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

Company Name:	ST.GEORGE BANK LIMITED
ABN:	92 055 513 070
Pages (Includes this page):	64
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Subject:	**INTERIM RESULTS PRESENTATION**
Date Sent:	6 May 2008

I attach slides of a presentation to analysts by St.George Bank's Managing Director and Chief Executive Officer, Mr Paul Fegan (commencing 11:30 am). The presentation will be web cast live on the St.George Bank website at www.stgeorge.com.au. The slides will also be made available on the website.

Yours sincerely

Michael Bowan
General Counsel and Secretary

2008 Interim Results

6 May 2008

st.george

Agenda

Result highlights:	**Paul Fegan**
Financial overview:	**Michael Cameron**
Business priorities and outlook:	**Paul Fegan**

Result Highlights

Paul Fegan
Managing Director and CEO

Notes

Progress to date…

- Record profit with strong 1H08 underlying growth in earnings delivered
- Capital position strengthened
- Liquidity prudently increased
- Funding requirements significantly ahead of schedule
- Credit quality strong
- Group Executive Retail Bank appointed
- Initiatives in place to drive strong uplift in earnings in 2H08

Strongly positioned to deliver superior to peer 8-10% EPS growth in FY08

Notes

Profit result

	Mar-08	Mar-07	Change %
Cash profit*	$603m	$568m	6.2
Net profit^	$514m	$572m	(10.1)
Earnings per share*	219.4¢	214.9¢	2.1
Return on equity*	20.3%	23.2%	-
Expense to income*	42.5%	42.6%	-
Dividend	88¢	82¢	7.3

^Net profit includes hedging and non-trading derivatives volatility and significant items. *Cash basis excludes these items

Notes

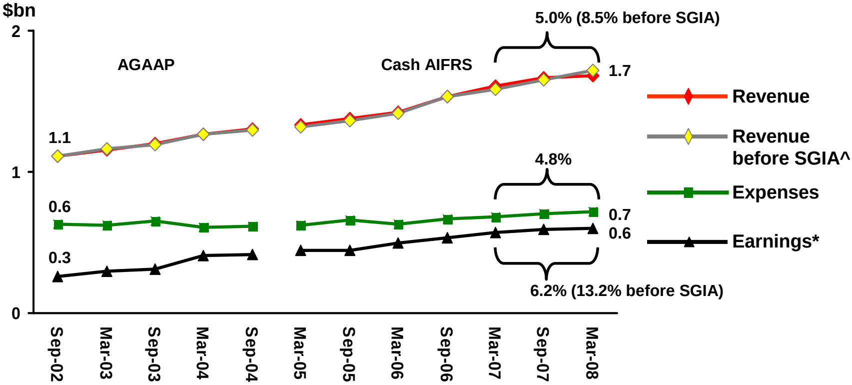
Underlying performance

	Mar-08 $m	Mar-07 $m	Profit growth %	EPS growth %
Underlying performance	626	553	13.2	8.8
SGIA Investment Portfolio*	(23)	15	-	-
Cash NPAT	603	568	6.2	2.1

Percentages Mar-07 to Mar-08. *After tax basis

Notes

Solid earnings performance



15% earnings CAGR since Mar-03

Percentages Mar-07 to Mar-08. *Cash basis after preference dividends.
^Before investment portfolio trading result of SGIA (St.George Insurance Australia is the Group's captive mortgage insurer)

Notes

Factors driving 2H08 uplift in earnings…

- Full period run rate impact of:

  - product repricing

  - Nov-07 capital placement free funds benefit

  - costs disciplines initiated in 1H08

- Anticipated stabilisation of earnings from SGIA investment portfolio

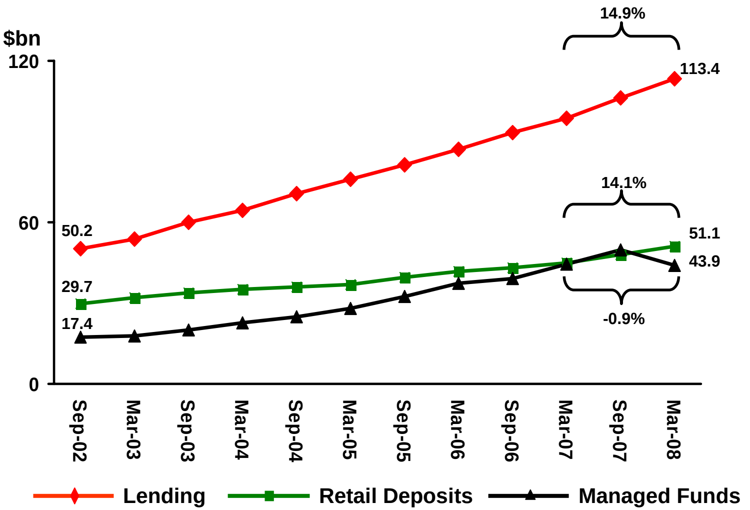
- Individual provisioning charge made in 1H08

- Reduced costs related to realignment of mortgage broker commissions

Well positioned to deliver strong uplift in earnings in 2H08

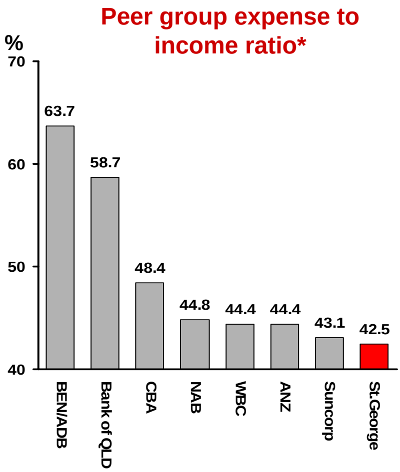
Notes

Robust volumes growth



Percentages Mar-07 to Mar-08

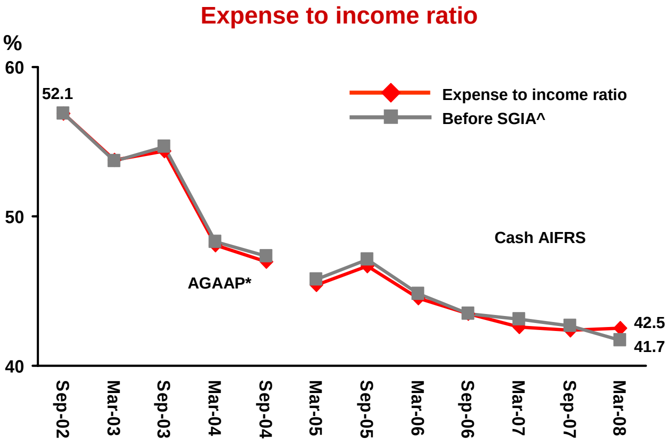
Other key information



Notes

Excluding goodwill and before significant items. *Ratios as at the companies last reporting date

Effective cost management

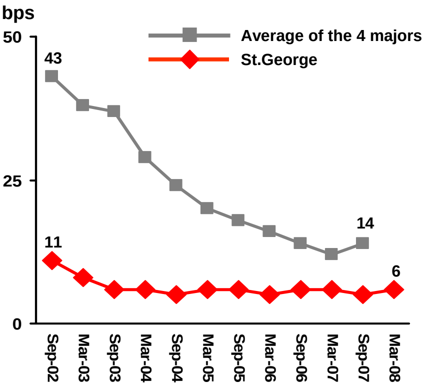


*Excluding goodwill and before significant items. ^Underlying is before SGIA investment portfolio trading result

Notes

Credit quality remains excellent

Net impaired assets/net receivables*



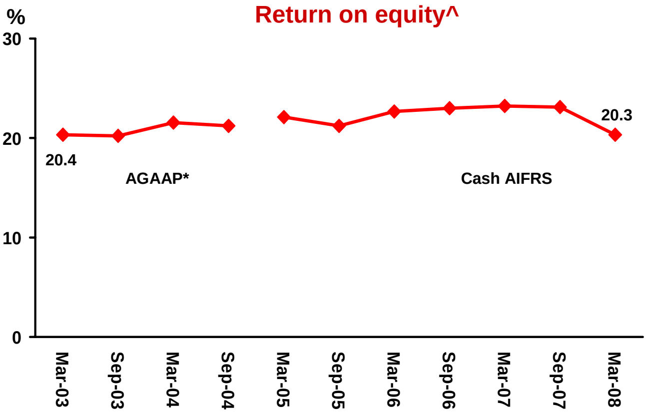
- Low risk business mix
- Proven track record
- Credit quality in retail division remains excellent, with the arrears performance strong
- Overall credit quality in business banking remains strong, exposures to individual entities closely monitored
- No exposures to:
  - US or domestic sub-prime lending
  - CDOs
  - hedge funds

