



Friday, 26 October 2007

BSX Announcements Office
FAX 02 4929 1556


Good Day

Re: Dividend Payment

Please be advised that on October 25, 2007 at the Directors' Meeting of Mt Evelyn & District Financial Services Ltd, the Directors resolved to pay a 6.35 cent fully franked final dividend, for the year ended June 30 2007, on each ordinary share held.

The record date is November 9, 2007 and the payment date is to be November 30, 2007.

Yours faithfully


Margi Sank
Director and Treasurer

Shop 2, 35-39 Wray Crescent, Mt Evelyn VIC 3796 Phone 03 9737 1833 Fax 03 9737 1844 ACN 096 782 240
Franchisee of Bendigo Bank Limited ABN 11 068 049 178 AFSL 237879



Treasurer's Report.

Good evening all

It is such a pleasure to present my 2007 Treasurer's Report.

At the last AGM I took some time to reflect on where we had come from since the formation of the steering committee, the establishment of your company, raising capital and the start of the banking business of the Mount Evelyn & Districts Community Bank.

We knew that the Bank would be good for our town, from both the perspective of providing great banking and the flow on effect of a healthy trading hub.

When we started on this road, there were not the proliferation of profitable community banks and so we could not see the tangible evidence of the other benefits to the community, namely grants and sponsorship. We knew that there would be a contribution to the community but not the quantum possible.

In addition to paying fully franked dividends for the last two years of cumulative net profit we have returned significant funds back into the community by way of dividends to shareholders and community grants and sponsorship.

The total dividends paid to date are approximately \$109,600. The dividend declared tonight of 6.35 cents per share amounts to approximately \$44,600. These fully franked dividends total approximately \$154,200. In addition, we have invested in our community by awarding grants and sponsorship of approximately \$250,000 over our period of operation. When these amounts are added together, our contribution to the community measured in only these dollar term is more than \$404,000 for our period of operation.

This is a significant result and rewards the trust both you our shareholders and the wider community placed in us, your board, and the whole team at the Bank.

So to the future:

In relation to dividend payments, the board wishes to continue to pay fully franked dividends and to maximise the returns to shareholders. These dividends will now be paid annually in order to maximise the benefits to both shareholders and the community. In addition, we will be offering the ability to have your dividends directly credited into your nominated bank accounts. The information requests will accompany the dividend cheques and notices to be posted after November 30 2007 and will relate to future dividend payments.

We can also see the benefit to you our shareholders as a result of listing on the Bendigo/Newcastle Stock Exchange as you now all have access to information about your company through the internet. You are able to review various financial reports and non financial information relating to our company and other community banks. Shares can be traded through stock brokers.

The banking business continues to grow and increase in profitability as a result of support from various stakeholders, Bendigo Bank Community Network, our local government, our banking customers, you our shareholders, a dedicated and skilled voluntary board of directors, and most importantly the most wonderful team at the bank.

Thanks to you all.

A handwritten signature in dark ink, appearing to read 'Margi Sank'.

Margi Sank

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Treasurer and Director

(43453-v1) (1/10/2007)