

December 15th 2008

Dear Shareholders,

Our recent 2008 AGM was, in essence, an excellent report and endorsement of the continuing success and growth of your Company.

The meeting was strongly attended by shareholders, Board, Branch management and staff, Bendigo Bank personnel, grant recipients, Tim Heenan and Len Cox on behalf of the Shire, and many others.

Also in attendance was Gareth Little-Hales, President of the Montrose Township Group. Gareth has been elected as a Director of our Board, and we are currently in discussion and early planning of a Community Bank @ branch for Montrose. Early 2009 will see the formation of a Steering Committee followed by a Feasibility Study. We expect the Montrose and districts community to be very supportive and positive regarding the proposal. This is a very exciting venture for us as it will mean the establishment of a 2nd Community Bank @ site for your Company. There are a lot of steps to go including some re-structuring of the Company. We have assigned several directors and branch staff to ensure the project, if feasible, will be carried out in the most efficient and expedient way possible. I will keep you duly informed of the progress.

At the AGM, several motions as per the agenda, were put to shareholders for approval and I found it very pleasing that all were strongly supported.

Included in my presentation was not only a progress report of our very pleasing growth, but also a report of what we have returned to our community. The total figure, essentially since we attained accumulated profitability 3 years ago, is now in excess of \$720,000-00! This figure included an allowance for our 12.3% fully franked dividend (which you should have now received), and also allowed for \$95,000-00 for our 2008 Grants Program. Our grant recipients each expressed their appreciation, and gave a brief address of how the grant will be used.

David Watt-Branch Manager, Margi Sank-Treasurer and Tim Heenan all gave positive and supportive speeches as did Lucas Bartlett from "Bridgebuilders" youth organisation. Lucas gave a presentation of what his group does and how our branch is very supportive by way of sponsorship.

Our Bendigo Bank Regional Manager, Alison Burr, in her address praised us for our performance, and also focused on the solidity and depth of Bendigo Bank in the current financial climate.

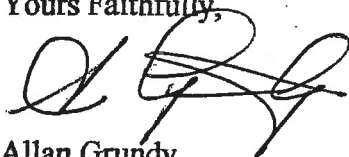
My presentation also included an update on various programs and initiatives that we have instigated and/or participated in.

All in all, it was a most successful and enjoyable "good news" AGM.

Should you have any queries, or suggestions, please do not hesitate to contact me.

On behalf of my Board, Branch Manager and staff, I sincerely thank you for your ongoing support, and take this opportunity to wish you and your family a very merry Christmas, and a safe, happy and healthy New Year.

Yours Faithfully,

A handwritten signature in black ink, appearing to be 'A Grundy', written over the closing 'Yours Faithfully,'.

Allan Grundy

Chairman

Mt. Evelyn & Districts

Community Bank ®