Bad and doubtful debts 0.22% of average total receivables

*Sep-05 onwards includes securitisation and bill acceptances

Notes

ROE consistently above 20%



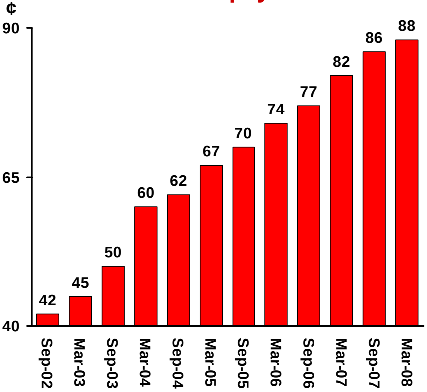
1H08 ROE reflects decision to hold higher levels of capital

*After preference dividends, before significant items and goodwill. ^Annualised

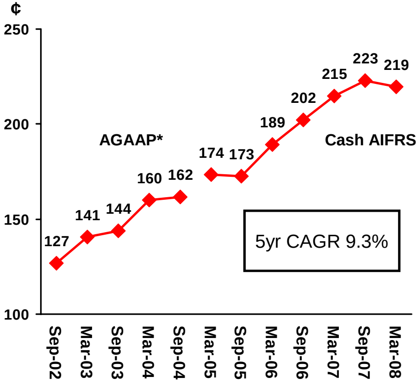
Notes

Strong and consistent dividend growth

Dividend payout



Earnings per share^



Dividend payout to grow broadly in line with annual EPS growth

*Before significant items and goodwill. ^Annualised

Financial Overview

Michael Cameron
Chief Financial Officer

st.george

Notes

Underlying profit

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Underlying performance	**626**	**553**	**13.2**	**8.8**
SGIA Investment Portfolio*	(23)	15	-	-
Cash NPAT	**603**	**568**	**6.2**	**2.1**
Significant items*				
Visa Inc.	54	-	-	-
Restructure costs	(30)	-	-	-
Tax on Depositary Capital Securities	(117)	-	-	-
Derivative volatility	4	4	-	-
Statutory NPAT	**514**	**572**	**(10.1)**	**-**

Percentages Mar-07 to Mar-08. *After tax basis

Other key information

Notes

SGIA revaluations

	Mar-08 $m	Sep-07 $m	Mar-07 $m
Revaluations*	(33)	12	22
Tax	10	(4)	(7)
After tax	(23)	8	15

*Before tax

SGIA investment portfolio

Balances $m

	Mar-08	Sep-07	Mar-07
Equities	119*	182	165
Cash	99	60	57
Bonds	140	139	137
Total	358	381	359

SGIA revenue $m

	Mar-08	Sep-07	Mar-07	Change Mar-07 to Mar-08
NII	7	7	5	2
Revaluations	(33)	12	22	(55)
Dividends	3	5	3	-
Total	(23)	24	30	53

- SGIA currently maintains a medium to long term investment horizon
- Asset allocation currently under review to reduce volatility and in line with new APRA industry guidelines

*$37.5m equities sold and transferred to cash in Dec-07 and Jan-08

Notes

Significant items

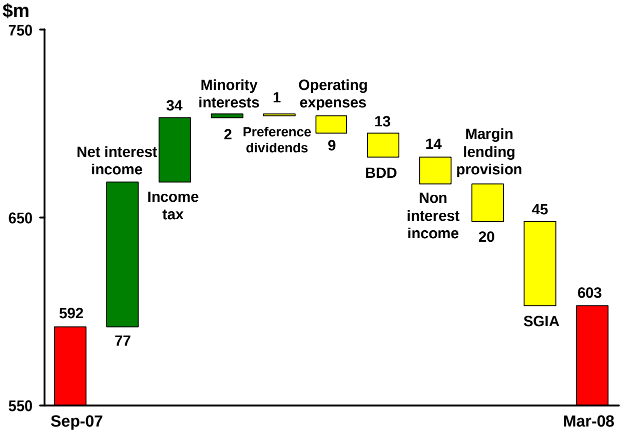
	Mar-08 $m*
Gain from Visa Inc. shareholding	54
Recognition of restructure costs	(30)
Recognition of tax expense on DCS^	(117)
Total after tax	**(93)**

- Gain from Visa Inc. represents 56.19% sold in IPO and the discounted fair value of remaining shares held
- Restructure costs primarily represent staff redundancy costs relating to outsourcing and consolidation of sites
- Depositary Capital Securities tax expense relates to interest deductions claimed by St.George on subordinated debentures from 1998-2003

*After tax basis. ^Depositary Capital Securities

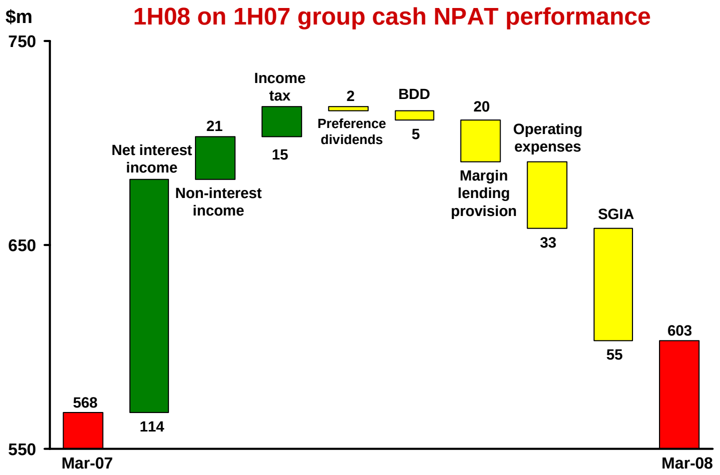
Other key information

1H08 on 2H07 group cash NPAT performance



Notes

Robust operational result



Other key information

Notes

Retail Bank

- 4% fall in revenue reflects:
  - negative contribution from SGIA investment portfolio
  - 1H07 $6.8m gain on sale of Group's equity investment in MasterCard

Institutional and Business Banking

- 23% growth in revenue reflects:
  - 31% annualised growth in Middle Market receivables
  - market leading customer service*

BankSA

- 9% growth in revenue reflects continued success of 'Local Markets' model

Wealth Management

- 3% revenue growth reflects flat managed funds balance growth due to deterioration in investment markets

All percentages Mar-07 to Mar-08. *Source: Jones Donald Customer Satisfaction Survey Sep-07

Segmental profits

	Profit before tax Mar-08 $m	Change* %	Cost to income ratio Mar-08 %	Contribution to segment profit %
Retail Bank	350	(7)	47.5	41
Before SGIA^	379	6	45.8	43
Institutional and Business Banking	294	25	31.7	35
BankSA	127	10	40.3	15
Before SGIA^	131	16	39.6	15
Wealth Management	80	(21)	50.2	9

*Percentages Mar-07 to Mar-08. ^Before SGIA investment portfolio trading result

Other key information

Notes

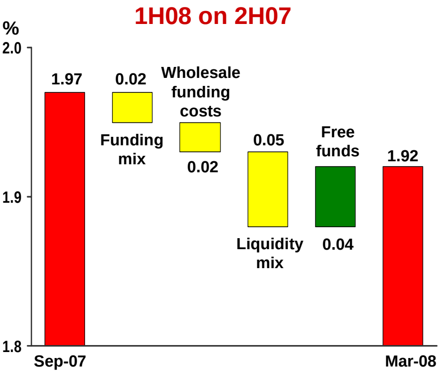
Product repricing initiatives above official cash rates

- Standard mortgage variable rate up 40bps
- Business lending variable rate up 50bps
- Margin lending rate up 26bps
- Credit cards lending rates up 25-75bps

