



To: **Companies Announcements**  
**Australian Stock Exchange Limited**

Company Name:	ST.GEORGE BANK LIMITED
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Pages (Includes this page):	8
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Subject:	<b>Shareholder Mailing</b>
Date Sent:	7 February 2008

Please find attached information to be mailed to St.George Bank shareholders today.

Yours sincerely

Michael Bowan  
**General Counsel and Secretary**

# Share Purchase Plan

Dear Shareholder,

I am pleased to offer you the opportunity to purchase additional ordinary shares in St.George Bank Limited (**St.George**) by participating in the share purchase plan described in this booklet (the **SPP**). The SPP allows all Eligible Shareholders to purchase up to A\$5,000 worth of ordinary shares in St.George (**Shares**) without incurring any brokerage or other transaction costs, with a minimum purchase amount of A\$1,000.

St.George recently conducted a placement of Shares to institutional investors (**Institutional Placement**). St.George wants now to give Eligible Shareholders the opportunity to increase their Shareholding **at the lower of:**

- (a) 97.5% of the volume weighted average price (**VWAP**) of Shares sold on the Australian Securities Exchange (**ASX**) between 21 February and 27 February 2008 (inclusive)(rounded to the nearest full cent); and
- (b) the price paid by the institutional investors in the Institutional Placement, being \$35.00 per Share, (**Issue Price**).

While share markets have trended downwards since the time of the Institutional Placement, St.George considers that participants in the SPP should pay no more for Shares than that paid by the institutions which participated in the Institutional Placement should the market trend upwards during the period that the SPP is open. Further, if St.George's share price remains at current levels, participants in the SPP will pay less than those institutions.

Proceeds from the SPP will be used to provide balance sheet flexibility.

New Shares issued under the SPP will be allotted on 7 March 2008, and will be eligible to participate in all dividends paid by St.George from that date. St.George is aiming to raise approximately A\$110 million under the SPP. If the total value of applications for Shares under the SPP is more than St.George wishes to raise, St.George may undertake a Scaleback of applications. Should this happen, you may be allocated less Shares than you applied for, and the difference in purchase price will be refunded to you.

Further details about the SPP are set out in the enclosed Terms and Conditions. Please read these carefully. Participation in the SPP is entirely voluntary.

**You may apply for a parcel of Shares valued at either A\$1,000, A\$3,000 or A\$5,000.**

If you elect to participate, we encourage you to make payment by BPAY® (in accordance with the enclosed Application Form). Alternatively, you may complete and return the enclosed Application Form accompanied by a cheque or money order by 5.00pm (Sydney time) on 27 February 2008 to Computershare Investor Services Pty Limited, GPO Box 253, Sydney NSW 2001.

If you have any questions regarding the SPP, please direct them to the St.George Share Purchase Plan information line on 1800 804 457.

On behalf of the Board, I thank you for your continued support of St.George and welcome your participation in the SPP.

Yours faithfully



John Thame  
Chairman

7 February 2008

This is an important document offering eligible shareholders the opportunity to buy up to A\$5,000 worth of St.George ordinary shares without brokerage or transaction costs. If you are unsure about what to do, please contact your professional adviser.

If you have any questions about the Share Purchase Plan after reading this booklet, please call the St.George Share Purchase Plan information line on 1800 804 457.

## Key Dates<sup>1</sup>

Event	Date
<b>Record Date (7.00pm, Sydney time).</b> Date for determining Eligible Shareholders.	31 January 2008
<b>Opening Date</b> Date SPP opens.	7 February 2008
<b>Closing Date</b> Date SPP closes. (Applications must be received by 5.00pm (Sydney time) on this date).	27 February 2008
<b>Issue Price announcement</b> Issue Price and any Scaleback announced.	4 March 2008
<b>Allotment Date</b> Date Shares are allotted.	7 March 2008
<b>Despatch Date</b> Date confirmations sent to Shareholders.	13 March 2008
<b>Trading Date</b> Date Shares begin trading on a normal settlement basis.	14 March 2008

These materials do not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any security in the United States or to any person to whom it is unlawful to make such an offer or solicitation. Securities may not be offered or sold in the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act) unless the securities have been registered under the US Securities Act or an exemption from registration is available. The shares in the SPP offering have not been and will not be registered under the US Securities Act. The distribution of these materials outside Australia may be restricted by law. Persons who come into possession of these materials who are not in Australia should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Investments in Shares are not an investment in, deposit with or other liability of St.George or any member of the St.George Group for the purposes of the Banking Act 1959.

