

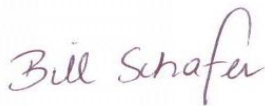
26 August 2011

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

**WBB Full Year Results and Confirmation of Discount to Shares issued  
under the Dividend Reinvestment Plan**

We enclose a copy of a letter being sent to shareholders of the Company in  
respect of Wide Bay Australia Ltd's Full Year Results and Dividend  
Reinvestment Plan.

Yours sincerely,



Bill Schafer  
Company Secretary

26 August 2011

MR JOHN SMTH 1  
FLAT 123  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

Dear Shareholder

We are extremely pleased to report another profitable year for Wide Bay Australia Ltd.

A summary of our 2010/11 full-year results is contained in the attached announcement which has been released to the Australian Securities Exchange.

Our Annual Report including the audited Financial Statements is being prepared and will be distributed prior to our Annual General Meeting to those shareholders who have opted to receive same and a copy will also be available on our website under Company Reports. A Notice of Annual General Meeting will be sent to all shareholders in advance of the AGM once the date has been set.

We are pleased to advise that we have declared a final fully franked dividend for 2010/11 of \$0.30 cents per share – payable on 04 October 2011 bringing our full year dividend to \$0.60 cents per share.

Your Directors have resolved to reduce the discount for shares issued under our Dividend Reinvestment Plan ('the Plan') from 7.5 per cent to 5 per cent. This discount will apply to this and future dividends until further notice.

Should you wish to participate or vary your participation in respect of this 2010/11 final dividend, please do so at your earliest convenience as your advice must be received prior to the Record Date of 16 September 2011.

To participate or vary your participation in the Plan please visit our Share Registry, Computershare Investor Services, website [www.investorcentre.com](http://www.investorcentre.com) – or you can write to Computershare at the address below.

Should you have queries in regard to the operation of the Plan please contact our Share Registry, Computershare Investor Services Call Centre on 1300 552 270 (domestic callers) + 61 3 9415 4000 (overseas caller) or write to GPO Box 2975 Melbourne, Vic, 3001.

Yours faithfully



Ron Hancock AM  
Managing Director

**22 August 2011**

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## **WIDE BAY AUSTRALIA LTD 2010/2011 FINAL RESULTS**

The Directors of Wide Bay Australia Ltd today confirmed the company's final consolidated results for the year, with an after-tax profit of \$22.7 million – a 1.67% increase over that of 2010.

Managing Director, Mr Ron Hancock said that the results include an after-tax profit contribution of \$2.3 million from Wide Bay's wholly owned lenders mortgage insurance company Mortgage Risk Management Pty Ltd ("MRM"), which compares to a \$2.9 million contribution from the previous year.

Commenting on the result, Mr Hancock said that, with the slowing housing market and the flow on effects of Cyclone Yasi and the Queensland floods, the profit had been contained with the loan book only growing marginally over the 12 months. "However, given the challenging environment in which we have had to operate, I believe that this is a highly commendable outcome", Mr Hancock said. MRM was also affected by increased provisioning over that of the previous year to allow for a slow increase in loan arrears. While arrears have shown some increase over the past six months, they are still within an acceptable band and are being monitored and managed constantly. Mr Hancock stated that arrears had now been stable for the past two months.

The Board has declared a final fully franked dividend of 30 cents per share to be paid on 4 October 2011 which is consistent with the interim dividend. The Board has also resolved to maintain the Dividend Reinvestment Plan with the discount reduced from 7.5% to 5%.

Mr Hancock stated that the cost-to-income ratio for the chief entity improved from 55.4% for 2010 to 54.3%. "This measure of the Company's efficiency has long been a stand-out when compared with our peers", Mr Hancock said.

He said Wide Bay has also been able to maintain a steady margin in excess of 2%, which provides the basis for a steady profit going forward.

Loan approvals for the year were \$308 million, compared to \$369 million for 2010 Financial Year. Management are looking at initiatives to increase lending including a wider use of brokers, which in the past the Company has chosen to contain at around 20% of total loan approvals. Wide Bay's total loan portfolio as at 30 June 2011 was \$2.28 billion.

**MORE/...**

**CONT/...**

Mr Hancock said the Company's funding is strong with capacity in Wide Bay's "warehouse" facilities, as well as extensive capacity in the "Repo" facility with the Reserve Bank of Australia which has no current outstanding drawings.

Mr Hancock said Wide Bay has received strong support from investors with term deposits and call accounts throughout the year. These funds increased by \$146 million - an increase of 11.16%.

The Company has relocated some branches during the year to better commercial locations. Wide Bay currently has 43 branches and agencies in regional Queensland from Robina on the Gold Coast through to Cairns in Far North Queensland and also has interstate branches located in Melbourne and Sydney and a lending outlet in Adelaide.

Mr Hancock noted that the trading conditions are expected to be competitive in the ensuing twelve months with the extent of growth uncertain due to the weakness in the current housing market, however he expected that Wide Bay would be well prepared to handle any growth opportunities that emerge during the year.



**Ron Hancock AM**  
**Managing Director**

Phone 07 4150 4001 or Mobile 0408 781 154

Email [rhancock@widebayaust.com.au](mailto:rhancock@widebayaust.com.au)

**ENDS**