Cash rate rises during 1H08

- Up 25bps on 7 November 2007
- Up 25bps on 6 February 2008
- Up 25bps on 5 March 2008

Disciplined margin performance



- Liquidity has been prudently increased in response to the global credit crisis,
- Carrying $5bn of liquidity in excess of minimum
- Funding mix impacted by the increased proportion of wholesale borrowings
- Higher wholesale borrowing costs due to volatility in global credit markets
- Spread between official cash rates and the 90 day bank bill rate has widened from an average of 16bps in 1H07 to 60bps in 1H08
- Product repricing initiatives to have an increased benefit in 2H08

Underlying net interest margin compression (excluding the impact of increased excess liquidity) expected to average 10bps annually

Other key information

- Flat managed funds fees income is in line with 1% reduction in managed funds
- Factoring and invoice discounting income reduced due to sale of Scottish Pacific factoring business business in Sep-07
- Electronic banking income reduced due to lower merchant transaction volumes and increased interchange fees charged on EMV chip transactions
- $55m change in SGIA income reflects mark to market impact of deteriorating investment markets

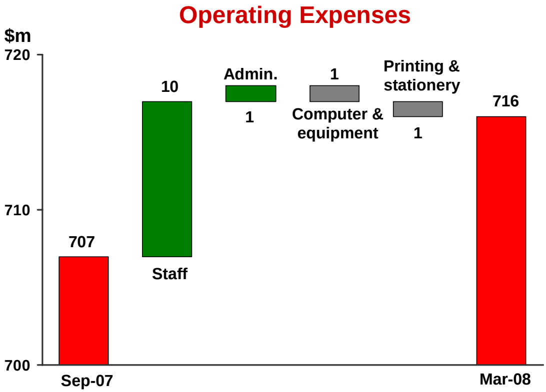
Notes

Non-interest income

	Mar-08 $m	Sep-07 $m	Mar-07 $m
Product fees and commissions:			
- deposits and other accounts	122	114	113
- lending	82	80	71
- electronic banking	104	113	105
Managed funds	143	154	142
Treasury trading	44	35	34
Mortgage insurance investment portfolio (SGIA)	(33)	12	22
Factoring and invoice discounting	3	10	10
Profit on sale of businesses	-	3	-
Property sales	9	9	1
Other	19	22	29
Total	**493**	**552**	**527**

Notes

Effective cost management – 1H08 on 2H07

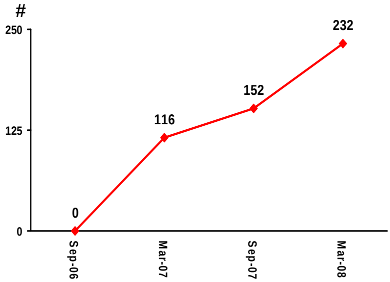


- Costs up 1.3% 1H08 on 2H07
- Growth in staff costs reflects 4% average wage increase and 79 additional staff during 1H08
- Basel II and Anti-Money Laundering compliance projects expenditure $10.4m in 1H08

Continued investment in our people and service delivery

Other key information

Roles offshore*



Benefits

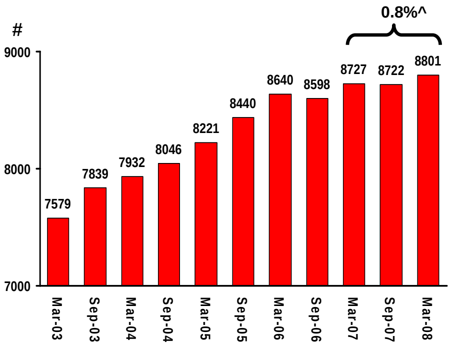
- Improved turnaround times and productivity gains
- Key performance metrics exceeding expectations
- Reduction in operating cost structure

Notes

*Sep-08 number represents forecast of roles offshore

Managing our people resources

FTE*



- Net additional 74 new employees over past year
- Most new roles are customer facing
- Over next 6 months the Group will maintain an additional c.100 transitional employees as our partnership with IBM grows

Maintaining our focus on sales and distribution through increased investment in customer facing staff

*Total group workforce comprises permanent, casual and temporary staff and contractors. ^Percentage Mar-07 to Mar-08

Other key information

2H08 investment agenda

- 8 new retail branches and 2 new business sites scheduled
- Continuing to attract and hire quality new frontline sales people across our retail, business banking and financial planning businesses
- Significant investment in technology platform supporting business banking
- Investing in wealth's underlying infrastructure and customer interface
- Ongoing Basel II and Anti-Money Laundering compliance projects

Project investment expenditure

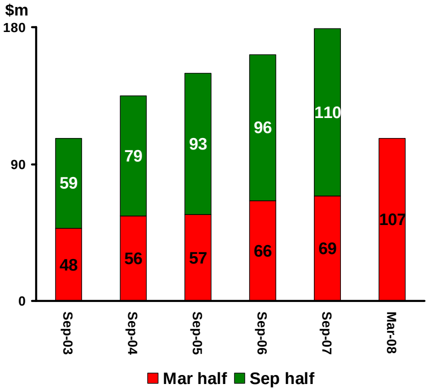
	FY04 $m	FY05 $m	FY06 $m	FY07 $m	1H08 $m
Depreciation and amortisation charge*	131	105	99	92	51
Project investment spend charged to P&L	26	23	23	24	14

Balance of deferred software expenditure $158m, up from $118m in Mar-07.

*Includes computer depreciation, software amortisation and property depreciation

Sustained and growing investment

Project investment expenditure*



1H08 completed initiatives:

- 250 new ATMs in place
- 2 new retail branches and 1 new business site opened
- New $11m credit card processing partnership completed in Feb-08
- Second factor authentication 'Secure Code' internet banking transactions introduced
- Back office workflow processes improved
- Continued outsourcing of non-customer facing roles
- Relocation of Parramatta Contact Centre

Significant investment in people, branches, systems and compliance

*Includes capitalised and P&L project expenditure and excludes marketing, people and training

Other key information

	Mar-08 $m	Sep-07 $m	Mar-07 $m
Collective			
'Eligible'	246	229	219
'Non eligible'	67	62	64
	313	291	283
Eligible after tax	172	160	153
General reserve	179	153	130
Eligible provision reserve	351	313	283
RWA	69,693	63,226	57,117
Ratio	0.5%	0.5%	0.5%
Change in general reserve	**26**	**23**	**13**

The collective provision represents almost three years of average* bad debts expense

Notes

*Average of six years

Bad and doubtful debts expense

	1H08 $m	2H07 $m	1H07 $m
Specific provisions			
Residential	4	5	10
Consumer	48	48	50
Margin lending	20	-	-
Commercial	24	24	18
Total	96	77	78
Collective provision	22	8	15
Bad and doubtful debts expense	**118**	**85**	**93**

1H08 performance:

Residential

- $4 in Mar-08, down from $5m in Sep-07

Consumer

- $48m in Mar-08, stable from $48m in Sep-07

Margin lending

- Specific provision reflects prudent management of margin lending exposure

Commercial

- $24m in Mar-08, stable from $24m in Sep-07

Other key information

Notes

Non-accrual loans

- Net non-accrual loans $70m compared to $50m in Sep-07 and $59m in Mar-07
  - largest exposure $11.6m
  - next 19 non-accrual loans range from $0.5 to $8.7m*
- Exposures well secured and prudently provisioned

Average loss rates since 1995:

- Housing 1.5bps
- Commercial 25bps
- Credit cards 170bps
- Personal loans 120bps

Appropriation to general reserve

- Appropriation for 1H08 is $26m reflecting growth in risk weighted assets

*Commercial loans only

Excellent arrears performance

	Loss rates			Arrears 90+ days		
	Mar-08 bps	Sep-07 bps	Mar-07 bps	Mar-08 bps	Sep-07 bps	Mar-07 bps
Housing	1	1	2	19	22	26
Commercial	24	24	18	-	-	-
Consumer	104	111	122	193	166	178
Margin lending	79	-	-	-	-	-

- Strong arrears performance reflects:

  - prudent underwriting disciplines

  - improved collections team performance and processes

  - strong management focus and attention

Other key information

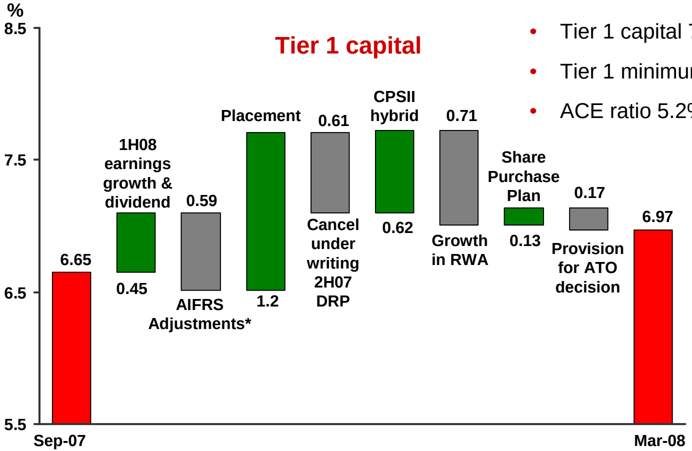
1H08 capital management initiatives

- $759m raised through institutional capital placement in Nov-07
- $392m non-innovative convertible preference share issuance completed in Dec-07
- $76m of capital raised through Dec-07 DRP*
- $85m raised through Share Purchase Plan in Mar-08
- $336m of Auto asset backed securities securitised

Notes

*Dividend Reinvestment Plan

Optimising the capital equation



- Tier 1 capital 7%
- Tier 1 minimum of 6.25%
- ACE ratio 5.2%

$500m of excess capital held, sufficient to support an additional $11bn of RWA growth or loan growth of c.13-14% for CY08^

As at 31 Mar-08. *Expiry of AIFRS transition relief and other Tier 1 adjustments.
^Including internally generated capital over the same period

Other key information – Basel II

- Application for Advanced Retail Credit Risk and Foundation Corporate Credit Risk lodged in Sep-05
- Application for Advanced Operational Risk lodged in Sep-06
- Application for Advanced Interest Rate Risk in the Banking Book lodged in Nov-07
- Internal Self Assessment of Securitisation compliance for Internal Ratings Based Approach due May-08
- Advanced Corporate Credit Risk to be addressed subsequent to initial accreditation
- Business benefits being delivered through enhanced risk management processes
- St.George continues to remain subject to Basel I during 2008

Notes

FY09 capital requirements

Factors impacting 2009 capital requirements

- Basel II accreditation*
- Growth in risk weighted assets
- State of securitisation markets
- Divided Reinvestment Plans participation rates

*Subject to APRA timing and approval

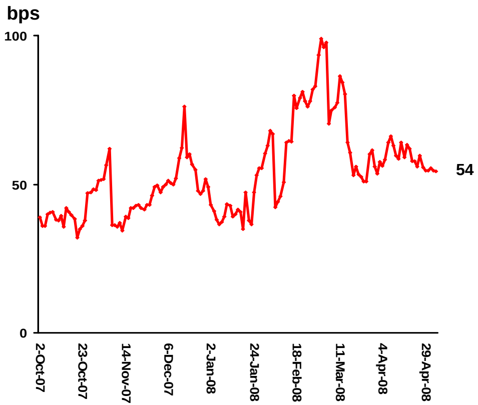
Other key information - additional funding costs

Widening spreads*

	Mar-07 bps	Sep-07 bps	Mar-08 bps
Senior debt			
3 year^	14	35	100
5 year^	18	45	140

Additional funding cost	1H08 $m
Cash/90	28
Wholesale funding	7

Cash/90 days differential basis points



*Spreads to 90 day bank bill swap rate

Strong and flexible sources of funding

Total funding by source`

	$bn
Retail	51.1
Short term wholesale	34.1
Term wholesale	19.1
Securitisation^^	17.1
Subordinated debt	1.9
Preference shares	0.7
Total	**124.0**

- Retail deposits growing at 14.0%^
- Strong base of retail deposits accounting for:
  - 64% of all retail lending***
  - 51% of total funding excluding securitised funding*
  - 43% of total funding including securitised funding*
- $7.0bn of business deposits and $3.9bn of Wealth cash balances are strongly growing sources of funding
- Established $3.8bn RMBS contingent liquidity facility

Liquidity is high at 13%, $5bn in excess of minimum**

`Data as at 31 Mar-08 and includes bank bill funding. ***Including securitised assets.
*Excludes bill financing and preference shares. ^^Including c.$1bn of asset backed conduit funding.
^Annualised percentage Sep-07 to Mar-08. **Includes liquid assets and treasury securities. Liquidity as at Mar-07 was 8.7%

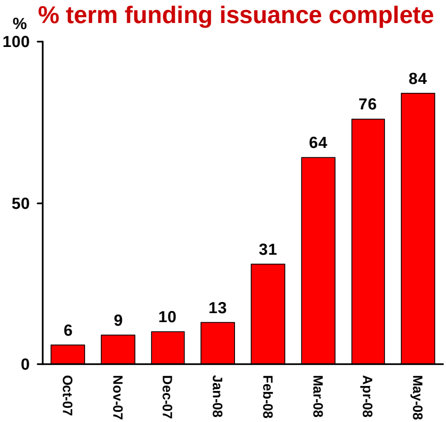
Other key information

FY08 term issuances

Date	Currency	Description	Pricing	Term yrs	Amount $b
Oct-07	AUD	Term	3mo BBSW +37bps	3	0.5
1st Qtr	Mixed	Term-Private	n/a	1.2	0.3
Feb-08	AUD	Term	3mo BBSW +39bps	1.5	0.9
Mar-08	AUD	Term	3 mo BBSW +45bps	1.0	1.2
Mar-08	CHF	Term	3mo Swiss Libor +38bps	2.0	0.2
Mar-08	AUD	ABS	3mo BBSW +70-150bps	up to 5.0	0.4
2nd Qtr	Mixed	Term-Private	n/a	1.4	1.6
Apr-08	EUR	Term	3mo Euribor +140bps	3.2	0.2
Apr-08	Mixed	Term-Private	n/a	2.5	0.8
May-08	AUD	Subordinated	3mo BBSW +275bps	5.0	0.7
Total					**6.8**

Notes

Term funding – 84% complete for FY08

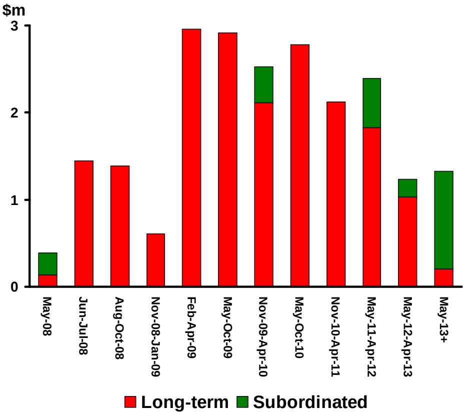


- $8bn FY08 term funding requirement
- 15% of committed term funding is maturing in next 6 months
- Average weighted maturity of committed funding is 26 months
- $6.8bn committed term funding issued since 1 Oct-07
- Establishing programs in 2H08 in Japanese Samurai and US Rule 144A markets

Increasing flexibility and diversity to counter challenging market conditions

Other key information

Term funding maturity profile



Notes

FY09 term funding requirements

Impact of credit and deposit growth on FY09 term funding

$bn		Retail deposits growth		
		14%	12%	10%
Asset growth	10%	9.6	10.0	10.4
	11%	10.1	10.5	10.9
	12%	10.6	11.0	11.4
	13%	11.1	11.5	11.9
	14%	11.6	12.0	12.4
	15%	12.1	12.5	12.8

- c.$11-12bn FY09 term funding requirement including $6.7bn of refinancing
- With FY08 virtually complete, attention now focused on FY09 term funding task

Group is proactively and successfully managing its ongoing funding requirements

Notes

Drivers of uplift in 2H08 earnings

1H08 was impacted by:

- Negative contribution from SGIA
- Margin loan provision
- Higher funding costs
- Some capital placement free funds benefit

2H08 benefits include:

