

MEDIA RELEASE

28 February 2006

Pioneer Continues Steady Growth, Unveils ASX Plans

Leading regional Queensland Building Society, Pioneer Permanent, today announced an increased net profit before tax for the half-year ending 31 December 2005 of \$1.3 million, 5.6% up on the previous corresponding period.

The Society has also unveiled plans for a move from the Newcastle Stock Exchange to the Australian Stock Exchange (ASX), with a Special General Meeting of shareholders to be held in April 2006 to vote on a change to the Society's constitution.

The Board expects the ASX listing will improve the marketability of the Society's shares.

Pioneer has continued its recent steady growth with positive results over the six months to 31 December 2005.

Loan balances increased by \$11 million to \$318 million and deposits increased by \$31 million to \$454 million. Total assets at 31 December 2005 stood at \$499 million, an increase of 6.7% since June 2005.

An interim dividend of five cents per share fully franked has been declared, which is an increase of 25% on the previous corresponding period and in line with the Board's policy of increasing dividends while retaining sufficient profits to build up the Society's reserves.

This dividend equates to a payout ratio of 56% of after tax profits. The ex-dividend date is 10 March 2006 and the dividend payment date is 28 March 2006.

Capital adequacy and liquidity continue to remain well above regulatory requirements.

With a number of new initiatives in place, and a dedicated team of staff and associates, the Board and Management remain confident about the Society's longer term growth prospects.

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Pioneer Permanent was established as a Mackay-based Building Society in 1967 and now has a network of over 50 outlets across regional Queensland. The Society listed on the Stock Exchange of Newcastle Limited (NSX) in March 2004. Pioneer provides a full range of banking and financial services and continues to reinvest funds into the communities in which it operates.