

BEN successfully completes CPS2 offer and redemption of SPS

Bendigo, Friday 10 October 2014: Bendigo and Adelaide Bank (“**BEN**”) today announced that its Convertible Preference Shares 2 Offer has now been completed, successfully raising approximately \$292 million, with approximately 2.92 million CPS2 issued at an Issue Price of \$100 per CPS2 (“**Offer**”).

BEN Managing Director Mike Hirst said the Offer had attracted significant interest from existing and new investors.

“It has also been pleasing to welcome a number of new investors to the Bank, who together with our existing shareholders and other stakeholders combined to make this a very successful offer.”, Mr Hirst said.

Allocation policy

All valid Applications received under the Reinvestment Offer, Securityholder Offer and General Offer have been accepted in full. Allocations to Syndicate Brokers and Institutional Investors were determined pursuant to the Bookbuild conducted on 8 September 2014. A scale-back was applied to Applications under the Broker Firm Offer and Institutional Offer. Applicants under the Broker Firm Offer should consult their Syndicate Broker to confirm their Allocation.

The basis of Allocation and the procedures by which Applicants can determine their Allocations are described in the advertisement set out in the attached document. BEN has published this advertisement in today’s editions of The Australian Financial Review and The Australian.

If you submitted a valid Application for CPS2 and require further information regarding your Allocation or have any questions relating to the Offer, please call the CPS2 Information Line on 1300 722 018 (within Australia) or +61 3 9415 4814 (outside of Australia) between 9.00am and 5.00pm (Melbourne time). Alternatively, if you are a Broker Firm Applicant and applied through the Broker Firm Offer, you can also contact your broker.

Trading on ASX

CPS2 are expected to commence trading on ASX on a deferred settlement basis on 13 October 2014 under the code “BENPE” until despatch of Holding Statements to successful applicants is completed, which is expected to occur by 16 October 2014. Trading is expected to commence on a normal settlement basis on 17 October 2014.

Successful Applicants are responsible for confirming their holdings before trading in CPS2. If you are a successful Applicant and sell your CPS2 before receiving your Holding Statement, you do so at your own risk.

Holding Statements and refund cheques

Holding Statements stating the number of CPS2 issued to each successful Applicant are expected to be despatched by 16 October 2014. Any refunds are also expected to be despatched by this date.

Dividend Rate and first Dividend Payment Date

The first Dividend payment will be \$0.5929 per CPS2 and is expected to be paid on 1 December 2014 (since 30 November 2014 is not a Business Day).

The Dividend Rate for the first Dividend Period will be 4.1615% per annum. This has been determined under the CPS2 Terms as follows:

Bank Bill Rate	2.745% per annum
Plus Margin	3.200% per annum
Equivalent unfranked Dividend Rate	5.945% per annum
Multiplied by (1 – Tax Rate)	x 0.70
Fully franked Dividend Rate	4.1615% per annum

The first Dividend payment will cover a Dividend Period of 52 days from (and including) the Issue Date of 10 October 2014 until (but not including) the first Dividend Payment Date of 1 December 2014 (since 30 November 2014 is not a Business Day) and is expected to be fully franked.

Maximum Conversion Number and Issue Date VWAP

The Issue Date VWAP has been calculated as \$12.08.

For the purpose of Conversion calculations as outlined in the Prospectus, the Maximum Conversion Number based on the Issue Date VWAP of \$12.08 is 16.5563 CPS2 if Conversion occurs on a Mandatory Conversion Date. The Maximum Conversion Number is 41.3907 CPS2 if Conversion occurs at any other time.

Tax ruling

As noted in the Prospectus, BEN applied for a class ruling from the Australian Taxation Office for confirmation of certain Australian tax consequences for holders of CPS2. BEN received the ruling in the form expected on 8 October 2014. A copy of this class ruling CR 2014/83 is available from the Shareholder Prospectus page at www.bendigoadelaide.com.au/public/shareholders/prospectus.asp and the ATO website at www.ato.gov.au.

Holders of CPS2 and participation by BEN Directors and associates in the Offer

A statement setting out the names of the twenty largest holders of CPS2, and the number and percentage of CPS2 held by those holders, is set out below.