- Full period run rate impact of:
  - capital free funds benefit
  - cost disciplines initiated in 1H08
  - full run rate benefit of repricing of all lending product categories

- Additionally we would anticipate:
  - stabilisation of earnings from SGIA investment portfolio
  - reduced costs related to realignment of mortgage broker commissions

1H08 management initiatives to deliver strong uplift in 2H08 and 8-10% EPS growth for FY08

Notes

Key short term risks / opportunities to earnings

Key short term drivers	Earnings sensitivities for 2H08*	
Equity market movement		
• SGIA	+ or - 5%	• $4.2m
• Asgard	+ or - 5%	• $2.5m
• Cash/90 spreads	+ or - 10bps	• $14.5m
Interest rates/credit spreads		
• Liquidity/trading portfolio	+ or - 30bps	• $10.5m
• SGIA fixed income	+ or - 30bps	• $0.6m
• Large credit exposures	Manage closely	

Key drivers actively managed and factored into FY08 EPS growth guidance

*After tax basis

Business Performance and Outlook

Paul Fegan
Managing Director and CEO

st.george

Business priorities

Management outlook and targets

Notes

Business priorities

People and customers	Reinforcing our commitment to our people and customers
Retail Deposits	Targeting growth broadly in line with system
Home Loans	Manage volumes and margins, with objective of achieving profitable growth
Middle Market	Targeting receivables growth well in excess of peers
Wealth management	Net flows to exceed system growth
Productivity management	Rolling program of efficiency initiatives, facilitating reinvestment in revenue growth activities

Other key information

Notes

*The Gallop Organisation Staff Survey 2007, staff satisfaction

Valuing our people

Attracting and retaining talent

- Over 25% of new hires referred from existing employees
- Significant investment and recognition of St.George employment brand
- Leadership development on delivering in a challenging business environment

Employee flexibility

- Leading range of flexible work options
- Expanded ‘Greener Dragon’ benefits
- Enhanced focus on health and safety
- Increase of flexible working options

Engaged people

- Record high and industry leading employee engagement
- Record levels of staff ‘recommending St.George as a good place to work and do business’
- Staff satisfaction at 75%*, up from 48% in 2002

Workforce of the future

- Trialling new technologies (blogs, wikis, virtual meeting) to improve productivity
- Expanding ‘home-based working’ to provide more options for ‘hard to fill’ jobs
- Building opportunities to recruit from untapped employment groups

*The Gallop Organisation Staff Survey 2007, staff satisfaction

Notes

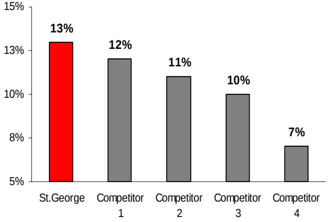
Strong return on brand investment


- Highest ever ‘Service’ message take-out
- High recognition and strong branding


- Building financial expertise from a strong service platform

Brand equity

Market value of brand/market capitalisation



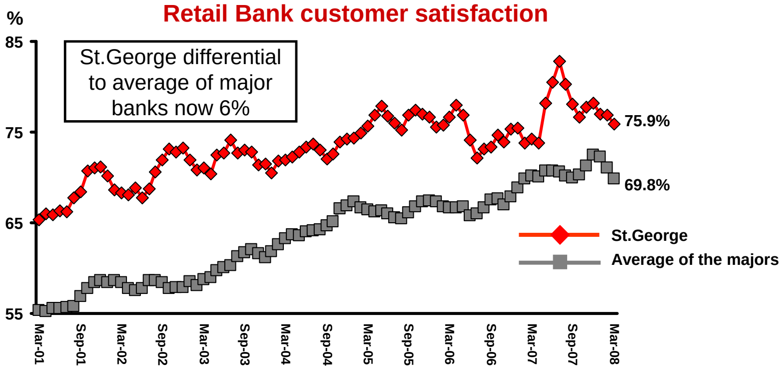
- St.George brand equity highest of all Australian bank brands

Our brand strategy has delivered high return on investment

Sources: Brand Finance Global 500 Finance Brand Index Jan-08 and Brand Finance 250 – World’s Most Valuable Brands 2007

Notes

A truly differentiated customer experience



Maintaining service leadership in a challenging environment

Source: Roy Morgan Research Mar-08 rolling 3-mth average respondents (aged14+) with transaction accounts at institution

Other key information

Retail funding composition

	Mar-08 $bn	%	Mar-07 $bn	%
Transaction	17.5	34	15.4	34
Savings	0.5	1	0.5	1
Fixed term	17.7	35	14.7	33
directsaver	8.7	17	7.3	16
Investment	6.7	13	6.9	16
Total	51.1	100	44.8	100

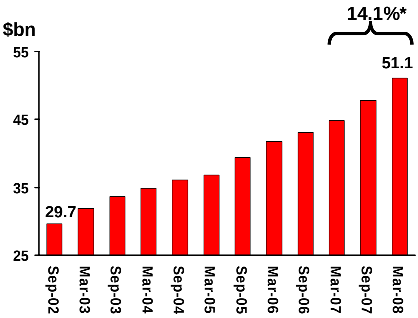
- 13.8%* growth in transaction account balances
- 19.7%* growth in fixed term account balances
- Increasing proportion of new flows from QLD, VIC and WA
- 17.1%* growth in business transaction account balances to $7bn

Notes

*Percentages Mar-07 to Mar-08

Deposits – outstanding growth in core offering

Retail deposit balances



- 14% annualised growth in 1H08
- Balance growth benefiting from:
  - flight to quality
  - focus on core offering
  - enhancement of marketing strategy to affiliate channels
  - continuing of cross-sell to dragondirect customers through innovative marketing strategies and staff training
- Margin performance improved due to:
  - growth in transaction accounts and transaction account average balances
  - recent rises in official interest rates

Retail deposit growth broadly matching growth in retail lending

*Percentage Mar-07 to Mar-08

Other key information

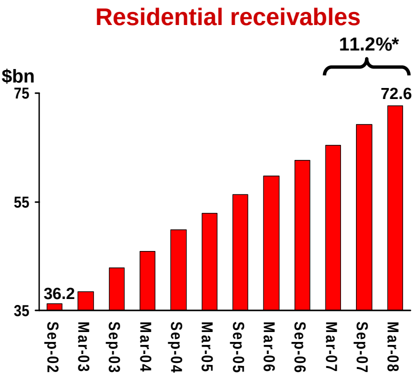
Home loans market share %

NSW/ACT	14.6
BankSA	18.6
VIC/TAS	5.0
Queensland	5.1
Western Australia	5.5
National	8.9

Notes

*State market share Cannex derived and BankSA market share sourced from ABA as at Feb-08.
National market share sourced from APRA Mar-08

Home Loans – solid performance



- 10% annualised 1H08 growth
- Receivables growth impacted by:
  - 7%^^ system growth in NSW, compared to c.12% national system growth
  - above industry concentration of line of credit loans
  - line of credit loan growth impacted by lower drawdown activity and increased levels of prepayments
- 54% of flows proprietary sourced**
- Run-off rate^ stable at 16%**
- <1bps loan loss rate

Credit quality and arrears performance remains excellent

*Percentages Mar-07 to Mar-08 **Sep-07 to Mar-08. ^^Cannex derived
^Annualised run-off rate includes contractual repayments, discharges and pre-payments

Other key information - product mix

	Receivables	Settlements				
	Mar-08 %	1H08 %	FY07 %	FY06 %	FY05 %	FY04 %
Introductory	1.1	2.9	3.9	2.8	3.6	8.0
Portfolio	28.4	24.9	27.2	29.2	29.9	34.7
Standard variable and basic	36.8	32.8	29.7	40.2	42.2	37.3
Fixed	20.8	23.1	21.3	13.3	10.4	7.8
Low doc	7.2	10.0	11.5	8.2	8.3	8.5
No deposit	5.1	6.1	6.2	5.8	4.7	2.8
Seniors access	0.7	0.2	0.2	0.5	0.9	0.9
Total	100	100	100	100	100	100

