

Logan Community Financial Services Limited Chairman's Address 2012

Good Evening Ladies & Gentlemen welcome to the LCFSL 2012 Annual General Meeting

It is my pleasure to present the Logan Community Financial Services Limited 9th annual report & my first as Chair of this company. For the year ending 30 June 2012 we posted a net profit of \$490,350, an approximate increase of 76% on the previous year.

We saw some significant economic factors & an exceptionally competitive market throughout this period but our consistent delivery of excellent customer service and community engagement I feel has contributed to our success.

Achieving a \$16.9 million increase or 5% in our business size now totaling \$353.2 million is a great accomplishment & I believe a more than satisfactory and solid result.

Our Company now boasts five branches throughout Logan namely Springwood, Loganholme, Marsden, Browns Plains and Beenleigh. Earlier this year we celebrated the opening of an agency at Greenbank; located in the Greenbank Plaza Newagency. I would like to thank Mr and Mrs Burrows owner's of Newagency for their support in aiding us in our long term goal of providing banking services throughout the whole of Logan City.

This agency is already exceeding expectations; we are now, as always looking for other areas within Logan that this type of structure may suit to ensure our customers are provided with convenient banking facilities in their local area without the need to travel to neighbouring suburbs.

Our Company has a twofold purpose firstly to provide a solid investment and return to our Shareholders and secondly to aid and support the community of Logan City.

I am extremely pleased with the recent announcement of a 9c fully franked dividend to be paid later this month (November) this now brings the total dividends paid since 2007 to just over \$1.1million, I would like to thank our shareholders for their patience in the early years when the company was getting on its feet. Our shareholders held faith in our vision and that faith is now being rewarded.

We continue to encourage and remind our Shareholders that you're on-going support as customer's remains invaluable in ensuring our future success, as you know it's this support and banking activity that ultimately determines the level of return to the local Logan Community.

Returning profits to the local community is a core philosophy of the **Community Bank®** network and here at Logan we are no exception. Contributions of \$80 million from the national **Community Bank®** network have touched the lives of thousands of "local" Australians. I am happy to advise that LCFSL has contributed back to the Logan City Community in excess of \$1,980,833 through donations, investments (includes purchase of just over \$1million for new Loganholme Branch 2014) , sponsorships & grants since its inception in 2003, which helps to improve the economic and social prospects of the recipient clubs and organisations.

Our Marketing Committee and Community Projects Committee continue to look for opportunities that could be undertaken with the aid of funds generated by the Logan **Community Bank®** branches. Projects may be small, large, one-off or ongoing and may also be carried out with other community groups, local, state or federal government. Selected projects will help make Logan a stronger, more sustainable and resilient community.

During 2011/12 over \$105,432 was given back to the Community via sponsorship support to numerous sporting and local community groups including the 3 PCYC's within Logan City, Tall Trees Tanah Merah, BRAKE Youth Driver Education Program, Eden's Landing Rugby League, Shailer Park and Daisy Hill Netball Clubs, Loganholme FC, Chamber Pines Veteran Golf Club, Park Ridge Pirates, Browns Plains Little Athletics, Lighthouse Calvary Care to name a few. We were again proud hosts of the annual Big Day Out an event for people with disabilities held earlier this year.

As this is my first year as Chairman I would like to share with you my vision and goals for the Company during my term. Firstly, I want to connect more and more with our communities at a grass roots level. We are striving for each of our **Community Bank®** Branches to connect with its own backyard and to engage with their local people and provide feedback to us as to how best we can aid these local communities.

Secondly we wish to develop and maintain a strong board. With no disrespect to the Boards of the past, I believe our current board to be one of the best boards that this Company has had as it possesses a diversity of backgrounds, experience and skill sets.

The financial year has seen some changes to our management team; Springwood, Loganholme & Marsden branches have all seen new managers come on board. Peter Wild, John Worboyes and Matthew Harris (respectively) joined the company; all of these gentlemen have many years in the banking industry and bring a wealth of knowledge to our company, we welcome them all and look forward to their progression with the Logan **Community Bank®** group.

I would personally like to thank our dedicated staff members in all 5 branches for their continued efforts and contributions in delivering the **Community Bank®** point of difference and for delivering an exceptional standard of service to our customers. To our management team I thank you for your continued commitment to your roles in ensuring that we achieve our priorities. Thanks also to our Regional Manager, Mark Lally & the Bendigo & Adelaide Bank Limited Support team for their ongoing assistance and partnership contribution.

I would also like to thank our Administration Team of Michelle Todd and Donna Duncan who work tirelessly behind the scenes keeping the wheels turning.

This time last year our dear and beloved former Chairman, Colin Nelson gave his last Chairman's Report. Unfortunately Col passed away in January of this year after a long battle with cancer. I would like to acknowledge the great work Col did in his years as Chairman of our Company and thank him for having left the Company in such great shape.

Finally to you our Shareholders, thank you for your ongoing support. I encourage each and every one of you to be strong advocates for our Company, to get out there and encourage your friends and family to bank with us, to make use of all our services and keep telling the story of how banking with Logan **Community Bank®** Bendigo Bank is not only good for business but good for you and good for the Community in which you live.

Moving forward I am sure there will continue to be challenges; however I am confident that if we continue to focus on our connections with the Logan community and by continuing to help our customers achieve their financial goals and aspirations 2012/2013 will be an even greater year.