



Wide Bay Australia Ltd
ABN 40 087 652 060
AFSL No. 239686
*formerly Wide Bay Capricorn
Building Society Ltd*

Wide Bay Australia House
16-20 Barolin Street
PO Box 1063
Bundaberg Qld 4670
Australia

Telephone (07) 4153 7777
General Facsimile (07) 4153 7714
Loans Facsimile (07) 4153 7711
Email widebay@widebayaust.com.au
www.widebayaust.com.au

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WIDE BAY NOT TO RENEW PIONEER PERMANENT BID

The Managing Director of Wide Bay Australia Ltd, Mr Ron Hancock today announced that the Board and Management had decided not to increase the consideration payable under Wide Bay's offer to acquire Pioneer Permanent Building Society Limited.

He said that Wide Bay had originally offered \$4.32 per Pioneer share based on publicly available information and following a subsequent tender offer by FirstMac Limited, Wide Bay had increased its offer to \$4.55 per share, which it considered to be full and fair value for Pioneer.

Following the announcement of Bank of Queensland's offer, he said Wide Bay had resolved to await the issue of the Information Memorandum by the Pioneer Board and accompanying Independent Valuation to see whether they contained information which might provide a basis for a higher offer from Wide Bay.

He said Wide Bay was disappointed with the information provided in the Pioneer documentation as it was general in nature and provided little detail. While Pioneer claimed 55 locations and \$500 million in assets, Wide Bay was conscious of the fact that there were only approximately 15 Pioneer owned and operated branches and that the loan book was just in excess of \$330 million. Wide Bay has concluded that the Pioneer documentation does not provide any basis for it to consider increasing its offer price and accordingly it has decided not to renew its bid, which will lapse on 13 November 2006.

Mr Hancock said Wide Bay had always been managed in a prudent manner and Board and Management were not prepared to acquire assets at a premium to their considered value. Wide Bay would continue to monitor developments within the Industry and would, where appropriate be willing to expand its operations through mergers and acquisitions. Apart from like-institutions Wide Bay's philosophy was to also look at any opportunities that emerged with compatible entities.

Wide Bay's move into establishing its own Lenders Mortgage Insurance captive, Mortgage Risk Management Pty Ltd and the acquisition last year of an equity interest in the Brisbane based financial planning group, Financial Technology Securities Pty Ltd, had already made a significant contribution to Wide Bay's overall operations.

He said while Wide Bay was disappointed with the outcome, they would look at organic growth in the Townsville/Cairns area. Our branch development continues with a new branch at Noosa, opened just recently in the new shopping centre and additional branches already planned for Robina (Gold Coast) and Gympie early in the new year.

For further information contact:

Mr Ron Hancock
Managing Director,
Wide Bay Australia Ltd
07 4153 7701
Mob: 0408781154