74.2% LVR for mortgages written in 1H08,
37.5% for total mortgage portfolio

Notes

Commissions aligned to value of introductions

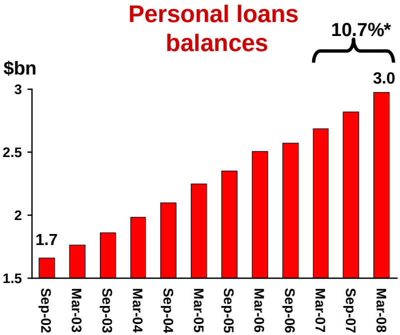
Mortgage broker commissions

	Previous commission structure bps	New commission structure bps
Upfront commissions	70	50-70
Trail commissions	25	15-25

- Actual commissions paid will reflect the value of business introduced
- Commission payments will be variable dependent upon:
  - electronic lodgement of applications
  - cross sell of non home loan products
  - conversion percentage of applications to settlements
  - other customer profitability measures

Broker channel to remain intrinsic component of Group's distribution model

Other key information



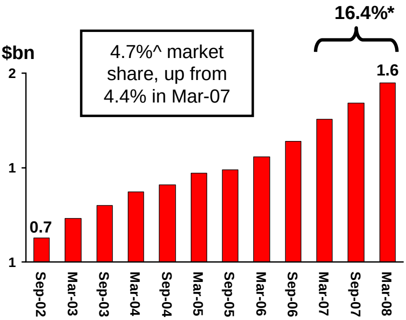
- 58% increase in direct contribution 1H08 on 1H07
- Re-weighted portfolio to lower risk segments
- 23% of new flows secured, up from 11% in Mar-07
- 25% fall in bad and doubtful debts 1H08 on 1H07

Notes

*Percentage Mar-07 to Mar-08, balances include retail personal loans and IBB consumer finance loans. All other percentages relate to retail personal loans only.

Credit cards – achieving low risk growth

Credit card balances



25.3% of customers now hold a St.George credit card, up from 22.7% in Mar-06**

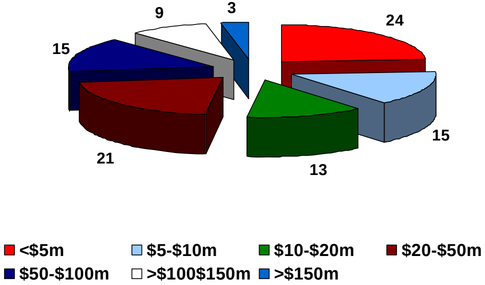
- >70% of new sales continue to come from existing customers
- Platinum credit card launched in Dec-06 now represents 13% of new sales, up from 4% in Mar-07
- Credit scores on new sales higher compared to previous years
- Credit quality remains sound and improved on previous corresponding period
- Awarded 'Credit Card Issuer of the Year' for 4th consecutive year^^
- Partnership with external supplier FIS to provide a credit card processing solution completed in Feb-08

*Percentage Mar-07 to Mar-08.

**Excludes customers under 18 years of age. ^APRA Mar-08 market share. ^^Money Magazine

Other key information

Distribution by loan size %



Geographical distribution %

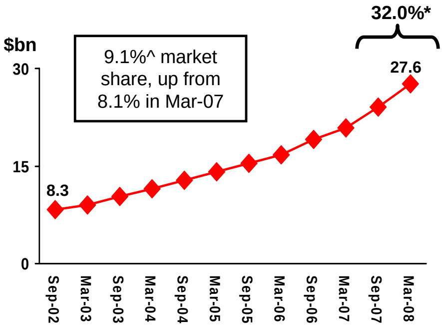
NSW/ACT	54
SA/NT	14
WA	11
VIC	12
QLD	9

Notes

*All data as at 31 Mar-08

Middle Market – outstanding performance

Total middle market receivables



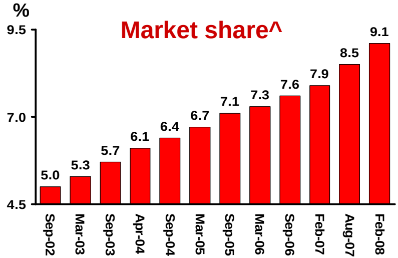
- 31% annualised growth 1H08
- Strong performance driven by:
  - continued investment in people and processes
  - consistent adherence to proven relationship model
  - robust national system growth with solid NSW contribution
- 80% from target industry segments
- c.95% of portfolio is secured
- Impaired assets/total middle market receivables 0.21%

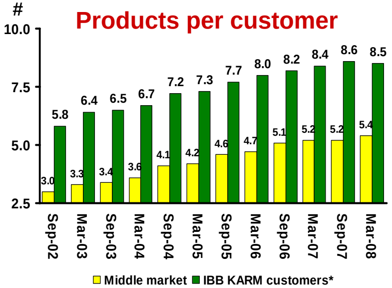
72% of total portfolio balances <$50m, average loan size c.$6m

*Percentages Mar-07 to Mar-08.

^Cannex derived market share. From Mar-06 impact of large leveraged buy out transactions are excluded

Other key information





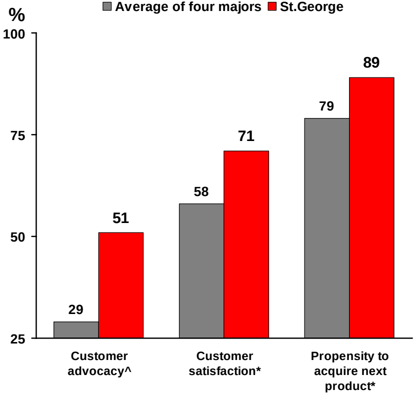
Notes

*KARM – Key account relationship management

^Cannex derived market share. From Mar-06 impact of large leveraged buy out transactions are excluded

Middle Market – leader in customer retention

Relationship management



Customer retention

- 93% of customers have maintained their relationship with St.George^^
- 69% of new business sourced from existing customers

Expected churn**

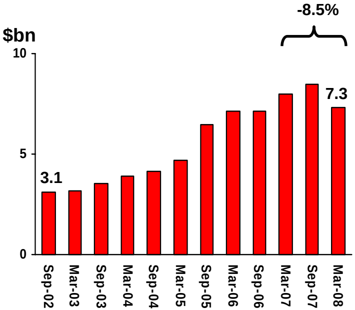
- 0% of St.George customers are considering changing banks in the next 6 months
- 17% of major bank customers are considering changing

Industry leading levels of staff engagement and customer retention

*Source: Jones Donald Customer Satisfaction Survey Sep-07, ^Customers who would 'definitely recommend their bank'. ^^Sep-06 customers who are still with St.George, 7% attrition rate includes customers who have repaid debt, been acquired or closed their businesses. **East & Partners - Australian Commercial Transaction Banking Markets Survey Aug-07

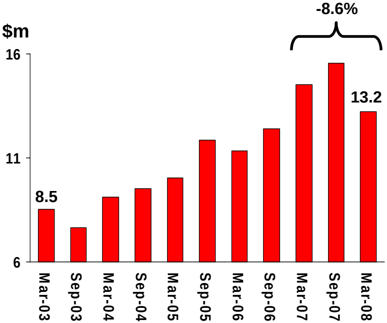
Other key information – Advance and insurance

Advance FUM



- FUM impacted by deterioration in investment markets

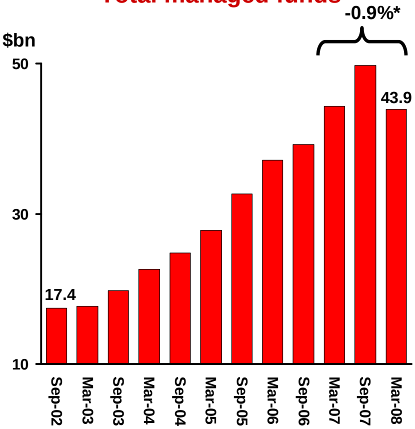
Insurance revenue



- Insurance revenue excluding investment income up 12%
- Life revenue excluding investment income up 16%
- Life risk new premiums up 59%

