

**RELEASE TO AUSTRALIAN STOCK EXCHANGE LIMITED
22 September 2008**

Update from Wide Bay Australia Ltd ("Wide Bay")

Mr Ron Hancock, Managing Director of Wide Bay Australia Ltd, today reconfirmed some preliminary unaudited results for the Queensland-based financial institution and provided an overview of the company's operations.

Mr Hancock advised that Wide Bay's fully audited financial statements will be available to the market prior to 30 September 2008.

"Our 2007/2008 results have been very gratifying – including a 13.11% increase in profit to a record \$18.16 million," Mr Hancock said.

"Assets increased to \$2.278 billion - up from \$1.731 billion at 30 June 2007. This figure includes the assets acquired from the takeover of Mackay Permanent Building Society Ltd.

"Our cost-to-income ratio increased from 53.6% in 2007/2008 to 55.5%, principally due to the Mackay acquisition and some additional branch costs."

"Even with that increase, I believe Wide Bay Australia maintains its record as one of the best performing Australian building societies in this respect, with the result also comparing favorably to a number of the regional banks.

Lending for 2007/08 was strong showing an increase of 7% to \$518 million.

Mr Hancock forecast this figure to drop significantly given the current economic situation and the downturn evident in housing demand. Given the increased cost of wholesale market funding, we have also increased our forecast in respect of our loan funding costs.

Even with these prevailing conditions and by taking into account that our figures will also be buoyed by the synergies we expect to receive from the Mackay acquisition; we are projecting after tax profit growth for 2008/2009 in the range of 15-20%," Mr Hancock said.

The dividend declared for 3 October 2008 of 33 cents will bring Wide Bay's total dividend for the year to 66 cents per share. Mr Hancock also confirmed that Wide Bay is receiving strong support from shareholders for its Dividend Reinvestment Plan.

He said that while the current economic situation will provide some challenges, the Wide Bay Board is very confident of producing more solid results again this year.

"Our current structure, a strong balance sheet, our past policy of restricting lending principally to mortgage insured residential loans with no 'sub-prime' or 'low doc' lending and the strong associations we have with our bankers and business partners will help us achieve our goals and forecasts," he said.

For further information, please contact:

