

Senior Manager Report to AGM 8th November 2011

Thanks Nan.

Well I'm very excited to be presenting to my first AGM as Senior Branch Manager of the company.

Before I address the results of the business over the past 12 months I would like to acknowledge our recently retired Senior Manager, Noel Donnelly, for his huge contribution to this company since the doors first opened in 2001. I consider myself very lucky to have inherited such a healthy business and would like to thank Noel for his support and friendship since I came on board as Heidelberg branch manager in 2009. On behalf of all the staff and board Thanks Noel.

Now on to the report.... As a career banker with the Bendigo for over 14 years and having been involved with a number of community bank companies it has been truly eye opening to see how Heidelberg & District Community Enterprise Ltd approaches the part they play within our local community.

I would like to take this opportunity to mention some of the fantastic results achieved by your bank over the past 12 months to end June 2011.

- Firstly – Our business at Heidelberg has grown to in excess of \$75M in banking business in under 2 years
- Our Combined banking business now exceeds \$233M with \$50M added in the past 12 months
- We have returned some \$252K in community contributions in the past 12 months which brings us to over \$1.5M since opening in 2001.
- East Ivanhoe celebrated its 10th birthday
- And our East Ivanhoe branch was upgraded to our new 'branch of the future' layout which looks absolutely fantastic.

We should recognise however that all of these results would not be possible without contributions from a number of different parties:

- Firstly to our staff who have done a fantastic job over the past 12 months. A great team effort and well done
- To our directors who work tirelessly in support of the branches and drive the company to be the best it can be. On behalf of the staff thank you for your support.
- To our shareholders without whom none of us would be here, we thank you for your investment into this wonderful community initiative.
- And to our partners the Bendigo & Adelaide Bank Ltd who are well represented here tonight thank you for your continued support and for your commitment to working with us as we strive to impact our community for the better.

Finally, we could be forgiven for being satisfied with what's been achieved in the past 12 months and indeed since opening the doors back in 2001. The challenge for our company moving forward is to recognise the true potential of our community bank and of the partnerships that we've built and are

building. The results I have already mentioned are great results however the true results are written on the faces of the people receiving the much needed support that your community bank provides. The model is simple.....the more we grow the more support your community receives, bank with your community bank and see your community benefit. Thank you

Sam Pearce

Senior Manager