

3 April 2009

Manager of Company Announcements
ASX Limited
Riverside Centre
Level 5, 123 Eagle Street
Brisbane QLD 4000

Wide Bay Australia Ltd (WBB) - Market Presentation

Please find attached a market presentation to be presented to brokers and prospective institutional investors.

The presentation provides an update of Wide Bay Australia's operating activities, performance and forecast results.

Yours sincerely



Bill Schafer
Company Secretary.

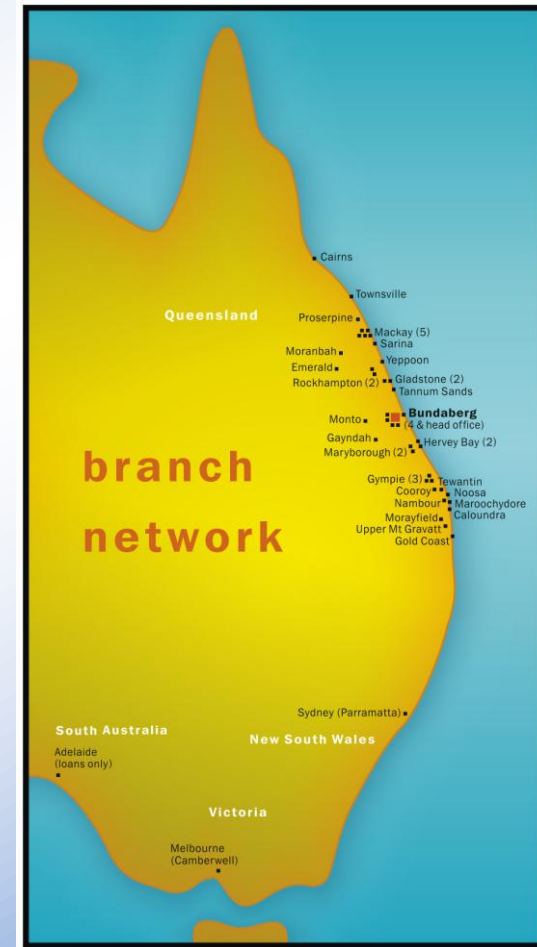
Roadshow Presentation



April 2009

Profile of Wide Bay Australia Ltd

- Largest Queensland financial institution based North of Brisbane
Assets as at 31 December 2008 - \$2.410 billion
- Represents a merger of 5 provincial building societies which were predominately established in the 1950/1960's
- An extensive distribution channel - predominantly retail outlets
 - 41 in Queensland from Robina to Cairns
 - 1 branch in Sydney
 - 1 branch in Melbourne
 - 1 lending outlet in Adelaide
- Branches predominantly located in high retail areas throughout major suburbs and shopping centers
- Deposits and lending generated predominantly through retail outlets with low dependence on brokers
- Diversified product range limited principally to mortgage insured residential mortgages
 - Mortgage lending
 - Retail banking
 - Limited margin lending associated with the financial planning association
 - Secured commercial lending
 - In-house mortgage insurance captive
 - 25% interest in financial planning operation



Profile of Wide Bay Australia Ltd - Cont

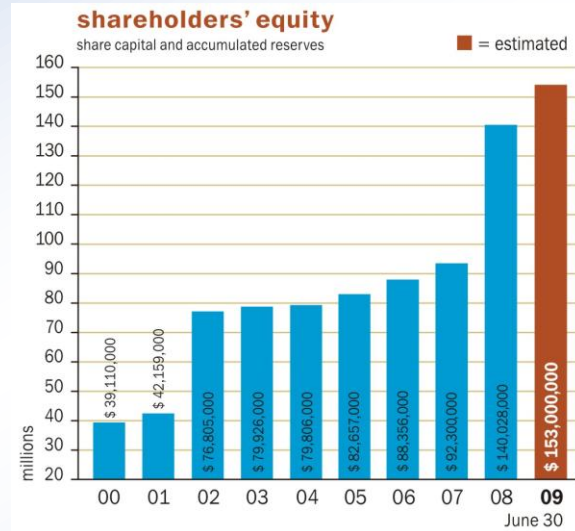
- Successful completion of acquisition of Mackay Permanent Building Society in 2008 generating significant synergies
- Recently closed and relocating branches acquired as part of the Mackay Permanent acquisition
 - 2 acquired branches in Cairns closed with a new branch located in Stockland Cairns and a further new branch to be opened in Redlynch Shopping Centre – higher profile retail areas
 - Closure of 2 branches in Townsville which were not considered satisfactory locations. Townsville Centro branch retained and refurbished. Currently endeavoring to obtain satisfactory locations in other shopping centres in Townsville
- Lending has been strong over the March quarter and may reflect lower interest rates and the First Home Owner Grant Boost (\$21,000 new homes/\$14,000 existing homes) which is scheduled to finish at 30/06/09

Share Capital

- The society cleared a \$10 million sub debt in December 2008 after the 5 year expiry
- This sub debt was partly replaced by a rights issue which resulted in the allocation of a further 1,265,996 shares.
- The discounted DRP was introduced which resulted in the further placement of 166,622 shares in October 2008 and 379,217 in March 2009.
- Total shares on issue 31,241,947
- With the high cost in placement of lower rated paper in RMBS programs and the market generally the society has resolved where possible to retain that paper on balance sheet. We intend to issue up to a further \$25 million in subordinated notes to provide additional capital to cover this policy.
It is expected that these notes will be available in the market in the very short term.