This booklet does not provide financial product advice or tax advice and has been prepared without taking into account your particular circumstances. You should carefully consider the appropriateness of participating in the SPP having regard to your own investment objectives, financial situation and particular needs (including financial and taxation issues) as an investor and seek professional investment advice from your financial adviser or other professional adviser before deciding whether to participate in the SPP.

<sup>1</sup> St.George retains the discretion to alter any or all of these key dates.

## Instructions

If you would like to participate in the SPP, follow the instructions on the Application Form.

To participate, you can make a payment by BPAY or complete the Application Form and provide a cheque or money order in accordance with the instructions on the Application Form.

**If you make your payment with BPAY you do not need to return your Application Form.**

Cheques and money orders should be made payable to "St.George Share Purchase Plan" and sent with an Application Form in the reply paid envelope enclosed to St.George Bank Limited, C/- Computershare Investor Services Pty Limited, GPO Box 253, Sydney NSW 2001. Deliveries can be made in person by visiting Computershare Investor Services Pty Limited, Level 2, 60 Carrington Street, Sydney.

All payments and applications must be received by no later than **5.00pm (Sydney time) on 27 February 2008**. You will not be able to withdraw or revoke your application or BPAY payment once you have sent it in.



# Share Purchase Plan

## Terms and Conditions

### Important Notice

If you apply to participate in the SPP by making a BPAY payment or completing and returning the Application Form, you are accepting the risk that the market price of Shares may change between the Record Date, the date on which you send in an Application Form or make a BPAY payment and the Allotment Date. This means it is possible that, up to or after the Allotment Date, you may be able to buy Shares at a lower price than the Issue Price.

We encourage you to seek your own professional advice regarding your participation in the SPP.

## 1. Eligible Shareholders

- (a) Subject to clauses 1(b) to 1(d), all persons registered as holders of fully paid ordinary shares of St.George Bank Limited (**Shares**) at 7.00pm (Sydney time) on 31 January 2008 (**Record Date**), whose address in the share register of St.George Bank Limited (**St.George**) is in Australia may participate in the Share Purchase Plan (**SPP**) (**Eligible Shareholders**). Directors and employees of St.George may be Eligible Shareholders.
- (b) Shareholders who hold Shares on behalf of persons who reside outside Australia or who are "US persons" (as defined in Regulation S under the US Securities Act of 1933) (**US Persons**) or who act for the account or benefit of a US Person are not entitled to participate in the SPP.
- (c) Shareholders who are joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder, and the certification under clause 3(a)(iv) by one joint holder will be effective in respect of the other joint holder(s).
- (d) Where a trustee or nominee is a registered holder of Shares and is expressly noted on the share register as holding Shares on account of another person (a **beneficiary**), the beneficiary will be taken to be the registered holder of those Shares. In this instance, an application, certification or issue of Shares to the trustee or nominee will be taken to be an application or certification by, or an issue to, the beneficiary.
- (e) If you are an Eligible Shareholder, your rights under this offer are personal to you and are non-renounceable, which means you cannot transfer your rights to another person.

## 2. Applying for Shares

- (a) Eligible Shareholders may apply to purchase a parcel of Shares with a value of either A\$1,000, A\$3,000 or A\$5,000. If you are an Eligible Shareholder and wish to participate in the SPP, you must follow the instructions on the Application Form and:
  - (i) make payment by BPAY equivalent to the parcel of Shares you wish to apply for; or
  - (ii) complete the Application Form and provide a cheque or money order to St.George (at the address set out in the "Instructions" above) by 5.00pm (Sydney time) on 27 February 2008 (**Closing Date**).

