

June 2009

Dear Fellow Shareholders,

We would like to give you a brief update on the progress that has been made by the **Balmain / Rozelle Community Bank[®]** Branch of Bendigo Bank, of which you are a part owner.

Based upon our recent monthly financial reports, reviewed monthly by the Board of Directors, we would have been profitable within the first three years of operation had it not been for the recent global financial environment. In common with many other businesses, our earnings dropped as trading conditions became difficult. The situation within our Bank is now improving. The month of May had the highest income of any previous month since the Bank was opened in August 2005. The number of account holders continues to grow and, with that, the total balance on our books.

We currently have balances of over \$60 million. Many of you may remember that we had a 40/20 Promotion. It was our intent to return \$20,000 to the local community when our total balances reached \$40 million.

This was achieved earlier this year and, despite the current difficulties, the \$20,000 is being distributed to a number of worthwhile causes to honour our previously stated commitment. We, as a Board, are delighted to be able to do this and look forward to further distributions in the future.

Most importantly we would like to thank you for your continued support. Without you the Bank could not have been established. We hope you are also proud that we have started to contribute to the local community.

The more successful the Bank is the more money we can give away. To continue the growth of your Bank, if you are not already a customer, please consider becoming one. Also, please consider recommending the Bank to family, friends and colleagues.

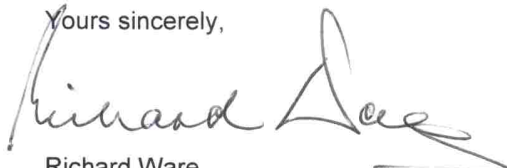
Larry Delaney, our Branch Manager, would be delighted to hear from you on (02) 9555 7884 or by email Larry.Delaney@bendigobank.com.au

Larry and his team can help you with:

- Refinancing of your home
- Helping first home buyers in your family
- Addressing your insurance needs
- Providing financial planning and wealth creation
- Assisting with investment products
- Providing business finance

Again we thank you for your support and confirm the commitment of your Board to help the local community in a meaningful way,

Yours sincerely,



Richard Ware
Chairman