and is accountable to the Australian Parliament through the Minister for Indigenous Affairs, Senator the Hon. Nigel Scullion.