If you make a payment and St.George receives an amount which is not equal to A\$1,000, A\$3,000 or A\$5,000, St.George will round down the value of Shares which you are applying for to the next lowest parcel, or if St.George receives less than A\$1,000, reject your application, and refund any application monies which are not used to purchase Shares, without interest, following allotment.

- (b) If you apply for Shares under the SPP, you will apply for a certain value, rather than a certain number, of Shares. Subject to clauses 2(c) and 6, St.George will divide the parcel value you select by the Issue Price (as determined under clause 4(a)) in order to determine the number of Shares which you have applied for (rounded down to the nearest whole number of Shares). Any remaining balance received by St.George will be refunded to you by direct credit (to your nominated account as recorded on the share register) or cheque as soon as practicable, without interest.
- (c) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity) may apply on different Application Forms for Shares but may not apply for Shares with an aggregate value of more than A\$5,000.
- (d) St.George may accept or reject your application for Shares at its discretion. St.George may reject your application in the following circumstances (among others):
  - (i) your Application Form is incorrectly completed, incomplete or otherwise determined by St.George to be invalid;
  - (ii) you have applied for less than A\$1,000 worth of Shares;
  - (iii) your cheque is dishonoured or the cheque or money order that you enclose with your Application Form is not made out for the amount corresponding to amount of Shares you have selected to purchase;
  - (iv) your BPAY payment is not received by the Closing Date or is otherwise incomplete or invalid;
  - (v) it appears that you are applying to buy more than an aggregate of A\$5,000 of Shares; or
  - (vi) your Application Form or BPAY payment is received after the Closing Date. Late payments will be refunded (without interest).

## 3. Effect of Making an Application

- (a) If you submit a BPAY payment or complete and return an Application Form:
  - (i) you acknowledge that you are an Eligible Shareholder;
  - (ii) you irrevocably and unconditionally agree to these Terms and Conditions;
  - (iii) you acknowledge your application is irrevocable and unconditional;
  - (iv) you certify that you have not applied for more than A\$5,000 of Shares under the SPP prior to your application and any similar arrangement in the 12 months prior to your application, even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;
  - (v) you authorise St.George to correct minor errors in your Application Form and to complete the Application Form by inserting any missing minor detail;
  - (vi) you acknowledge that St.George may determine that your Application Form is valid, even if the

Application Form is incomplete, contains errors or is otherwise defective;

- (vii) you accept the risk associated with any refund that may be dispatched to you to your address or nominated bank account as shown on St.George's share register;
- (viii) you are responsible for any dishonour fees or other costs St.George may incur in presenting a cheque for payment which is dishonoured;
- (ix) you acknowledge that no interest will be paid on any application monies held pending the allotment of the Shares or subsequently returned to you for any reason;
- (x) you acknowledge that you have not been provided with investment advice or financial product advice by St.George or Computershare Investor Services Pty Limited and that neither has any obligation to provide this advice in relation to your consideration as to whether or not to purchase Shares; and
- (xi) you acknowledge that St.George is not liable for any exercise of its discretions referred to in these Terms and Conditions.

#### 4. Issue Price of Shares under the SPP

- (a) The Issue Price per Share on offer under the SPP will be the lower of:
  - (i) 97.5% of the volume weighted average price (VWAP) of Shares sold on the Australian Securities Exchange (ASX) between 21 February and 27 February 2008 (inclusive) (rounded to the nearest full cent); and
  - (ii) \$35.00 per Share (this was the price paid by institutional investors in the Institutional Placement) and is 15.17% above the closing price of Shares on 18 January 2008, the last trading day before the date the SPP was announced.