Rank	Name of CPS2 holder	Number of CPS2 held	% of CPS2 held
1	NATIONAL NOMINEES LIMITED	121,714	4.17%
2	J P MORGAN NOMINEES AUSTRALIA LIMITED	69,013	2.36%
3	BNP PARIBAS NOMS PTY LTD <DRP>	60,000	2.05%
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	41,760	1.43%
5	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <MULTIPORT A/C>	35,000	1.20%
6	BOW LANE NOMINEES PTY LTD	19,760	0.68%
7	HSBC CUSTODY NOMINEES(AUSTRALIA) LIMITED	19,700	0.67%
8	SANDHURST TRUSTEES LTD <LMA A/C>	18,928	0.65%
9	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	17,719	0.61%
10	AUST EXECUTOR TRUSTEES LTD <DDH PREFERRED INCOME FUND>	17,405	0.60%
11	JONWEN INVESTMENTS PTY LTD	17,000	0.58%
12	JOHN E GILL TRADING PTY LTD	16,530	0.57%
13	BOND STREET CUSTODIANS LIMITED <MPPMIM - V16636 A/C>	15,435	0.53%
14	MBF INVESTMENTS PTY LTD	15,030	0.51%
15	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	14,921	0.51%
16	AUSTRALIAN SHAREHOLDER NOMINEES PTY LTD	14,500	0.50%
17	FOREST RIGHTS PTY LTD	13,000	0.45%
18	MS HEATHER MALLOCH SCOVELL & DR IAN LESLIE GARDNER <SCOVELL GARDNER FAM SF A/C>	13,000	0.45%
19	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD	12,622	0.43%
20	CITICORP NOMINEES PTY LIMITED	12,344	0.42%
Total number of CPS2 on issue:			2,921,188
Top 20 as a percentage of total number of CPS2 on issue:			19.35%

A distribution schedule of the number of holders of CPS2 is set out below.

Number of CPS2	Number of CPS2 holders
1 – 1,000	3,842
1,001 – 5,000	395
5,001 – 10,000	32
10,001 – 100,000	19
100,001 and over	1
Total	4,289

1,900 CPS2 were issued to BEN Directors and related persons in aggregate.

Redemption of SPS

In accordance with the Step Up Preference Shares ("**SPS**") Exchange Notice dated 8 September 2014, BEN completed the redemption of SPS on 10 October 2014. Eligible SPS Holders who elected to reinvest some or all of their SPS in CPS2 have had their redemption proceeds (i.e. \$100 per SPS) applied to the Application Payment for CPS2. SPS redemption proceeds for all other holders of SPS will be paid on 10 October 2014 in accordance with the SPS Dividend payment instructions held by the Registry.

A fully franked final dividend of 78 cents will also be paid to all holders of SPS on the register as at the SPS Dividend record date of 24 September 2014 (irrespective of whether they have participated in the Offer) in accordance with the SPS Terms. Proceeds will be paid on 10 October 2014 in accordance with existing SPS Dividend payment instructions held by the Registry.

Additional Information

Investors requiring further information should contact the CPS2 Information Line on 1300 722 018 (within Australia) or +61 3 9415 4814 (outside of Australia) between 9.00am and 5.00pm (Melbourne time) or by visiting www.BendigoCPS2offer.com.au.

Capitalised terms in this announcement have the meaning given to them in the Prospectus.

Further details

Investors

Travis Crouch
Head of Capital and Investor Relations
Phone: 03 5485 6261
Mobile: 0418 552 922
travis.crouch@bendigoadelaide.com.au

Media

Owen Davies
Head of Public Relations
Phone: 03 5485 7135
Mobile: 0418 521 817
owen.davies@bendigoadelaide.com.au

Important information for investors

Investments in BEN CPS2 are an investment in the BEN Group and may be affected by the ongoing performance, financial position and solvency of the BEN Group. CPS2 are not deposit liabilities or protected accounts of BEN under the Banking Act 1959 (Cth). This release is not financial product advice and has not taken into account any person's objectives, financial situation or needs. Investors should seek advice from their financial adviser or other professional adviser before deciding to invest in CPS2.

Important Notice To All Applicants Under The BEN CPS2 Offer

Bendigo and Adelaide Bank Limited (BEN) advises that the Offer of Convertible Preference Shares 2 (CPS2) under the Reinvestment Offer, Securityholder Offer and General Offer successfully closed on Friday 3 October 2014 and the Broker Firm Offer successfully closed on Thursday 9 October 2014.

Final price

CPS2 will be issued at an issue price of \$100 per CPS2.

Allocation policy

The Allocation policy for CPS2 is described below:

Reinvestment Offer Securityholder Offer General Offer	Valid Applications under the Reinvestment Offer, Securityholder Offer and General Offer were not subject to a scale-back and have been accepted in full.
Broker Firm Offer Institutional Offer	Allocations to Syndicate Brokers and Institutional Investors were determined pursuant to a Bookbuild conducted on 8 September 2014. A scale-back was applied to Applications under the Broker Firm Offer and Institutional Offer. Applicants under the Broker Firm Offer should consult with their Syndicate Broker to confirm their Allocation.

Applications that were accompanied by cheques that were subsequently dishonoured and online Applications for which BPAY® payments were not received have not received an Allocation.

Applicants (other than Applicants under the Broker Firm Offer) can obtain information about their Allocation of CPS2 by calling the CPS2 Information Line on the numbers provided at the end of this notice.

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CPS2 are expected to commence trading on ASX on a deferred settlement basis on 13 October 2014 under the ASX code "BENPE" until despatch of Holding Statements to successful Applicants is completed, which is expected to occur by 16 October 2014. Trading is expected to commence on a normal settlement basis on 17 October 2014.

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Holding Statements and refund cheques

Holding Statements stating the number of CPS2 issued to each successful Applicant are expected to be despatched by 16 October 2014. Any refunds are also expected to be despatched by this date.

To obtain information about your Allocation of CPS2 or about the Offer

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