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21 January 2008

St.George announces Share Purchase Plan

St.George is pleased to announce an offer to eligible shareholders of the opportunity to purchase no more than \$5,000 of additional fully paid ordinary shares in the company through a share purchase plan (**SPP**).

St.George is aiming to raise approximately \$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, eligible shareholders may be allocated less shares than they applied for, and any excess application monies will be refunded.

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

Shareholders (including Directors and employees of St.George who are shareholders of the company) will be eligible to participate in the SPP if they were a registered holder of shares at 7.00pm (Sydney time) on 31 January 2008, with a registered address in Australia.

The purchase price for each share under the SPP will be the lower of:

- (a) 97.5% of the volume weighted average price of shares sold on the ASX between 21 February and 27 February 2008 (inclusive); and
- (b) \$35.00 per share (this was the price paid by institutional investors in the Institutional Placement which occurred after the close of trade on 14 November 2007).

Applicants under the SPP will not incur brokerage, commissions or other transaction costs.

Specific details of the SPP will be sent to eligible shareholders on or around 7 February 2008. The offer period is expected to close at 5.00pm (Sydney time) on Wednesday 27 February 2008.

For further information, contact the St.George Share Purchase Plan information line on 1800 804 457.

Important notices

This announcement, and the information it contains, does not take into account your investment objectives, financial situation or particular needs. In deciding whether to subscribe for shares you should read the SPP booklet which will be sent to you and seek investment advice from your financial adviser or other professional adviser. An investment in shares is not a deposit liability of any member of the St. George Group and is not subject to the depositor protection provisions of Australian banking legislation. This announcement is not a prospectus and does not constitute an invitation or offer to subscribe for or buy any shares.

This release does not constitute an offer of securities for sale in the United States. Any securities may not be offered or sold in the United States unless they are registered under the US Securities Act of 1933 or an exemption from registration is available.

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Media contact:

Jeremy Griffith
Corporate Relations
02 9236 1328 or 0411 259 432

Investors/Analysts:

Sean O'Sullivan
Investor Relations
02 9236 3618 or 0412 139 711