

31 August 2005

Mr Scott Evans
General Manager
Stock Exchange of Newcastle Ltd
Ground Floor, 384 Hunter Street
NEWCASTLE NSW 2300

Dear Sir

DIVIDEND PAYMENT

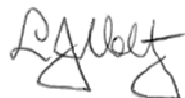
This letter is to advise that the Board of Pioneer Permanent Building Society Limited has declared a Final Dividend for the 2004/05 financial year of 6 cents per share fully franked, payable on 27 September 2005.

The record date is 13 September 2005.

This dividend was reported to the NSX in the Society's annual results lodged on 24 August 2005.

If you require any further information in relation to this matter, please do not hesitate to contact myself on (07) 4951 2344.

Yours faithfully



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LARRY VOLTZ
COMPANY SECRETARY

ljv.dh