

Logan Community Financial Services Limited
Chairman's Address

AGM 7th November 2011

Good Evening Ladies & Gentlemen welcome to the LCFSL 2011 Annual General Meeting.

It is my pleasure to present Logan Community Financial Services Limited's eighth annual report. I can confidently say that we are in a strong financial position having weathered the past & current economic pressures. We have managed to achieve acceptable profits together with acceptable growth activity; these results have been achieved even after paying our shareholders an eight cent per share dividend in November 2010 and our continued support of the many and varied community groups throughout Logan City.

Our company again set some very ambitious growth targets for the 2010/2011 financial year and I can favourably report that we have not only met but exceeded these expectations, having grown our funds under management (business) by \$45 million during this period, exceeding the \$34 million budget set by the bank. Total banking business for the company at the end of the financial year was \$336.2 million, equating to growth of 15.4%.

The 2010/11 financial year has been an excellent consolidated year for our business. We are now operating in clear profit and we have a management and business writing team driving growth significantly above expectations & industry standards.

We are extremely happy to have recently announced to our shareholders an 8 cent per share dividend payment to be paid later this month. It is of great importance to us to consistently provide a return to our faithful shareholders and we are committed to achieving this. We thank all of our shareholders who have been supportive both through continuing to bank and engage with us during the past year.

Great community relations are no accident; it takes continuous and positive communication by our Company Directors, Branch Managers & staff to develop personal relationships with their entire community. Simply stated, building community relations is good practice and good business.

Over the past eight years we have maintained and developed some strong relationships within our community and we are now able to enhance these associations in our capacity to offer greater assistance, not only in monetary ways. Our staff contribute to these commitments all freely give their time to support & assist at various events & functions associated with the recipients of our investments.

The Logan Community Bank group is now consistently returning profits which has allowed us to give back to our community a number of worthwhile investments and support over the past twelve months:-

BRAKE – continued support to this youth driver behavioural training program that we endeavour to have running in a number of high schools throughout Logan
Major naming sponsor of the 2011 Kaleidoscope multicultural festival
Logan's Big Day Out for the disabled community of Logan
Various sporting organisations
Underwood Netball Club
Rochedale Rovers
Browns Plains Rugby League Club
Logan Brothers Rugby League Club

Loganholme Uniting Football Club – recent winners of the BDS Sports Organisation award. We have now provided this club with sponsorship for 4 years and look forward to many more. The network of PCYC branches within Logan continue to receive support from our company.

Our Community Bank branches look forward to continuing their community commitment and are constantly looking at ways in which we can contribute and make a difference to our special community of Logan.

Our branches continue to achieve results with the expert leadership of our Area Manager, Drue Hutchinson, his dedication and enthusiasm to the role ensures that our Managers are provided with the appropriate mentoring & guidance to sustain the growth of our branches, my sincere thanks goes to Drue.

Reaching yet another milestone saw myself & fellow Directors becoming the custodians of a now \$340 million company, this remarkable group of community minded men and women are always ready to give their time and support to achieve the goals and objectives necessary to ensure our companies success.

Thanks also to our Administration staff, Manager, Michelle Todd and Donna Duncan who ensure the smooth operation of the company and branches; Donna was also recently appointed as our Community & Investment Co-ordinator to oversee the marketing and public relationship side of our business.

Not to forget the supportive foundation provided by our partners Bendigo and Adelaide Bank Limited. Their guidance & assistance helps us to achieve our full potential. Assistance provided by Mark Lally, our Regional Manager, and his team, is all very much appreciated. My thanks in general go to all the Bendigo and Adelaide Bank Limited support network.

I personally as your Chairman for the past eight years feel a great sense of pride with the continued success of this banking group; it has given me tremendous reward. I believe having again achieved consistent profit we are now in a position to offer the Logan City community the rewards that flow from our success.

We strive to be Logan's most recognised & preferred financial partner in supporting the community.

Thank you