In the event that paragraph (ii) applies, the Issue Price will represent a discount of at least 2.5% of the VWAP of Shares sold on the ASX between 21 February and 27 February 2008 (inclusive).

- (b) The current Share price can be obtained from the ASX and is listed in the financial and business section of major daily newspapers circulating in Australia.
- (c) You agree to pay the Issue Price per Share for the number of Shares calculated pursuant to clause 2(b) or, if there is a Scaleback, the number of Shares calculated pursuant to clause 6.
- (d) You acknowledge that the market price of Shares may rise or fall between the date of this offer and the date the Shares are allotted to you under the SPP (Allotment Date) and that the Issue Price you pay for the Shares may exceed the market price of the Shares on the Allotment Date.

#### 5. The Shares

- (a) Shares issued under the SPP will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements.
- (b) St.George will apply for new Shares issued under the SPP to be quoted on the ASX.

#### 6. Scaleback

- (a) If the total value of applications for Shares under the SPP is more than St.George wishes to raise, it may in its

discretion undertake a Scaleback to the extent and in the manner that it sees fit. A **Scaleback** is a reduction in the allotments of Shares (compared to parcels applied for) that St.George will undertake if it receives applications under the SPP for more Shares than it wishes to issue.

- (b) If there is a Scaleback you may receive less than the parcel of Shares for which you have applied. If a Scaleback produces a fractional number of Shares when applied to your parcel, the number of Shares you will be allocated will be rounded down to the nearest whole number of Shares.
- (c) In the event of a Scaleback the difference between the application monies received, and the number of Shares you are allocated multiplied by the Issue Price, will be refunded to you by direct credit (to your nominated account as recorded on the share register) or cheque as soon as practicable, without interest.

#### 7. Costs of Participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and allotment of, Shares under the SPP.

#### 8. Timetable

- (a) Subject to clause 8(b):
  - (i) (Record Date) 31 January 2008;
  - (ii) (Opening Date) the offer opens on 7 February 2008;
  - (iii) (Closing Date) the offer closes at 5.00pm (Sydney time) on 27 February 2008. Unless received by St.George before this time, payments made and Application Forms sent may not be processed or held to be valid;
  - (iv) (Issue Price announcement) the Issue Price and any Scaleback will be announced to the ASX on 4 March 2008;
  - (v) (Allotment Date) St.George proposes to allot the Shares on 7 March 2008;
  - (vi) (Despatch Date) the date on which transaction confirmations are sent to Shareholders is expected to be 13 March 2008; and
  - (vii) (Trading Date) St.George expects trading on ASX of new Shares issued under the SPP to commence on 14 March 2008.
- (b) St.George may vary any of the above dates in clause 8(a) at its discretion.

#### 9. Dispute Resolution

St.George may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP and the decision of St.George will be conclusive and binding on all participants and other persons to whom the determination relates.

#### 10. Waiver and Withdrawal

St.George may, at its discretion:

- (a) waive compliance with any provision of these Terms and Conditions; and
- (b) withdraw the offer at any time up to the Allotment Date.

#### 11. No Underwriting

The SPP will not be underwritten.

#### 12. Governing Law

These Terms and Conditions are governed by the laws in force in New South Wales.



# How to participate in the Share Purchase Plan

## Payment Details

**You can apply for Shares by utilising the payment options detailed below. There is no requirement to return this Application Form if you are paying by BPAY®.**

By making your payment using either BPAY®, cheque or money order, you confirm that you agree to the Terms and Conditions of the SPP as enclosed with this Application Form.

Your cheque or money order should be made payable to **St.George Bank Share Purchase Plan** and cross it Not Negotiable. Your cheque or money order must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Complete cheque details in the boxes provided.

**If paying by cheque or money order, return the Application Form and cheque or money order in the envelope provided.**

**Cheques and money orders will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your application being rejected. Paperclip (do not staple) your cheque(s) or money order to this Application Form where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.**

## Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this Application Form.

