

BOQ Convertible Preference Shares (CPS) Offer

The BOQ logo is located in the top right corner. It consists of the letters 'BOQ' in a bold, white, sans-serif font, set against a blue square background. The blue square is partially overlaid by an orange shape that resembles a folded corner or a stylized 'B'.

BOQ has announced an Offer of Convertible Preference Shares. CPS are fully paid, non-cumulative, perpetual, convertible preference shares.

They are expected to pay fully franked¹, floating rate, semi annual, non-cumulative and preferred dividends.

Applications must be for a minimum of \$5,000 (50 CPS) and incremental multiples of \$1,000 (10 CPS) after that.

BOQ intends to raise \$200 million through the Offer of CPS with the ability to raise more or less. The Offer is subject to shareholder approval at the Annual General Meeting.

The Offer is expected to open on 19 November 2012 and close on 13 December 2012. These dates are indicative only and may change without notice.

As part of the CPS Offer, existing PEPS Holders as at 9 November 2012 have the opportunity to reinvest their PEPS in CPS (Reinvestment Offer).

Eligible Shareholders of BOQ as at 9 November 2012 will be mailed further details of the CPS Shareholder Offer and will have the opportunity to apply for a priority allocation of CPS.

For a Prospectus please go to www.boq.com.au or call the BOQ Offer Information Line on 1800 779 639 (within Australia) or +61 2 8280 7626 (outside Australia) (Monday to Friday – 8:30am to 7:30pm Sydney time) or by registering online.

Applications will only be considered where applicants have applied pursuant to an Application Form (either electronic or paper) that was attached to, or accompanied by, a copy of the Prospectus, and have provided a payment, unless the Application is under the Reinvestment Offer.

Joint Lead Managers

Merrill Lynch 

 **RBS Morgans**



CommonwealthBank 

IMPORTANT NOTICES: CPS will be issued by Bank of Queensland Limited (ABN 32 009 656 74) under a prospectus lodged with the Australian Securities and Investments Commission (ASIC) (Prospectus, which term shall include the replacement prospectus expected to be lodged with ASIC confirming the margin). Unless otherwise defined, capitalised words used in this announcement have the meanings given to them in the Prospectus. This card and the information it contains does not take into account your investment objectives, financial situation (including your taxation situation) or particular needs. In deciding whether to apply for CPS you should read the Prospectus in its entirety and seek investment advice from your stockbroker, solicitor, accountant or other professional adviser. CPS are subject to investment risk, including possible non-payment of dividends and loss of your original investment. Risks are discussed further in the Prospectus and you should read the Prospectus in its entirety before deciding whether to participate in the Offer. In particular, you should consider the risk factors that could affect the performance of CPS or Bank of

Queensland. Neither Bank of Queensland nor any other person warrants or guarantees the future performance of CPS or any return on any investment made under the Prospectus. Investments in CPS are not deposit liabilities of Bank of Queensland and are not protected accounts for the purposes of the depositor protection provisions of Australian banking legislation and they are not guaranteed or insured by any government, government agency or compensation scheme of Australia or any other jurisdiction. An application for CPS may only be made pursuant to an application form (either electronic or paper) that was attached to, or accompanied by, a copy of the Prospectus. This card is not a Prospectus and does not constitute an invitation or offer to subscribe or buy any CPS. If you do not wish to receive any further promotional information from us, please contact the BOQ Offer Information Line on 1800 779 639 (within Australia) or +61 2 8280 7626 (outside Australia) (Monday to Friday 8:30am to 7:30pm Sydney time).