


COMPANY ANNOUNCEMENT  
FOR IMMEDIATE RELEASE TO THE BSX MARKET

20<sup>TH</sup> November 2008

See Attached



**Alan Gostelow**  
Company Secretary

## **Inverloch & District Financial Enterprises Limited Annual General Meeting - 2008 Chairman's Address**

On behalf of the Board of Directors of Inverloch & District Financial Enterprises Limited, it is my pleasure to present the Chairman's report to shareholders at this, the third Annual General Meeting of the Company.

The 2008 financial year was a successful one for the Company and our results are consistent with the forecast in the Prospectus. We continue to gain banking business and are progressing towards our vision "To be the Bank of choice for the communities across our region". You will note from our Annual Report the operating revenue has increased to \$433,000 and this is a 57% improvement from the previous year. The profit before tax has increased by 158% from the prior year operating loss in the previous year to \$35,000 for this year. This has reduced the accumulated loss for the business by just over 22% to \$124,000.

Your Community Bank Branch continues to grow the business through both expanding the customer base and the average number of products per customer. Through this growth, the Company has been able to support a number of community initiatives and organisations throughout the year. I am particularly pleased to report to shareholders that this support has not drawn upon shareholders funds at anytime. This outcome has been achieved though the Marketing and Development Fund provided by Bendigo Bank for the purpose of advertising and promotion in the local community. The Directors believe that the best form of advertising and promotion of the Company is through delivering tangible benefits to our community.

On behalf of the Board, I thank Jackie Laurie our Branch Manager and all other staff members for their performance and contribution towards the results achieved.

I also acknowledge the extra effort that the current Directors have contributed during the year attending to the Company's business, without any form of remuneration. The task for Directors this year has been more intense due to reduced numbers following resignations throughout the year, with the workload spread across a smaller but nonetheless dedicated group. I thank them for their support and efforts throughout the year.

Although the current world financial circumstances are in uncharted territory, the Board believes that the Inverloch and District Community Bank remains well placed to offer a competitive range of banking and financial products and services to our community.

We also believe that our relationship with the Inverloch Surf Life Saving Club foreshadowed in the Annual Report, will materially benefit the Company in future years and contribute to the development of a community asset as well as development of youth in this region.

For the benefit of shareholders, I reiterate that the Company has agreed to contribute to the construction of a Clubhouse for the Inverloch Surf Life Saving Club. This agreement is subject to full funding for the project being available and the Club receiving the necessary statutory approvals. I also wish to make it clear to shareholders that this project, similar to the other contributions to community initiatives already undertaken, will also be drawn from the Bendigo Bank Marketing & Development Fund and not from shareholders funds.

In this context I reflect upon some comments from the Principal of the Inverloch Primary School, Stan Jackson, that the Community Bank's contribution towards the construction of the Common Purpose Building allowed the project to be satisfactorily completed. This magnificent facility is used regularly by the school for activities such as school assemblies, lessons in physical education, music and cooking; as well as special activities such as the end of year concert and other special events. The facility is also used by the broader community for activities such as karate classes and dance lessons. To quote Stan "We wonder how we ever did without it"

The Board continue to explore ways in which to expand the business horizons for the Company through establishing mutually beneficial partnerships with customers and local community groups. We are also keen to ensure that we are able to contribute to capital retention and the development of social infrastructure throughout the region. This will ensure that our community assets will meet the needs of today as well as developing a legacy for future generations. We believe that this strategy also has the potential to deliver benefits to shareholders through future dividends.

Finally, I thank all shareholders for attendance and their continued support of the Company.

## Manager's report

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For year ending 30 June 2008

Having completed just over two years of trading it is pleasing for me to report we are continuing to grow our business as projected. We now hold more than 2200 customer accounts and have in excess of \$45 million in deposit and lending business on the books. This is a true reflection of the support from our shareholders, business people, mums and dads, individuals and the many clubs, groups and organisations within our community.

Thanks to their support we have in turn been able to contribute to our community groups more than \$47,000 in grants, donations and sponsorships made to date.

I would like to welcome new staff members Anngie Krom and Laura Rockall to our Customer Service team. If you haven't met them yet, make a point of coming in to say hello. Many thanks go to familiar faces - Allison Drury and Delia Perry for their dedication and assistance throughout the year.

Further thanks is also extended to our Chairman, Alan Gostelow, and his dedicated group of Directors who give up many hours to attend meetings, training and meet with community groups and who run what is today a multi-million dollar business.

It is exciting to note we have made a commitment to contribute \$100,000 to the Inverloch Surf Life Saving Club to assist them build new clubrooms. This is a project that will benefit our community, create more infrastructure in the town and provide an improved service and a safe patrolled beach to our many visitors to the town.

Looking towards the next 12 months we aim to grow the business for our shareholders and customers alike to the extent that we achieve profit and can maintain the contribution of funds back into our community. For us to keep expanding our business and continue this momentum we ask you to support us with your banking and to recommend us to your family, friends and business contacts.

Remember at the Bendigo it starts with U.



Jackie Laurie  
Manager