

16 January 2013

Dear Shareholder,

The board is pleased to advise that the progress on the Kew Site branch is progressing well. The minimum Capital Raising outlined in the Prospectus has been reached and the board resolved to continue accepting applications. Capital Raising can continue for 3 months from the opening of the branch. The fit-out for the branch is near completion with staff being engaged and trained. Presently the capital raised is over \$300,000.

During the next few months the board will monitor the share applications and directors will determine the allocation of the shares to successful applicants who will receive the Share Certificates indicating their allocation. Any excess funds from the raising will be returned by cheque to the unsuccessful applicants.

On behalf of the board I am delighted to invite you to the Opening of the Kew Community Bank[®] Branch of Bendigo Bank opposite Woolworths off Walpole Street, at the Kew Junction, on Wednesday the 6th February at 10:00am with the official opening at 10:30am. A tour of the branch and refreshments will follow.

In the light of new shares being issued the board reviewed the dividend policy. It has been resolved to declare dividends once per year in line with the majority of other community bank companies. The 2012 December results will be announce through the NSX as required.

Yours sincerely,



Rod Albury - Chairman
Kew East Financial Services Limited
ACN 096 301 058

Rod Albury

0438 118 148