Ron Hancock
Managing Director

Phone 07 4150 4001 or Mobile 0408 781 154

Email rhancock@widebayaust.com.au

ENDS

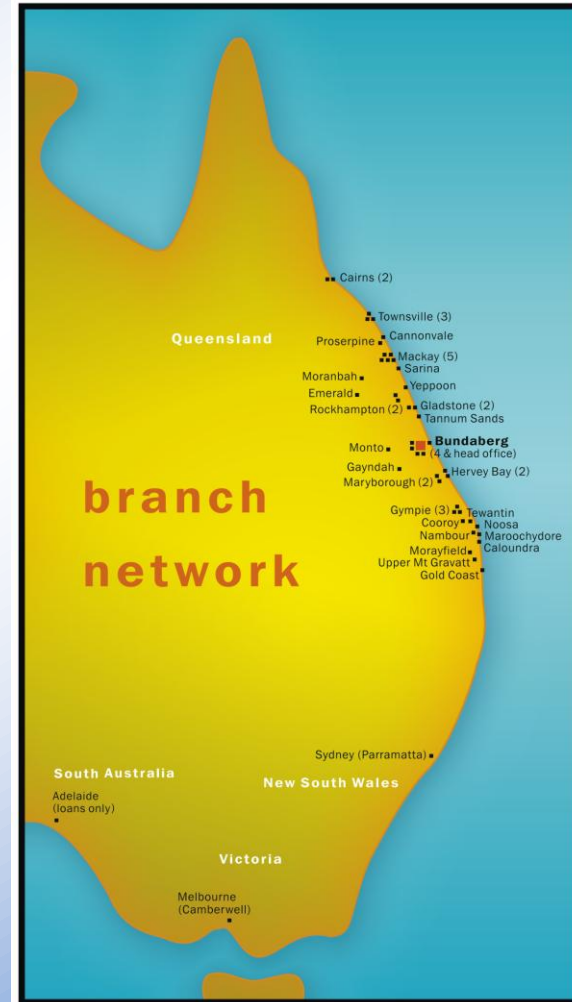
Roadshow Presentation



September 2008

Profile of Wide Bay Australia Ltd

- Largest Queensland Financial Institution based North of Brisbane
Assets at 30 June 2008 - \$2.278 billion
- A combination of 5 regional building societies, all established in the 1950/1960's
 - Gympie and North Coast Building Society
 - Maryborough Permanent Building Society
 - Burnett Permanent Building Society (Bundaberg)
 - Port Curtis Permanent Building Society (Gladstone)
 - Mackay Permanent Building Society
- An extensive branch and agency network
 - 55 in Queensland from Robina to Cairns
 - 1 branch in Sydney
 - 1 branch in Melbourne
 - 1 lending outlet in Adelaide
- Diversified product range
 - Mortgage lending
 - Retail banking
 - Margin lending
 - Commercial lending
 - In-house Mortgage Insurance Company
 - Financial planning association



Mackay Permanent Acquisition Complete

- Wide Bay Australia obtained control of MPBS on 10th January 2008, on reaching 90% of shareholding, after a long contest with Bank of Queensland
- Assets approximated \$300 million
- Total funding was through retail deposits
- Total loan book predominantly secured by residential lending – no ‘low-doc’ or ‘sub-prime’ lending
- Operations totally integrated with Wide Bay on 31st May when full operations were transferred to Wide Bay’s IT platform
- Most branches totally re-branded
- Some Mackay branches under review and to be relocated due to the ‘poor’ location in Townsville and Cairns
- Significant synergies to Wide Bay’s financial performance
- An excellent acquisition providing further geographical spread and exposure to Northern Queensland

Strong Balance Sheet & Loans Portfolio

- Assets @ 30th June 2008 - \$2.278 billion
- Consistent strong growth over many years
- No 'sub-prime' or 'low-doc' lending
- Collections area has been strengthened and arrears in August were the lowest since December 2007
- Limited broker usage approximating 10-12% over the last 12 months
- Currently hold a BBB- "investment grade" rating from Standard and Poors
- Use of securitisation/warehouse program since 1997. Currently representing 46% of society's total funding
- A 'Repo' facility in place with the Reserve Bank of Australia as a safety net
- The bulk of society's lending totally secured by residential mortgages. All covered by lenders mortgage insurance, except in cases of low LVR's (below 75%)
- Operating margin @ 14th September 2008 – 2.09%



Diversification

- Traditional residentially secured lending
- 100% ownership of the society's captive Mortgage Risk Management Pty Ltd, formed in 1999
 - Meets APRA standards for concessional risk weighting for capital
 - Internally capitalised
 - Trading profitably since inception
 - Surplus 2008 (after tax) - \$2.24 million
- Financial Planning
 - 25% interest in Financial Technology Securities Pty Ltd
 - 25% also held by Aviva – 5th largest insurance group in the world
 - Balance held by employees
 - Excellent return on capital
 - Access to residential and margin loans of client base
- Fully integrated customer service system to facilitate cross-selling of products
- Full range of
 - Residential lending
 - Secured commercial lending
 - Secured margin loans