### Lodgement of Application Form

If you are applying for Shares and your payment is being made by BPAY®, you do not need to return this Application Form. Your payment must be received by no later than 5.00pm (Sydney time) on 27 February 2008. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to BPAY®, and should therefore take this into consideration when making payment by this method. It is the responsibility of the applicant to ensure that funds submitted through BPAY® are received by this time.

If you are paying by cheque or money order, your Application Form must be received by Computershare Investor Services Pty Limited (CIS) Sydney by no later than 5.00pm (Sydney time) on 27 February 2008. You should allow sufficient time for this to occur. A reply paid envelope is enclosed. Return your Application Form with cheque or money order attached.

Neither CIS nor St.George accepts any responsibility if you lodge the Application Form at any other address or by any other means.

### Privacy Statement

By participating in the SPP, you agree that St.George Bank Limited and CIS may disclose your personal information for purposes relating to your shareholding to their agents, related bodies corporate, contractors and service providers including printers, mail houses and the ASX and other regulatory authorities under the Privacy Act.

**If you have any enquiries concerning this Application Form or your participation in the SPP, please contact CIS on 1800 804 457.**

This Application Form may not be used to notify your change of address. For information, please contact CIS on 1800 804 457 or visit [www.computershare.com.au](http://www.computershare.com.au) (issuer sponsored holders only).

**CHES holders must contact their Controlling Participant to notify a change of address**

020396 - V9

## Payment Options:



**Bill Code:** 999999  
**Ref No:** 999999999999999999

Telephone & Internet Banking – BPAY®

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: [www.bpay.com.au](http://www.bpay.com.au)

You must check the processing cut-off time for BPAY® transactions with your bank, credit union or building society as it may be earlier than 5.00pm (Sydney time) on 27 February 2008.

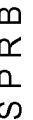


**By Mail**  
**St.George Bank Limited**  
**Computershare Investor**  
**Services Pty Limited**  
**GPO Box 253**  
**Sydney NSW 2001**



Entitlement Number: 99999999

Mr AB Sample  
123 Sample street  
Sampletown 9999



**St.George Bank Limited**  
ABN 92 055 513 070

**All correspondence to:**  
Computershare Investor Services Pty Limited  
GPO Box 4519 Melbourne  
Victoria 3001 Australia  
Enquiries (within Australia) 1800 804 457  
(outside Australia) 61 3 9415 4024  
Facsimile: 61 3 9473 2500  
www.computershare.com

000001 000  
Mr AB Sample  
123 Sample street  
Sampletown 9999

7 February 2008

**IMPORTANT NOTICE TO ST.GEORGE BANK SHAREHOLDERS  
ABOUT UNEXPECTED OFFERS TO BUY YOUR SHARES**

Dear Shareholder

It has come to our attention that St.George Bank Limited (St.George) shareholders may receive an unsolicited offer from a third party to purchase their St.George shares.

Whilst it is not illegal for someone to make an unsolicited offer to buy your shares, it is against the law to mislead or deceive you into accepting an offer. Such offers must comply with strict legal requirements.

Unsolicited offers are often made at a price below the current market value. The offer has to tell you the market value of your shares at the date of the offer and the basis for that value. Shareholders should consider the current market value of St.George shares and the terms of the offer, and seek advice if necessary, before making a decision.

We provide the following information for your assistance if you receive an unsolicited offer:

- The St.George share price is available on the St.George website at [www.stgeorge.com.au/shareprice](http://www.stgeorge.com.au/shareprice)
- The Australian Securities and Investments Commission consumer website FIDO has advice and safety checks for shareholders to protect themselves against unexpected offers at [www.fido.gov.au](http://www.fido.gov.au)
- To find out if it may be more prudent for shareholders to sell their shares through the Australian Securities Exchange (ASX), details of a licensed stock broker may be obtained from the ASX on 1300 300 279 or via their website at [www.asx.com.au/investor/first\\_time](http://www.asx.com.au/investor/first_time)

Yours sincerely,



John Thame  
**Chairman**