

**Annual General Meeting ( SERPENTINE, 28/10/08 ).**

**Chairmans' Address :**

"The global financial climate is one of some uncertainty and change. Our local weather is persisting harsh and dry, - yet our communities remain strong and resilient.

We cannot influence the State, National, or International financial scene. In Bendigo and Adelaide Bank we are, however, partnered with a bank which is strongly capitalised, meets every prudential requirement and has a very sound balance sheet. This partnership has allowed us to take the first steps towards achieving some of the goals first articulated when we launched our Prospectus in March 2007. – The prime motive behind the establishment of our Community Bank Branch was to wrest back some control over our destiny "by returning significant profits generated by our banking to our community". As your Directors, we are proud to stand before you tonight and state that this evening marks the first community return on your investment – an investment of both money and faith.

As stated in the report, during our first financial year business has risen to some \$45 million – it has more than doubled since we first agreed to purchase the branch. As indicated in the Report, this growth has been due to :

- Our Shareholders
- Our customers
- Our loyal, local staff
- Our partners ( Bendigo and Adelaide Bank ).

We are now a consistently profitable business – so much so that we have already returned some \$15 000 to the local community in the form of sponsorships and have placed \$50 000 with the Community Enterprise Foundation. At the conclusion of this meeting we will have great pleasure in formally putting that money back into the community. We have started to achieve what we originally set out to do.

I also indicated in the Report that we had resolved to declare a dividend at the time of our September meeting and we have done so – 4 cents per share ( or 4% ).

There have been other highlights throughout the year including our successful listing on the BSX.

I am indebted to the hard work of my fellow Directors, our honorary secretary ( Heather ) and our honorary assistant treasurer ( Dianne ). We could not have achieved anything without the support of our staff ( Jill, Andrew, Suzanne, Aaron, Ruth, and Katherine ).

Finally, the biggest thanks must go to our shareholders and our customers. They are the ones who have shown that no matter what the climate, your Community Bank Branch can make a positive difference to your community. I commend the Report to you and now invite Manager Jillian Burdett to address the meeting.

Max Higgs