Wealth Management

Total managed funds



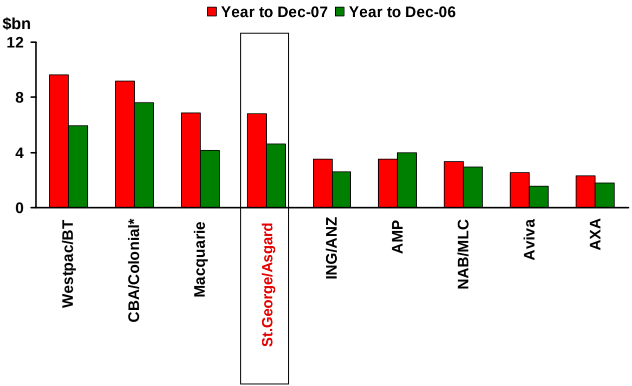
- Total managed funds down 12% since Sep-07
- Managed funds balances impacted by deterioration in investment markets:
  - S+P ASX 200 index^ down 16.7%
  - MSCI down 13.8%^
- Inflows growth remains strong at 4.7%*
- Cost to income 50.2%, down from 75.0% in Sep-02

Solid performance notwithstanding volatile markets

*Percentages Mar-07 to Mar-08, excludes Securitor balances. ^Accumulation basis 30 Sep-07 to 31 Mar-08

Other key information

Yearly platform net flows

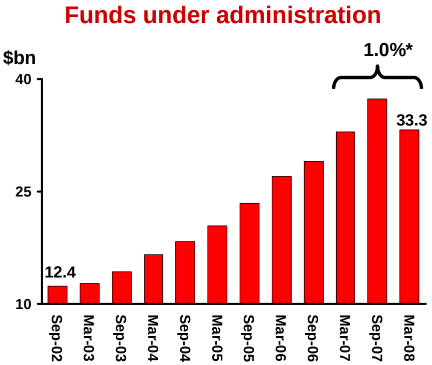


Notes

*One-off win and then loss of GSJBW mandate.

Source: Plan for Life Dec-06 to Dec-07 Quarterly Data System, latest data available

Asgard - strong in demanding environment



- Asgard top 4 in industry for net flows^
- Maintaining leading levels of customer retention and service
- Inflows up 6.1% to $3.4bn and new accounts up 5.7%*
- AdviserNetgain rated #1 integrated solution**
- Mercer 'white labelling' contract extended
- Continue to invest in underlying infrastructure

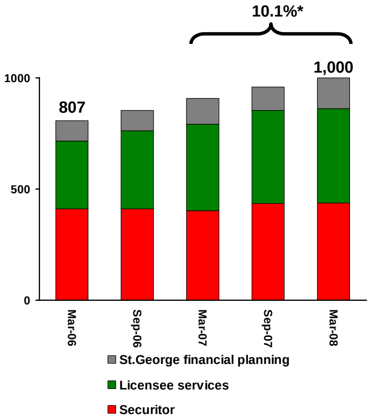
14.1% of market net flows^, up from 8.3% since Dec-05

*Mar-07 to Mar-08, excludes Advance portfolio. ^Plan for Life Dec-06 to Dec-07 Quarterly Data System. **Rated #1 for delivering integrated financial planning and practice management technology. Investment Trends 'hybrid category' Jan-08

Notes

Asgard - growing adviser numbers

Financial adviser numbers



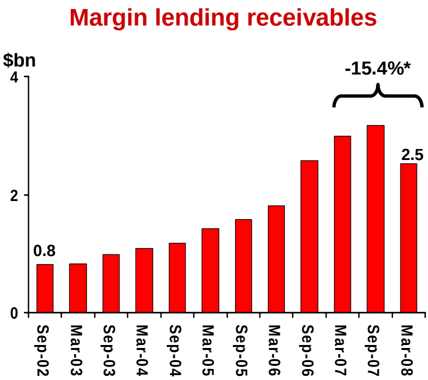
- 11.4% growth in authorised representatives across St.George financial planning and Securitor
- 8.5% increase in authorised representatives across Licensee Services
- Securitor adviser productivity up 32%^
- Robust risk management and compliance culture

Strong growth in number and quality of financial advisers

*Percentages Mar-07 to Mar-08. ^Net of market movements

Notes

Margin lending – meeting the challenges



- Systems and service capability has withstood increase in market volatility and margin calls
- c.2,700 margin calls in Jan-08 compared to monthly average of 426^
- Average LVR remains conservative at 43.8%, up 4.7% since Mar-07
- Do not participate in stock lending
- Number of accounts up 7.8%*
- Well positioned to continue growing in medium term

Receivables impacted by volatile markets and investor confidence

*Percentages Mar-07 to Mar-08. ^Over past 2 years

Other key information

VIC, QLD and WA

- Residential lending up 16%
- Middle Market lending up 43%

VIC

- 2 new retail sites scheduled for 2H08
- 47 new ATMs^

QLD

- 1 retail site opened in 1H08
- 3 retail and 2 co-located sites scheduled for 2H08
- 72 new ATMs^

WA

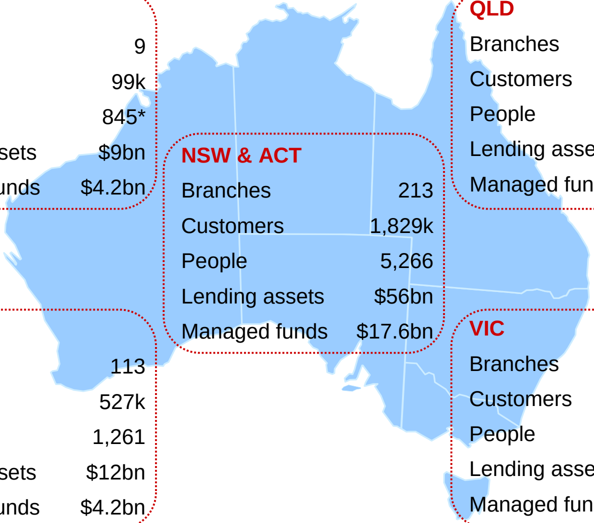
- 1 co-located site opened in 1H08
- 1 retail site scheduled for 2H08
- 39 new ATMs^

VIC, QLD and WA represents 31% of residential and Middle Market lending

Notes

Percentages Mar-07 to Mar-08. ^Includes rebranded BP Partnership ATMs and all are in place in 1H08

Distribution - well diversified and growing



WA

Branches	9
Customers	99k
People	845*
Lending assets	$9bn
Managed funds	$4.2bn

QLD

Branches	28
Customers	263k
People	377
Lending assets	$10bn
Managed funds	$5.9bn

NSW & ACT

Branches	213
Customers	1,829k
People	5,266
Lending assets	$56bn
Managed funds	$17.6bn

SA & NT

Branches	113
Customers	527k
People	1,261
Lending assets	$12bn
Managed funds	$4.2bn

VIC

Branches	37
Customers	271k
People	424
Lending assets	$13bn
Managed funds	$12bn

All data as at Mar-08. Lending assets include residential and Middle Market receivables. *Includes Asgard

Business priorities

Management outlook and targets

Notes

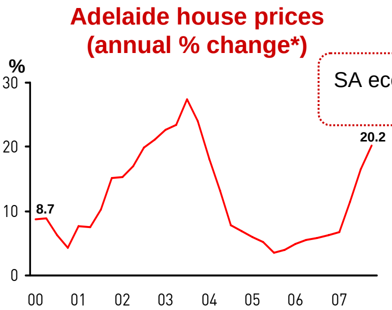
Sector outlook

- National home loan credit growth to slow to around 10%
- National business lending growth to moderate but remain robust
- Official interest rates expected to remain stable in medium term
- Credit markets dislocation to persist in the short term
- Investment market volatility likely to continue
- Australian economy to moderate but remain resilient and continue to grow

Economic and credit growth to moderate from current levels
but remain relatively strong

Other key information – SA economy

Notes



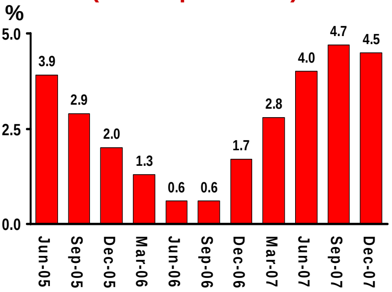
SA economy is being supported by its mining potential