Sharemarket Profile

- Shares on issue 31.242 million
- Share price performance
 - 12 month high \$11.00
 - 12 month low \$5.70
 - As at 25 March 2009 \$6.15

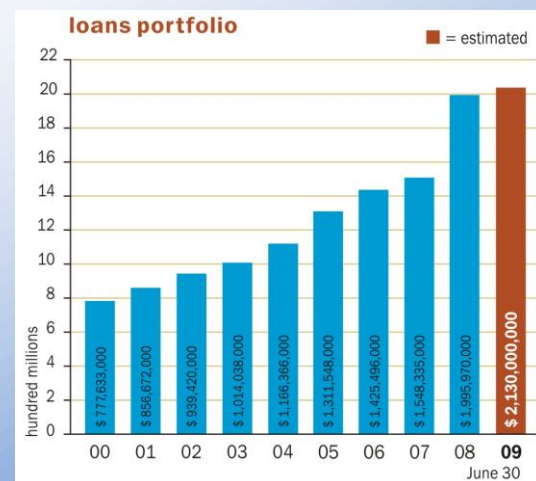
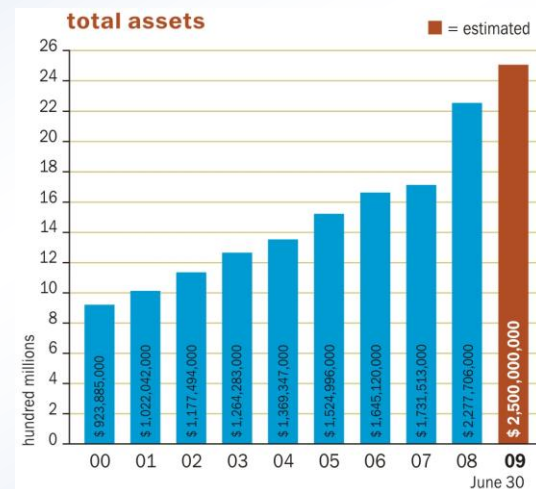


Diversification

- Traditional residential secured lending – no sub-prime, no low-doc, 98% fully mortgage insured
- Limited commercial lending - secured by real estate
- 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
- The society's own captive lenders mortgage insurer
- A range of banking, insurance and credit card services & ancillary financial products
- The society has commenced an agency distribution of Aviva life products under the banner of Widecover LiFE which will be marketed throughout the entire Wide Bay network. This product is based on Aviva's overseas experience, is a 'bread and butter' policy at attractive premiums and able to be retailed by all staff requiring limited advice. It is anticipated that this product will provide a significant contribution to the society's operations

Strong Balance Sheet & Loans Portfolio

- Consistent strong growth over many years – estimated assets @ 30th June 2009 - \$2.5 billion and outstanding loans \$2.13 billion
- The Society has never funded ‘sub-prime’ or ‘low-doc’ lending
- The bulk of society’s lending totally secured by residential mortgages. With approximately 98% of loans representing residential mortgages of which a further 98% is covered by lenders mortgage insurance
- Limited broker usage - 18% of total loan approvals which includes 14% interstate lending through society branches in Sydney, Melbourne and lending outlet in Adelaide
- Currently hold a BBB- “investment grade” rating from Standard and Poors
- Funding incorporates securitisation and warehouse programs since 1997, wholesale funding currently representing 45% of society’s total funding
- Provision for bad debts included in reserves in the balance sheet \$2,387,810. Bad and doubtful debts expense for 2007 of -\$18,297 and 2008 of -\$72,266 (representing principally write offs in winding down of small lease company). Expense for bad and doubtful debts to 31/12/2008 of \$41,000 credit (representing principally a write back of previous provisioning).
- High priority in collection and arrears administration