A special culture

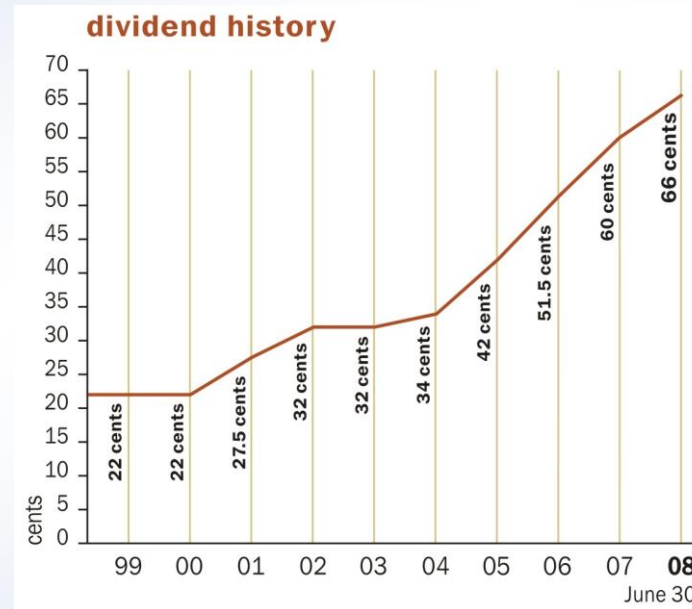
- With Head Office based in Bundaberg, a regional Queensland city of 120,000 population, Wide Bay enjoys a very stable environment in relation to management and staffing generally and has the benefits of not being exposed to the high cost structures of capital city operations
- The Head Office is well located, given that the Queensland branch network now expands from Robina on the Gold Coast to Cairns, a distance of 1,490 air kilometres which compares to, as a matter of interest, 1,380 air kilometres from Brisbane to Melbourne
- The benefits of being located in Bundaberg have provided:
 - A stable, experienced team
 - Senior managers across all aspects of business
 - Infrastructure capable of managing a significantly larger business
 - Succession planning in place across all business units
 - Board Renewal Policy
 - Staff share plan for all staff has been in place since issuing shares in 1992, which encourages staff commitment and interest

Wide Bay Management Experience

Title	Experience
Managing Director	41 years
Executive Director/Chief Operating Officer	34 years
Operations and IT Manager	33 years
Training Manager	31 years
Administration Manager	29 years
Marketing Manager	23 years
Manager – Retail Outlets (QLD)	13 years
Manager – Structured Finance, Products and Interstate Operations	13 years
Chief Financial Officer	8 years
Loans Manager	7 years
Internal Auditor	6 years

Continued Strong Trading Results

- Increased dividend



Sharemarket Profile

- Shares on issue 29.305 million
- Share price performance
 - 12 month high \$13.00
 - 12 month low \$8.60
 - As at 16 September 2008 \$9.30
- Market capitalisation \$272.54 million
- Price/earnings ratio:
 - 2007A 18.67x
 - 2008A 13.7x
- NAT per ordinary share:
 - 2008A 3.39x



Financial Indicators - Past 2 Years

	<u>30 June</u> <u>2007</u>	<u>30 June</u> <u>2008</u>	
Net Profit after tax – actual	\$16.05m	\$18.16m	↑13.1%
Ordinary Dividends	60.0c	66.0c	↑10.0%
Loans Portfolio	\$1.55bn	\$1.996bn	↑28.9%
Total Assets	\$1.73bn	\$2.28bn	↑31.5%
Shareholders' Equity	\$92.30m	\$140.03m	↑51.7%
Cost to Income ratio	53.6%	55.5%	↓3.5%
Loan Approvals	\$485.2m	\$518m	↑6.8%

Forecasts & Corporate Strategy

- We have forecast an after tax profit growth in the range of 15-20% for 2008-09. This forecast has been buoyed by the anticipated synergies from the Mackay Permanent acquisition, but at the same time has been tempered with caution in lending operations and wholesale funding costs
- We continue to source the bulk of our loans via the retail branch network and financial planning services in Queensland
- New South Wales and Victorian loans are also sourced through the use of brokers
- To develop our commercial loans where security over desirable property is available
- With the current economic climate, a very strong focus on servicing of arrears which are currently in a very satisfactory state
- To continue to offer a range of community banking facilities to all areas of our operations
- To look at the opportunities for expansion through the opportunities from acquisitions, associations and partnerships
- Expand retail deposits base
- Maintain strong selective credit policy

Corporate Directory

- Ron Hancock – Managing Director
 - (07) 4150 4001
 - rhancock@widebayaust.com.au
- Frances McLeod – Executive Director & Chief Operating Officer
 - (07) 4150 4002
 - fmcleod@widebayaust.com.au
- Bill Schafer – Chief Financial Officer
 - (07) 4150 4075
 - bschafer@widebayaust.com.au
- Registered Office
 - Level 5, Wide Bay Australia House
16-20 Barolin Street
Bundaberg QLD 4670
Telephone (07) 4150 4000
Facsimile (07) 4153 7714
Email widebay@widebayaust.com.au
Website www.widebayaust.com.au