

June 2011

Dear Shareholder

Bendigo and Adelaide Bank credit rating to positive outlook

All Community Bank Boards of Directors recently received communication from Mike Hirst, Managing Director, Bendigo and Adelaide Bank advising that

“... ratings agency Standard & Poor’s revised Bendigo and Adelaide Bank’s (BEN) credit rating from BBB+ stable, to BBB+ positive. The announcement follows BEN’s upgrade to A- by Fitch Ratings agency in May. Moody’s already assigns BEN with a long-term credit rating of A2.

In addition, S&P has also revised the ratings outlook of BEN’s 100 per cent owned subsidiary, Rural Bank, from BBB+ stable, to BBB+ positive. This means that S&P considers that both BEN and Rural Bank have a one-in-three chance of being upgraded to A- within two years.”

These announcements reflect the hard and diligent work by all involved, and it reflects our sound risk management practices, low-risk funding and balance sheet structure, sound capital ratios, and a sustained improvement in profitability.

The strength of our business model – based on our commitment to our customers and the communities that we operate in – is being recognised by all three ratings agencies. We look forward to building on this strong momentum as we head into the end of the financial year.

The changes have been announced to the ASX, website

<http://www.asx.com.au/asx/research/companyInfo.do?by=asxCode&asxCode=BEN#headlines> , and changes made to BEN’s website

http://www.bendigoadelaide.com.au/public/media_centre/index.asp .

Shareholders may view the announcements on the above websites.

Regards,

