



28 November 2011

Announcement to the Australian Securities Exchange

The Rock shareholders approve merger with MyState to create one of Australia's leading listed community-focused financial services groups

The Board of The Rock Building Society Limited (The Rock) is pleased to announce that shareholders today approved a proposal for the merger of MyState Limited (MyState) and The Rock, with approximately 98.5% of the votes cast at the scheme meeting were in favour of the merger.

The merger of The Rock and MyState realises the ambitions of both MyState and The Rock to expand the scale of their operations geographically, to secure growth opportunities and to secure economies of scale available to the enlarged entity.

Commenting on the outcome of the scheme meeting, The Rock's Chairman, Mr Stephen Lonie, said "Today's vote brings together two sound businesses, to create one of Australia's leading listed community-focused financial services groups. This merger is the next logical step in The Rock's development, providing a broader offering for customers and a real alternative to the bigger banks for the communities of regional Queensland. We are pleased that the structure of the transaction will allow for a continuation of the proud traditions of The Rock's brand and for the Company's Rockhampton base to be maintained."

MyState's Chairman, Dr Michael Vertigan AC, said "The merger of The Rock and MyState will create an enlarged business with enhanced long-term prospects, greater scale and diversification and a stronger balance sheet, enabling us to maintain competitiveness and achieve on-going growth."

The Scheme remains subject to the Court approving the Scheme at the second Court hearing on 1 December 2011, in accordance with section 411(4)(b) of the Corporations Act.

As previously advised, Dr Michael Vertigan will continue as Chairman of MyState and Stephen Lonie will be invited to join the MyState Board as a non-executive Director. The merged entity's executive team will be led by the current Managing Director of MyState, John Gilbert.

Early interim dividend

As previously advised, The Rock's Board resolved, on 21 November 2011, to pay an early interim fully franked dividend for the 2012 financial year of \$0.06 per share. The payment of the early interim dividend is contingent on the successful implementation of the Scheme and is expected to be paid on 19 December 2011.

MyState announced, on 15 November 2011, that it would pay a 2012 interim fully franked dividend to MyState shareholders of \$0.14 per share. The MyState interim dividend is not contingent on the successful implementation of the Scheme. MyState's existing target dividend payout ratio of 70% to 90% of post tax profits is expected to be maintained post-merger.

Key remaining dates in relation to the Scheme are as follows:

- **1 December 2011** – Second Court hearing to approve the Scheme and Effective Date.
- **Close of trading on 1 December** – Suspension of trading in The Rock shares on ASX.
- **2 December 2011** – Trading in New MyState Shares commences on deferred settlement basis.
- **8 December 2011** – Record date for the Scheme and The Rock's early interim dividend.
- **12 December 2011** – Scheme implemented.
- **15 December 2011** – Trading in New MyState Shares commences on normal settlement basis.
- **19 December 2011** – The Rock's interim dividend paid subject to the implementation of the Scheme.

Shareholder information

Further information for The Rock shareholders will be available from The Rock by calling 1800 806 645 or +61 7 4931 5500.

ENDS

For further information, please contact:

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Rock investors:	Shareholder information line	1800 806 645 or +61 7 4931 5500
MyState investors	Shareholder information line (Computershare)	1300 850 505 or +61 3 9415 4000

Information about The Rock

The Rock is a customer-focused financial institution founded in Rockhampton in 1967. It is an Authorised Deposit-taking Institution (ADI) governed by the Australian Prudential Regulation Authority (APRA). The Rock listed on the Australian Securities Exchange (ASX) in 1992.

The business provides a range of products and services, including home loans, term deposits, savings accounts, insurance and online financial products through its branch, mini-branch, ATM and mortgage broker networks. The Rock has nine branches, 20 mini-branches and 32 ATMs across regional Queensland, where it has strong brand recognition and customer loyalty. It has approximately 130 staff.

The Rock maintains strong links with the communities in which it operates, supporting community events, organisations and charities through its highly-regarded and award-winning Community Support Program.

Information about MyState

MyState is a non-operating holding company and is a major Tasmanian based listed diversified financial group. It was formed in September 2009 to effect the merger of MyState Financial, an ADI, and Tasmanian Perpetual Trustees (TPT), a trustee and wealth management company.

Both MyState and MyState Financial are regulated by APRA and MyState was enabled under Tasmanian legislation to own TPT, an authorised trustee company. TPT continues to be a registered superannuation entity. Both MSF and TPT hold Australian Financial Services Licences and Australian Credit Licences issued by the Australian Securities and Investments Commission (ASIC).