

Letter to Shareholders

Half-Year Results and Interim Dividend



Monday 20 February, 2023

Dear Shareholder,

We are pleased to advise you that your Bank has delivered a strong result over the half year to 31 December 2022 with improvement across key financial and non-financial metrics, reflecting many years of planning and careful execution.

Total income for the half year to 31 December 2022 rose 14.5 percent to \$958.2 million on the prior half while operating expenses rose 4.9 percent to \$523.2 million.

Cash earnings were up 22.9 percent to \$294.7 million over the same period, demonstrating our disciplined approach to volume and margin management.

Our leading Net Promoter Score of 23.8 is now 28.2 points above the industry average, with the gap widening over the half.

The number of customers that choose to bank with us grew 5 percent over the half to 2.3 million as people continue to be attracted to our products, service levels, digital capabilities, and our unique purpose.

The Bank has declared a dividend of 29.0 cents per share, an increase of 9.4 percent on the prior half. A Dividend Reinvestment Plan (DRP) has also been announced.

With the regulator's approval the Bank intends to neutralise the impact of the DRP by arranging for a third party to purchase the shares on market rather than issue additional shares.

These decisions support our strong capital position and our business outlook while balancing our commitment to support our shareholders with a reasonable return on their investment.

Looking ahead, our work on cyber and information security is among our top priorities. We also expect the accelerated pace of change established over the last few years to continue, as customer expectations and preferences for the way they do their banking continue to evolve.

The Bank is well positioned to meet these challenges and others that emerge, underpinned by strong sources of funding and capital levels, and our purpose to feed into the prosperity of our customers and the community.

Through all of this we will continue to ensure we focus on considering the interests of all our stakeholders, particularly the very real challenges some people are facing given the increased cost of living pressures driven by inflation and increasing interest rates.

We would like to thank you for the trust you have placed in us as we continue to do everything we can to support our customers, deliver on our strategy and achieve our vision to be Australia's bank of choice.

A handwritten signature in black ink, appearing to read 'Jacqueline Hey'.

Jacqueline Hey
CHAIR
BENDIGO AND ADELAIDE BANK

A handwritten signature in black ink, appearing to read 'Marnie Baker'.

Marnie Baker
CEO AND MANAGING DIRECTOR
BENDIGO AND ADELAIDE BANK