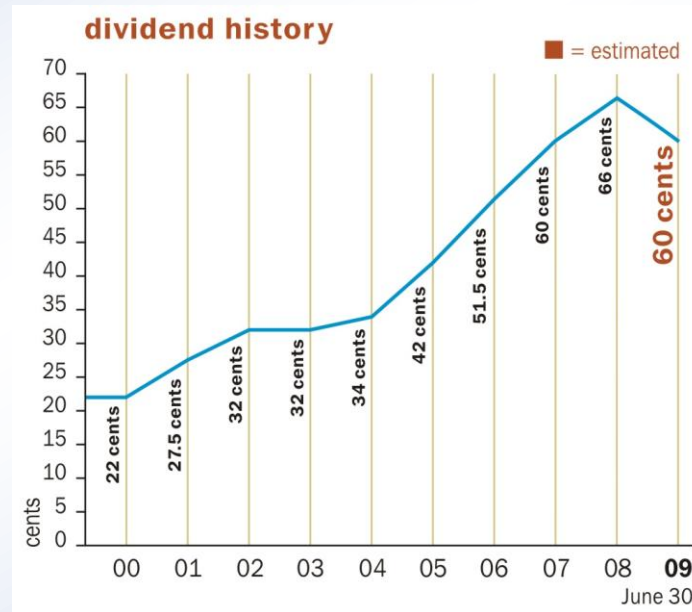
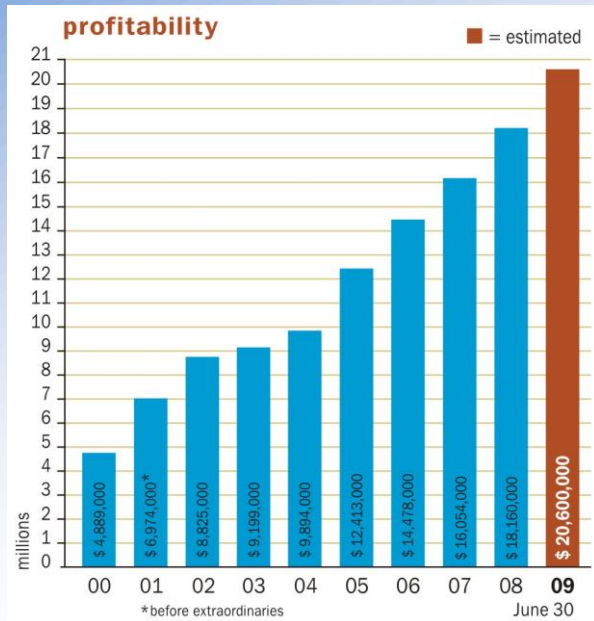
A special culture

- 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	42 years
Executive Director/Chief Operating Officer	35 years
Operations and IT Manager	34 years
Training Manager	32 years
Administration Manager	30 years
Marketing Manager	24 years
Manager – Retail Outlets (QLD)	14 years
Manager – Structured Finance, Products and Interstate Operations	14 years
Chief Financial Officer	9 years
Loans Manager	8 years
Internal Auditor	7 years

Continued Strong Trading Results



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%
Loan Approvals	\$485.2m	\$518m	↑6.8%

Financial Indicators - Forecast

	Actual	Forecast	
	<u>30 June</u>	<u>30 June</u>	
	<u>2008</u>	<u>2009</u>	
Net Profit after tax – actual	\$18.16m	\$20.6m	↑13.4%
Ordinary Dividends	66.0c	60.0c	
Loans Portfolio	\$1.996bn	\$2.13bn	↑6.7%
Total Assets	\$2.28bn	\$2.50bn	↑9.6%
Shareholders' Equity	\$140.03m	\$153m	↑9%
Loan Approvals	\$518m	\$490m	↓5.4%

Forecasts & Corporate Strategy - summary

- We have forecast an after tax profit increase of 13.4%. This forecast reflects some of the synergies from the Mackay acquisition and is dependent on the timing of forecasts in relation to funding costs and other issues such as the timing of interest rate decreases, relevant margin adjustments and sale of the previous Mackay Head Office building.
- We continue to source the bulk of our loans via the retail branch network and have more recently reassessed our panel of brokers reducing them significantly as well as the initial loan application fee and the commission trails payable.
- New South Wales and Victorian loans are in the main sourced through the use of brokers.
- Strong focus of arrears will be maintained.
- We will continue to expand our retail base and endeavor to take advantage of the opportunities from the Australian Government Guarantee.
- Our lending will be selective and in accordance with strong credit policy.
- We will continue to look at opportunities for expansion through acquisitions, associations and partnerships. This is particularly reflected in our recent partnership with Aviva and the sale of their life insurance products.

Current Funding

- With the introduction of the Government Guarantee considerable effort is being devoted to the securing of retail deposits through the branch and agency network.
- Wholesale funding facilities are in place at a significant cost.
- An application has been made to the Australian Office of Financial Management (AOFM) for funding under their recently announced program to assist the RMBS market which would provide further warehouse capacity for future funding, lending programs and provide cost benefits.
- The society is disappointed that to date no allocation has been received in respect of their application – however the AOFM have advised further allocations would be considered during the ensuring period.
- The society has established a ‘Repo’ facility with the Reserve Bank which provides funding by repurchase of RMBS by the RBA for periods of up to 12 months. Whilst this is a very attractive facility the society is conscious that the maximum period is 12 months and the need to match the maturity profile with other options.

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) 4152 3566
Email widebay@widebayaust.com.au
Website www.widebayaust.com.au