

**Hobsons Bay
Community Financial Services Limited**



Announcements
Bendigo Stock Exchange

Fax: 02 4929 1556

COMPANY ANNOUNCEMENT

1. Dividend Payment

We apologise for not announcing earlier that the "dividend payment" cited in our Company's half-yearly report was distributed on the 31st March 2006.

2. Valuation HBCFS Ltd.

A valuation of HBCFS Ltd. prepared by Australian Financial Services and Associates (AFS) was accepted by the Directors. The Treasurer explained that the Finance and Assets Management Committee had discussed the valuation with the Company Accountant, Ken James and Associates.

3. Bonus Issue of Shares

It was agreed that the Finance and Assets Management Committee's recommended value of HBCFS Ltd., of \$2,506,270.00, be accepted. A bonus issue of 1.5 shares for each share held at the 14th August 2006 is to be issued. HBCFS Ltd. issued shares will be 2,506,270.00 ordinary \$1.00 shares.

4. Ordinary Dividend

It was agreed by the Directors that the dividend on issued ordinary shares be 5% [5 cents per \$1 share] and that projected dividends be at 5%.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michael Pernar', with a long horizontal stroke extending to the right.

Michael Pernar
Company Secretary
31st July 2006