

ASX release



Despatch of BEN Converting Preference Shares 4 Postcard to Eligible Securityholders

Bendigo, Tuesday 17 October 2017: Attached is a postcard being sent to those holders of Bendigo and Adelaide Bank ("BEN") Ordinary Shares, Convertible Preference Shares 2, Convertible Preference Shares 3 and Capital Notes with a registered address in Australia at 7:00pm (Melbourne time) on Thursday, 12 October 2017 ("**Eligible Securityholders**").

The postcard notifies Eligible Securityholders of the offer of CPS4 pursuant to the CPS4 prospectus separately lodged with the Australian Securities and Investments Commission and the Australian Securities Exchange on Monday, 16 October 2017.

William Conlan
Company Secretary
Bendigo and Adelaide Bank Limited

As a Securityholder of Bendigo and Adelaide Bank, you are invited to register to receive a Prospectus and personalised Application Form for the Bendigo and Adelaide Bank Converting Preference Share 4 Offer



**The Offer is expected to open on
Tuesday, 24 October 2017**

**The Closing Date for the Securityholder Offer
is expected to be Friday, 1 December 2017**

These dates are subject to change

**To obtain a Prospectus or to apply online after the Offer opens,
follow the instructions on the back of this card**

Your SRN/HIN is

As an Eligible Securityholder, you can use your SRN/HIN to request a Prospectus and personalised Application Form or to apply online after the Offer opens

Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879

CPS4 are fully paid converting preference shares that provide investors with floating rate, quarterly, discretionary, non-cumulative Dividends which are expected to be fully franked

ABOUT THE CPS4 OFFER

- CPS4 will qualify on issue as Additional Tier 1 Capital for Bendigo and Adelaide Bank
- CPS4 are expected to be quoted on ASX and trade under the code "BENPG"
- The Dividend Rate will be the floating Bank Bill Rate plus the fixed Margin, adjusted for Bendigo and Adelaide Bank's tax rate
- The Margin is expected to be in the range of 3.75% to 3.95%, and will be set by way of Bookbuild
- As an example, assuming the Bank Bill Rate is 1.705%¹ and the Margin is 3.75%, the cash Dividend received by a Holder in respect of the following quarterly period would be 3.819% per annum (assuming the Dividend is fully franked). A fully franked Dividend Rate of 3.819%² per annum would be equivalent to an unfranked dividend rate of 5.455% per annum, if the potential value of franking credits is taken into account in full. The ability of a Holder to use franking credits will depend on their individual tax position and the time at which the cash Dividend is received
- If certain conditions are met, Bendigo and Adelaide Bank may elect to Convert CPS4 into Ordinary Shares of Bendigo and Adelaide Bank, or Redeem or Resell CPS4, on 13 June 2024 or on the occurrence of a Tax Event or a Regulatory Event. CPS4 are otherwise scheduled to Convert into Ordinary Shares on 15 June 2026 (subject to certain conditions being satisfied and if not Exchanged earlier) and must also Convert earlier following the occurrence of certain events described in the Prospectus, including upon the occurrence of a Capital Trigger Event or a Non-Viability Trigger Event

¹ The 90 day Bank Bill Rate on 10 October 2017 was 1.705% per annum

² The Dividend Rate shown is for illustrative purposes only and does not indicate the actual Dividend Rate

MORE INFORMATION

- Visit www.BendigoCPS4offer.com.au or call the CPS4 Information Line on 1300 032 762 (within Australia) or +61 2 8023 5417 (International) between 8.15am and 5.30pm (Melbourne time), on Monday to Friday or contact your professional adviser

HOW TO OBTAIN A PROSPECTUS

- Download a copy of the entire Prospectus from www.BendigoCPS4offer.com.au; or
- Call the CPS4 Information Line on 1300 032 762 (within Australia) or +61 2 8023 5417 (International) between 8.15am and 5.30pm (Melbourne time), on Monday to Friday to request a copy by post with a personalised Application Form

HOW TO APPLY

- Read the Prospectus in full
- Consider all the risks and other information and consult your professional adviser if required
- **Apply before the Closing Date, which is expected to be Friday, 1 December 2017**
 - Apply online at www.BendigoCPS4offer.com.au and follow the instructions (you will be required to provide your SRN or HIN, which is shown on the reverse side of this card); or
 - Complete and return a personalised Application Form accompanying the printed Prospectus and follow the instructions
- Applications must be for a minimum of 50 CPS4 (\$5,000)
- No Application Forms will be available before the Offer opens

IMPORTANT NOTICE

The Offer of CPS4 will be made on the basis of the Prospectus only. This card and the information it contains is a summary only and is not financial product or investment advice or a recommendation that CPS4 are suitable for you. This card is not an offer of, or invitation to apply for, CPS4. You should read the Prospectus in its entirety before deciding to apply for CPS4. Anyone who wants to acquire CPS4 will need to complete the Application Form that will be in or will accompany the Prospectus.

CPS4 are not deposit liabilities of Bendigo and Adelaide Bank and are not protected accounts for the purposes of the depositor protection provisions in Division 2 of Part II of the *Banking Act 1959* (Cth) ("**Banking Act**") or of the Financial Claims Scheme established under Division 2AA of Part II of the *Banking Act* and are not guaranteed or insured by any government, government agency or compensation scheme of Australia or any other jurisdiction. CPS4 are issued by Bendigo and Adelaide Bank under the CPS4 Terms and Holders have no claim on Bendigo and Adelaide Bank except as provided in the CPS4 Terms. CPS4 are complex and may not be suitable for all investors. The investment performance of CPS4 is not guaranteed by Bendigo and Adelaide Bank. The risks associated with investing in these securities could result in the loss of your investment. Information about the risks associated with investing in CPS4 are detailed in Section 6 of the Prospectus.

There are risks associated with investing in CPS4. In considering whether to apply for CPS4, it is important that you:

- consider the risk factors, including those that could affect CPS4 or the financial performance and position of Bendigo and Adelaide Bank;
- carefully consider these risk factors and other information in the Prospectus in light of your particular investment objectives, financial situation and particular needs (including financial and tax issues); and
- seek professional investment advice from your financial adviser or other professional adviser.