

**Chairman's Address**  
**Logan Community Financial Services Limited**  
**Annual General Meeting 2007**

Ladies and gentlemen, rather than stand here and deliver you an address this year, what I'm going to do is give a power point presentation in conjunction with Darren Cahill our Area Manager, Darren is also one of our Directors.

I think that you will see from my Annual Report that I have covered most areas that I would normally discuss in my address, so I would like to invite Darren Cahill up to commence the presentation.

*(Copy of presentation attached)*

Thanks very much for your presentation Darren, I am sure that you will all agree that it offered a greater understanding where our Community Banking Group stands at the moment. And in particular the achievements that we have been able to reach during the last 12 months.

As we move forward and we are able to sustain the current growth and profit projections, we will become more and more involved with similar and larger projects that directly benefit the Logan community. And in doing so we must not forget you the Shareholders, which leads me into a few reassuring words regarding current and future dividends.

In April of this year we issued a substantial dividend of close to \$100,000 to all our shareholders and in doing so we trusted that this would offer you reassurance and confidence in the future of our Community Banks going forward. As for future dividends, we are currently evaluating and assessing our position in relation to payment of the next dividend. We are more than happy to keep all our shareholders informed through our quarterly newsletter.

What I need to emphasise to you is that in order to pay a dividend it is a requirement by ASIC, to have an accounting profit in a current year, unfortunately due to accrual of our annual fees to Bendigo Bank this resulted in not having a profit in excess of the dividend paid. We have reviewed the results and realised this must be overcome for the 2007 - 2008 financial year before we can pay our next dividend.

In summary I am more than happy with our current position and feel very confident that our future will grow to offer the rewards that we all expect. If you have any questions regarding our presentation we will be allocating some time later in the meeting.

I thank all of you for your confidence and support during the past year. I would also like to take the opportunity to thank my fellow directors, managers and staff.

**THANK YOU.**