- SA unemployment rate of 4.6% is near record lows
- Residential vacancy rates remain tight at 1.1%
- Median house price in Adelaide grew by 20.2% in 2007
- Housing construction continues to show signs of strength
- Population growth has increased with net overseas migration c.14,000 p.a.
- SA is currently ranked 4th globally in terms of mining potential

*Source: Access Economics, ABS, Fraser Institute

NSW economy remains strong and resilient

NSW state final demand*
(GDP equivalent^)



NSW economy has displayed a convincing rebound

- NSW contributes 31% of national GDP
- NSW unemployment rate at 4.3% is near long term lows
- Residential vacancy rates remain tight at 1.0%
- 4.2% annualised growth for Sydney's median house price from Sep-07 to Mar-08
- Overseas immigration is strong at 50,000pa
- State government supportive of business and public sector investment has accelerated
- Private capital expenditure now growing at double digit annual rate

*12 month annual percentage change, seasonally adjusted ^Excludes import and export data. Source: ABS

Notes

St.George FY08 outlook

- Retail deposits growth to remain robust and broadly match growth in retail lending
- Home loan growth to remain solid at around current levels of 10% subject to impact of realignment of broker commissions
- Consumer lending to exceed system growth, driven by strong growth in credit cards sold to existing customers
- Middle Market targeting receivables growth >25% for FY08, supported by a strong pipeline
- Wealth management net flows to exceed system growth, though absolute growth will reflect investment markets performance

Strong momentum across core businesses and product lines

Notes

FY08 guidance

EPS growth FY08	**8-10%***
Cost to income	Manage to low end of peer group
Capital	Maintain a prudent buffer above our Tier 1 minimum of 6.25%^
Credit quality	Maintain positive differential to majors
Customer satisfaction	Maintain positive differential to majors

^Additional APRA review scheduled as part of Basel II transition. *Targets exclude impact of hedging and derivatives and assumes a reasonably sound economic environment and no further unexpected material credit losses.
**Roy Morgan Research Feb-08 rolling 3 mth average respondents (aged 14+) with transaction accounts at institution

Notes

Franchise in excellent shape with…

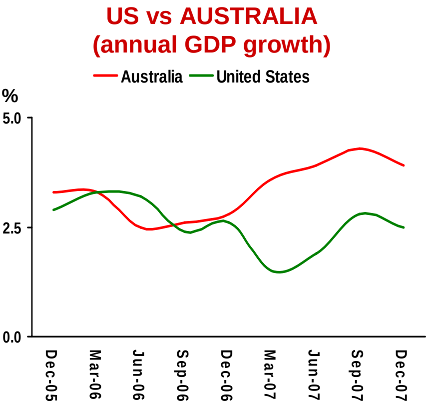
- Solid growth across core businesses and product lines
- Strong positioning from capital and funding perspectives
- Excellent credit quality and complete transparency in relation to our balance sheet provisions
- 1H08 initiatives to drive strong uplift in 2H08 earnings
- Solely domestically focused, growth orientated franchise

Low risk business mix and excellent credit quality strongly position the Group to continue to deliver through the cycle

Appendix

- Australian economy
- Stress testing the home loan portfolio
- Property outlook
- Crusade CP no.1 – asset backed commercial paper conduit

Australian economy



Decoupling: Consensus 2008 GDP forecast for US 1.3%, Australia 3.1%

- 2007 Australian GDP growth of 3.9% well ahead of advanced economy average of 2.7%
- Housing market upswing in place after 2003-05 downturn. National house price increased 12.3% in 2007
- Trade patterns have changed. China now 2nd largest export market, Japan 1st, India 6th and United States 7th
- Commodity price support for the economy continues with coal, iron ore and gold (top 3 merchandise exports) at or near record prices

Data Sources: EcoWin, Consensus Economics, IMF, ABS

Stress tests for the home loan portfolio

- Two key stress tests are conducted annually for the portfolio:
  - 1-in-25 year recession scenario
  - sensitivity of write-offs to property price falls

- Key results from these stress tests:
  - 30% fall in residential property prices would increase write offs by $10m per annum post tax, due to higher losses from property repossessions
  - Impact would be more significant if combined with other adverse economic conditions, particularly higher unemployment
  - For example, if 30% property price falls were combined with higher unemployment (up 4%), higher cash rates (up 1.25%) and a doubling in the rate of individual bankruptcies, write offs would total $99m per annum post tax over 3 years

- Under both stress tests, losses are able to be met from mortgage net interest income without drawing on reserves, capital, or reinsurance

Exposures to individual entities

Centro Property Group

- St.George has a total exposure of $458m to various Centro Property Group entities
- St.George has no unsecured exposure to Centro Property Group entities, including Centro Property Group Ltd
- All are fully secured, with LVRs between 40%-70%, by direct first mortgages over portfolios of Australian and New Zealand shopping centres
- These loans are all performing

Allco Finance Group

- St.George has a $60m participation in an $850m unsecured syndicated facility led by CBA
- This loan is performing

Exposures to individual entities

Octaviar (formerly known as MFS Group)

- St.George has a margin loan of $25m secured by Octaviar Ltd shares and personal guarantees
- These shares are currently suspended. Recovery will be dependent on the share price when the shares relist and, in the case of any shorfall, any further recovery from the guarantors
- Given the uncertainty involved an appropriate provision has been made
- St.George also has a facility drawn Octaviar Child Care Property Trust, drawn to $37.5m. This facility is fully secured and St.George does not expect to incur any loss from this exposure

Specific provisions

- St.George uses a number of specific risk grades for impairment including default, non accrual, restructured and provisioned
- Impaired assets are disclosed on a net basis*
- As at 31 Mar-08 net impaired loans was $70m
- Specific provisions are assessed on an individual basis using expert judgement
- All provisions over $250k are reported to the Board Risk Management Committee

*The gross exposures less the amount of interest and specific provision which is calculated based on the expected recovery from available security, after all costs

Collective provisioning

- St.George collective provisioning scheme is in accordance with IFRS Accounting Standards and is subject to annual audit

- All exposures are allocated a probability of default risk grade at origination. The calculation of the probability of default is an integral part of the St.George commercial lending process

- A collective provision is automatically raised and posted following a downgrade in the probability of default risk grade. Probability of default downgrades of which the bank is not yet aware are covered by applying migrations to commercial exposures not regraded in the last three months

- Collective provision is equal to the calculated increase in the expected loss amount. This is a function of:

  - increase in the probability of default estimate
  - exposure at default estimate
  - loss given default estimate

- Group collective provision as at Mar-08 was $313m

Property outlook from a credit perspective

- While each capital city is at different stages of the property cycle there are some general views developing amongst property analysts and valuers for property over the next two years

- Capitalisation rates on commercial property may start to increase across all classes as:

  - institutional buyers wait for price adjustments before coming back into the market

  - LPT's and property syndicates may be forced sellers as they find problems in rolling maturing debt facilities

  - potential for capital gains are perceived to have lessened

Property outlook from a credit perspective

- On the positive side:

  - office vacancy rates will remain low in 2008 and do not show any signs of increasing until 2010/11

  - office rental growth will remain strong over the next two years, particularly in Sydney where supply is tight and rents need to increase to make new development viable at current interest rates

  - developers are discontinuing or delaying potential developments given the expected moderation of the economy. This may further limit supply

  - some commercial properties that have not been revalued since 2004/05, have missed the decline in capitalisation rates and are being valued at the same level or sometimes higher due to rental income increases since the last valuation

Crusade CP No.1 – Asset backed commercial paper conduit

- Currently $1.1bn on issue*

- Diversified and highly rated portfolio with:

  - 56% rated AAA

  - 2% rated AA

  - 40% rated AA-

  - 2% rate A

- Contains no CDO's and has no exposure to offshore markets

- Remains fully funded and has not drawn liquidity

*Net outstandings as at 2 May-08

Crusade CP No.1 – warehouse funding

- Crusade CP No.1 Pty Limited currently provides funding to two warehouse facilities
- All loans within the warehouses are mortgage insured with no exposures to mortgages outside Australia or sub-prime loans
- Both warehouses are rated AA- by Standard and Poors
- Warehouse limit of $1bn with $534m utilised as at 28 Apr-08

The material in this presentation is general background information about the Bank's activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.

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