

RELEASE TO AUSTRALIAN STOCK EXCHANGE LIMITED
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WIDE BAY AUSTRALIA'S ACQUISITION OF MACKAY PERMANENT BUILDING SOCIETY NOW COMPLETE.

The Managing Director of Wide Bay Australia Ltd ("Wide Bay") Mr Ron Hancock, has confirmed that the full integration of the Mackay Permanent Building Society ("MPBS") with Wide Bay was completed on 31 May 2008, including all relevant approvals from the various Regulators.

Mr Hancock said Wide Bay gained control of MPBS on 10 January 2008 on achieving success of 90% of acceptances by shareholders, which subsequently resulted in 95.22% of the former MPBS shareholders accepting the scrip and cash offer. 4.206 million shares were issued as a result of this acquisition.

Mr Hancock said he was delighted that his 'team' had been able to achieve this integration in less than 5 months. While Wide Bay already enjoys one of the best "cost to income" ratios in the Industry in Australia, the whole process was handled totally from within the existing resources of Wide Bay including the computer conversion and implementation. Mr Hancock said this achievement was a testimony to the dedication and enthusiasm of his Senior Management and their respective support personnel and also a reflection of the overall 'can do' culture of Wide Bay.

He said all synergies had been achieved with the restructuring and relocation of duplicated branches, where necessary, with the only outstanding item being some signage at former MPBS branches.

"The projected synergies of the range of \$4million to \$6 million after tax per annum would now be achieved for the whole of the 2008/2009 financial year.

The acquisition was very timely given that MPBS relied solely on retail deposits and were not subject to any of the current cost pressures on wholesale funding, consequently the forecast synergies will not be affected by any wholesale funding issues", said Mr Hancock.

Wide Bay's network in Queensland is now arguably one of the best provisional Queensland branch networks covering Queensland from Robina at the Gold Coast through to Cairns, with most branches occupying prime retail sites.

"The MPBS acquisition, in particular, strengthens our presence in the booming economies of the central highlands and north Queensland and provides a raft of opportunities for Wide Bay", Mr Hancock said.

The assets of Wide Bay are now approaching \$2.2 billion.

Mr Hancock also confirmed that Wide Bay was on target to achieve its earlier forecast of \$18.2m net profit after tax, a 12% profit increase, for 2007/2008. The Society is also considering reintroducing a dividend reinvestment plan prior to payment of the next dividend in October.

For more information contact:

Ron Hancock
Managing Director
Wide Bay Australia Ltd

Phone: 0408 781 154 or 07 4150 4001
Email: rhancock@widebayaust.com.au